

**EXPLORING ON EFFECTIVENESS OF MARKET COMMUNICATION AS
A TOOL TO IMPROVE PUBLIC ORGANIZATION PERFORMANCE: A
CASE STUDY OF TANESCO**

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CERTIFICATION

The undersigned certifies that he has read and hereby recommends for acceptance by the Open University of Tanzania, a dissertation entitled “*Exploring on Effectiveness of Market Communication as a Tool to Improve Public Organization Performance*” in partial fulfillment of the requirements of the degree of Master in Business Administration of the Open University of Tanzania.

.....
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Signature

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Date

DEDICATION

I would like to dedicate this work to my beloved Son, Emil Elvis, whose existence in this world has changed my life in a special way that makes me work tirelessly to ensure achievements to my responsibilities and added value to my life. In the same way I dedicate this work to my lovely wife Engineer Haika Patrick, for her continued support and advice and who had to put up with some lonely moments during my absence.

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ABSTRACT

Across the globe most of Public utilities have been underperforming and as a result doesn't meet stakeholder's expectation. In Tanzanian, TANESCO is among public utilities companies monopolized the electricity supply market within the country. The company is responsible for Generation, Transmission and distribution of electricity, under an environment where demand of quality power and quality service is very high. To ensure services are improved TANESCO made a decision of establishing a Market Department and assigned a responsibility of introducing various tools, including market communication. This study was carried out to establish the effectiveness of marketing communication within TANESCO on improving electricity related service delivery. The performance indicators were selected and linked with the tools to determine the performance. A Sample size was also determined from both within (employees) and outside the company for establishing questionnaires and interviews used to collect data and analyze the obtained information. Within the company, especially those working directly within the marketing department are so optimistic about the positive results of the tools; success has already been realized via increment on monthly collection. On the contrary, outside the company the customers' feel that not much impact has been made and therefore feel that the company must do more. These mixed feelings create demand for the company to evaluate the implementation of the tool and do some adjustments to ensure that the intended goal is met.

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LIST OF ABBREVIATIONS

AMA	- American Marketing Association
EWURA	- Energy and Water Utilities Regulatory Authority
IMC	- Integrated marketing communication
MC	- Market communication
TANESCO	- Tanzania Electric Supply Company

CHAPTER ONE

1.0 INTRODUCTION

1.1 Background to the Problem

Reforms in public sector which are aimed at improving service delivery have received considerable focus during the last two decades. Some of the reasons being global trends such as rising customer expatiations, budgetary constraints, global competition for investment, public sectors reform programmes and changing demographics, which have transformed the environment in which public sector operates (Batley, 1999). The situation has in turn broken down old constrains and created new opportunities. Fundamental to the demand for better public services are heightened expectation of citizens – expectations that transcend economic status, geographies and the different methods of funding, managing and delivering these services.

Reforms in the country via structural adjustment and economic policies have called in for reforms in the policies geared at stimulating competition in all sectors, including those that were initially dominated by sole Government supported providers. In turn this has forced many parastatal organizations that enjoyed the monopolistic tendencies in the business to live to realities of Market wishes. (Kotler and Lee, 2007)) Argued that one common challenge faced by every organization is how to service its customers better. The public sectors are of no exception.

Traditionally, it has been seen as a passive vehicle for executing social policy mandated by legislation. Increasingly, however accustomed to enhanced service

delivery from the private sector, citizens/business view the public sector as another provider of services for which they pay taxes. To address this, public sector must find ways of improving efficiency and effectiveness of its service delivery. The structure of energy markets is undergoing profound changes in many countries around the world. In the recent decade, deregulation has opened previously monopolistic environments and opened for free market competition (Weidmann, 2005).

Modern marketing calls for public utilities not only for developing and delivering good product or service but also pricing it attractively and making it accessible. In real situation if customers in this case public/citizens are left alone, will not be satisfied with the firms' products which will ultimately have impact to public utilities performance and credibility. The studies in the fields have identified numerous private marketing instruments that can be transferred to the public and nonprofit sector. One of the instruments that can be persuaded is Marketing Communication (MC).

This instrument depends on a citizen-centered approach and employs accustomed blend of the marketer's methods, which the private sector has been using for decades. Customers need to understand the essence of a business and the benefits that will come from using that firm's goods and services. What does "effective marketing communication" bring to mind is advertising, selling, or perhaps manipulation. In fact, these are tactics that can be used when marketing principles and techniques have not been properly performed. They can develop price, distribute and communicate effective real value of offerings.

Baack (2007) argued that, marketing methods range from approaches as simple as stand along billboard advertisements to complex multilingual global websites. The number of ways to reach potential customers continually increases. In the face of these sophisticated and cluttered market conditions, firms try to be heard. Marketing experts know that a company's market communication must speak with a clear voice.

Tanzania Electric Supply Company Limited (TANESCO) is a parastatal organization under the Ministry of Energy and Minerals (MEM), established in 1964. The Company generates, transmits, distributes and sells electricity to Tanzania Mainland and sells bulk power to the Zanzibar Electricity Corporation (ZECO) which in turn sells it to the public in islands Unguja and Pemba. TANESCO owns most of the electricity generating, transmitting and distributing facilities in Tanzania Mainland which has an estimated population of 42 million.

The German era established the first public electricity supply in Tanzania (which was then called Tanganyika) in 1908 at Dar es Salaam. In 1931, the Government handed over the undertaking at Dar es Salaam and those elsewhere upcountry (Dodoma, Tabora and Kigoma) to private enterprises. One of these companies was the Tanganyika Electric Supply Company Ltd. (TANESCO) which was established on 26th November 1931 and the other company was the Dar es Salaam and District Electric Supply Company Ltd (DARESCO). The two companies merged in 1964 and later changed its name into Tanzania Electric Supply Company (TANESCO) which exist to-date. TANESCO is incorporated under the Companies Ordinance Cap 212

(now the Companies Act) and from that time it is wholly owned by the Government of Tanzania.

The country's power sector has generally grown over time in terms of size and network coverage. Visually, its performance (at utility level) at the end of monopolistic era differs extensively from the levels observed in the period 2002-2011. For instance, the installed capacity both in the main and isolated grids has increased from 482MW at the end of 1991 to 997MW in 2011. Generally, the composition of electricity generation by source of generation has also grown over time. The corresponding system peak demand has also more than doubled, from 297MW in 2002 to 833MW in 2012. Electricity generation from the hydro system is adversely affected due to poor weather conditions hitting the country. Consequently, TANESCO has taken measures to reduce hydro dependence that resulted in shifting thermal generation contribution from current 40% to a balance hydro-thermal having 65% in the future. At present 60% of electricity is generated from thermal power plants.

In line with the strategy, marketing function was established at TANESCO, mainly to ensure customer satisfaction become a heart of TANESCO business and is therefore among the top three priorities. The move not only called for the organization to understand its customers' needs, but also to satisfy and delight the customers. Every year TANESCO introduces new services and improves existing ones. Whenever this happens, marketing undertakes promotion campaigns by using market communication/promotion mix tools for the purpose of informing customers

on the availability and benefits accrued to customers from using these services. Promotion campaigns are also carried out to persuade customers on the suitability and usefulness of TANESCO products to customers needs. As for relatively older products and services, marketing undertakes promotion mix which involves advertisement, sale promotion, personal selling and publicity as a means to remind customers that such services still exist.

1.2 Statement of the Research Problem

Government utilities/agencies and their administrators are under increasing pressure to improve performance and demonstrate a positive return on investment of resources and taxpayer. One useful discipline that can help to achieve the intended goal is marketing communication. The tool ensures offering and reporting on utilities performance, they engender citizen support, by developing infrastructures mindful of citizen inclinations and behavior. Effective market communication motivate voluntary compliance, by providing easy access to services, they increase utilization and even decrease operation costs.

Effective Marketing communications is just one element of the marketing mix, but advertising, promotions, marketing oriented, public relations and other marketing communication tools perform increasingly important roles in improving performance of organization on achieving both financial and non financial goals. Marketing communication practitioners are confronted with the rising costs of placing ads in traditional media (television, magazines and so on) and are aggravated by ever growing clutter when advertising in the media.

For these reasons, advertising and promotion budgets are beginning to shift away from traditional media and toward the use of information technology such as the use of internet. The use of internet has become an important advertising medium both as a means of accessing difficult to reach groups and provide numerous options from presenting advertising messages and promotion offers to various groups (Chimp, 2007). Electronic business (e-business) which include internet has improved the implementation of MC tool and enabled every customer to choose what they want, how they want and when they want to receive the information and to purchase the product [Schultz and Schultz 1998]. Considering these circumstances, marketing communications, and more importantly, integrated marketing communications becomes the core of business and the overall corporate strategy.

The value of marketing communications on organization performance is unquestionable. The tool with its extensive communication expertise, marketers help businesses to build a strong corporate identity which shapes the corporate/ brand image. Additionally, marketing specialists hold the responsibility of managing various stakeholders, on top of solely customers [Varey 1998:185]. Marketing communications equips the management with knowledge of the market and potential business directions. This eventually can influence corporate decision-making. Marketing communications is also concerned with internal communications in organizations [Varey 1998:186]. But most importantly, companies benefit from marketing specialists because they represent the voice of the customer – building strong relationship and knowing your customer's needs is key for any successful business [Varey 1998:187].

Therefore, corporate communication being at the strategic level of an organization is the integrated framework for managing overall communications where marketing communications is an integral part of it [Cornelissen, 2009:31]. The tool simply let marketing serves corporate communication and, therefore, its contribution should not be overlooked on overall organization performance on the context of corporate communication. That is why evaluating performance of marketing communications has become a vital issue on determine the performance among small and big companies.

In Tanzania Reforms have ushered in an era of free markets where the rights of customers have driven the government to pass and act in energy sector and established EWURA to regulatory the sector and ensure the welfare of consumers by acting as an advocate for the customer. So, Customer satisfaction is now at the heart of TANESCO business and is therefore among the top three priorities. In its strategic plan the company enumerates five strategic goals of which customer service is one. Even further marketing department was established five years ago within TANESCO with an objective of spear heading the implementation of market communication to facilitate the approach. However, how the tool affects the performance of TANESCO needs to be well established.

Literature review suggests that historically marketing communication efforts were measured on medium-by-medium basis, meaning that all elements of market communication which includes advertisement, Sales promotion, personnel selling and publicity referred as promotion mix were measured separately and in isolation

[Keller 2001, Ewing 2009, Reinold and Tropp 2012]. Due to the increasing importance of integrating Market communication messages and activities and how it affect the performance of organization especially into overall corporate strategy, marketing communications has become ever more complex in terms of measuring its performance. Consequently, further study need to be carried out for public utilities for TANESCO to prove whether marketing communication applied tool has made an impact anyhow.

1.3 Research Objectives

This is a set of research objectives that a researcher uses to guide the study, comprised of both general and specific objectives.

1.3.1 General Objective

Generally the research objective is to study the effectiveness of marketing communication on improving TANESCO performance.

1.3.2 Specific Objectives

- (i) To discover how advertisement contributed to performance of TANESCO especially on customer increase, revenue collection and awareness of the company products.
- (ii) To identify the impact of Sale promotion activities in the performance of TANESCO as an organization.
- (iii) To analyze how Publicity activity influences TANESCO in terms of revenue collection, customer base, awareness of the product to customer and customer service.

- (iv) To find out the contribution of Personal selling in improving performance of TANESCO.

1.4 Research Questions

This is the set of research questions that a researcher will use to achieve meeting the research objectives. It includes the general questions and the specific questions as follows:

1.4.1 General Research Question

The general research question that study attempts to answer is. How effective is market communication on improving TANESCO's performance in Tanzania?

1.4.2 Specific Research Questions

The specific questions that a researcher attempts to answer when conducting a study includes the following;

- (i) What impact has advertisement made to the overall performance of TANESCO on customer increase, revenue collection and awareness of the company products?
- (ii) What contribution has sales promotion made to the TANESCO on customer increase, revenue collection and awareness of the company products?
- (iii) To what extend does Publicity activity made on TANESCO's service delivery which including revenue collection, increase on customer and customer satisfaction?
- (iv) How Personal selling contributed to performance of TANESCO on customer increase, revenue collection and awareness of the company products.

1.5 Significance of the Study

The study exposed the researcher to the marketing environment of public utilities on delivering the services and provided vital information on running public utilities. The study was done to the government utilities; therefore the information obtained helped the shareholder (Government) of public utilities to formulate policies and guidelines that will ensure promising future of quality service delivery in Tanzania. The study provide basic information for the coming researches.

Lastly the study exposed the position and role of citizens who are the major customers of public utilities services as far as market communication is concerned to improve public utilities services.

1.6 Scope of the Study

The study conducted within TANESCO organization (at Head office and in four regional offices in Dar-es-Salaam which includes Kinondoni North, Kinondoni South, Temeke and Ilala) where data collected from both employees and customers who visited regional offices to learn the impact of market communication tools have been applied to improve organizational service delivery for the past five years.

The questionnaire designed to a specific respondent to obtain the required data. Observation of various line products and services of electricity that have been sold via tools of Market communication was revisited to see how beneficial the tools have been applied. Ultimately data was collected processed and final result presented with recommendation following the information obtained.

1.7 Organization of the Study

Based on the structural plan of this study and objectives, the researcher strives to achieve the goals through answering questions which measure the effectiveness of marketing communication/promotion mix on improving TANESCO performance. Chapter one covers the background information which builds on statement of research and formulation of research questions. Chapter two covers the literature review where the researcher explores on how various writers carried out the study regarding the subject worldwide, in Africa and in Tanzania. In this chapter the researcher also describes the conceptual framework and theoretical framework which explains how the promotion mix (advertisement, sales promotion, Personal selling and Publicity) affect TANESCO's performance in term of revenue collection, customer base, customer service and awareness of organization products.

Chapter three describes in details the methodology used to collect the data, including sampling within and outsides of TANESCO and data collection through guidance of questionnaires and interviews. The data collected from four selected regions and TANESCO Head Quarters regarding market communication/promotion mix is analyzed and presented in chapter four. Excel programs mainly was used to analyze data and figures presented to explain the findings. The conclusion and recommendation as well as suggested areas for further studies are presented in Chapter five of the document.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter attempts to bring out other researches which are directly or generally related to the research topic. It describes the conceptual framework, theoretical literature review, empirical review, policy review, research gaps as well as conceptual and theoretical framework of the study.

2.2 Conceptual Definitions

Definitions of the important concepts used in the study.

2.2.1 Market Communication

According to Shimp, (2007) Integrated market communication is described as a type of communication process that involves planning, creation, integration and implementation of diverse forms of market communication, including (Sales promotion, publicity releases, event and advertisements) that are delivered over time to a brand's target customers and prospects. In other words MC can be defined as a coordination of all promotional and other marketing activities that communicate with a firm's customers and other stakeholders, with the aim of ultimately influencing or directly affect the behavior of the target audience.

2.2.2 Public Utilities

The public organization/utility is the entity that is entrusted with the delivery of goods and services by, and, for the government at the national, regional or local

levels (Mansour, 2008). Unequivocally, the public sector in modern politico-administrative settings merit to be characterized in many ways. It can also be described in terms of the types of public policies that organizations in the public sector deliver for citizens (for example, the Welfare State).

2.2.3 Promotion

Stanton J. *et al.* (1994) define promotion as the element in organization marketing mix that service to inform, persuade and remind the market of product and organization selling, it hopes to influence the recipient's feelings of behavior. Basically, promotion attempts to influence recipients' choice or response. And this is done through the promotion mixes which includes Advertising, Personal selling, sales promotion, public relations and publicity.

2.2.4 Advertising

Mc Caurthy and Perreauth (2000) define advertising and any form of personal presentation of ideas, goods or services by an identified sponsor. It includes the use of such media as magazines, newspaper, radio and television, signs and direct mail. Advertising consists of all activities involved in presenting to a group a non-personal, sponsor identified message about a product or organization.

2.2.5 Sales Promotion

According to the American Marketing Association, AMA sales promotion are those marketing activities other than personal selling, Advertising and publicity, that stimulate consumer purchasing and dealer effectiveness such as display, shows and expositions, demonstration and various non-recurrent selling efforts not in the ordinary routine, Peterson (1997).

2.2.6 Personal Selling

Lancaster (1994) defined personal selling as a direct presentation of a product to the prospective customer by a representative of the organization selling it. Personal selling is an oral presentation in conversation with one or more prospects for the purpose of making a sale.

2.2.7 Publicity

Peterson (1997) says “Publicity is a means of promoting the mass market similar to advertising except that it is free. It is found in editorial portion of news media”. The most common types of publicity are news releases, photographs and feature series, annual reports seminars and charitable donations.

2.2.8 Organization Performance

According to Richard *et al.* (2009) define it as the actual output or results of an organization as measured against its intended outputs (or goals and objectives). Organizational performance encompasses various specific areas of firm outcomes, which includes; financial performance (i.e. profits, return on assets, return on investment), non-financial performance (i.e. customer satisfaction, customer retention, job satisfaction) and Product market performance (i.e. sales, market share), Shareholder return (i.e. total shareholder return and economic value added).

2.2.9 Performance Indicators

Frederico G F (2009) defined it as sets of quantifiable measures that a company or industry uses to gauge or compare performance in terms of meeting their strategic and operational goals. Indicators vary in wide range between the companies and

industries, depending on their priorities or performance criteria they are normally determined. Some of the company also look at performance indicators as a guide for making investments, defining goals and also benchmarking against the actual status, in addition to a facilitating instrument for predicting and reducing uncertainties, identifying high priority actions, helping in engaging and managing staff and being a dynamic tool reflecting the organization's behavior.

2.3 Theoretical Literature Review

This section present literature compiled in notable books that have covered the subject under study. The study has identified various theories and practices of market communication tools and how they have been practiced in various countries in public utility.

2.3.1 Public Sector Reform

Attempts to reform public sectors were administered since last decade; generally they are significantly different from those of the immediate post-independence period. The earlier reform aimed at shaping a public administration that could spearhead national development, albeit in the mould of colonial age. Current reform effort aim to reduce cost and refocus the activities of the public sector, to change the way work is performed and reduce the costs and refocus the activities of the public sector, to change the way it works, and to promote the role of the market and non-governmental actors both in service provision and in the economy at large. This time around, reforms are driven by pressures from economic crises and structural adjustment, donor imposition, domestic demands for change amplified by growing

political pluralism, and emulation of reforms in other countries as according to Batley (1999).

2.3.2 Public Sector and Market Communication

The situation call upon for the public sector to use alternative tools that will divert a focus and structured service in market perspective, in order to improve both efficiency and effectiveness as explained by (Weidmann 2005). The situation is even inevitable to electrical utilities which faced challenges in term of operation and economy of scale. Market communication can have contribution in the situation, if future changes have to be realized.

Using as a starting-point the model of integrated marketing communication (IMC), which is based on the tenet that the company integrates the marketing message conveyed to the consumer, this paper switches the focus by highlighting the consumer's message integration. A review of the marketing communication literature on meaning creation uncovered four central factors influencing the process of meaning creation: historical; future; external; and internal factors.

However, the literature seems to be lacking a broad model that includes all these factors as well as a specific study of the nature and impact of future factors. Combining insights from marketing communication with findings from research in relationship marketing, this paper presents a holistic model that is based on the consumer perspective and takes into account the impact of all four factors on message integration. By shedding light on the influence of the future time factor on

message reception, the paper presents an emerging Relationship Communication Model (RCM). It offers researchers and marketers a useful tool for understanding and managing marketing communication more effectively.

According to Shimp (2007) IMC is coordinating all the promotional and other marketing activities that communicate with a firm's customers and other stakeholders. The goal of IMC is ultimately to influence or directly affect the behavior of the target audience. Peterson (1997) defines promotion as any marketing effect whose function is to inform, or persuade actual or potential consumers about the merits of a product or service for the purpose of inducing a consumer either to continue or to start purchasing the firm's product or service at some (given) price. Stanton J. et al (1991) defined promotion as the element in organizations marketing mix that services to inform, persuade and remind the market of the organization or/ and its products.

Stanton J. *et al.* (1994) again in new edition defined promotion as the element in an organization marketing mix that services to inform, persuade and remind the market of product and organization selling it in hopes of influencing the recipient's feeling or behavior. Basically, promotion attempts to influence recipients' choice or response. And this is done through the promotion mixes which are: - Advertising, Personal selling, Sales promotion, Public relations, and Publicity. Thus we refer to promotion as one of the marketing mix or elements-sometimes called four P's-aimed at increasing sales and market share by informing, influencing, persuading and reminding the market about the product through media of communication and it can

be done through the promotion mix or elements i.e. advertising, personal selling, sales promotion, public relations and publicity.

In many business organizations, the need for implementing promotion tool is increasingly as important as a factor of protecting the profit margin. The basic objective underlying all promotion is an increase in sales. The aim is set in terms of time and a strategy devised at achieving either short or long-term gains includes:- To widen distribution of the product or service, To gain customer loyalty and convert them to regular users for new or improved product/services, Inform customer about new product in the market and also price charges, Persuade customer that the brand promoted is the best persuade them to try the brand and Remind customers and market about the product, where it can be available and its best quality.

All these aims of promotion depends on where and when the supplier decides to do promotion, however, the general purpose of promotion is to boost up sales volume of the given entity, since most of the informed, persuaded and reminded customer are expected to by the promoted product.

Promotion mix or elements are the methods through which company makes the public aware of the existence and the benefits of the product-goods and services- including the quality, quantity, price contents (ingredients) and sometimes how to use it.

Generally there are five forms of promotion mix and it includes advertising, personal selling, sales promotion, public relations and publicity Stanton (1991) and Peterson

(1997) say “each promotion tool has its own unique characteristics and costs hence an organization has to analyze how to best apply the tool.

2.3.3 Promotion mix – Advertising Tool

Advertising can be verbal or/ and visual and is disseminated through one or more media Stanton *et al.* (1991). When an organization advertises its product or services, the public knows who is doing the advertising because the sponsor is openly identified and the sponsor makes payment to the media that carries the message. Advertising has the following characteristics.

It is persuasive; Advertising permits repetition and ensure cavity of a message, when newspapers and magazines, for example, are used to reach the message to targeted customers, customers can read the message many times and they can compare the message of various producers by having several newspapers and magazines in which different companies have advertised their products.

It covers wide respondents; i.e. Advertisement that has the ability to reach large number of people at a time and its public nature confers a kind of legitimacy on the product. Also suggests motive for purchasing a particular product or service. Advertising provides opportunity for dramatizing the company and its products through artful use of prints, sounds and colour. Through advertising therefore, message reaches to all people at the same time, thus it focuses upon groups of people rather than individuals. The major advantage of this method is that, it is cheap compared to other methods move promotion as it reaches many people at time hence

it gives low cost per consumer contacted. Thus advertising is the cheapest toll of promotion aimed at mass audience, with its effect not easily determined, and can be done through Radio, TVs, newspapers, magazines, Billboards, posters, direct mail and at point of purchase or point of sale (POS) displays.

Personal selling is a form of promotion which is applicable depending on the nature of the product/service and its buying behavior. Personal selling is appropriate to high priced and technically complex products which are bought frequently. Since personal selling is an oral presentation or direct presentation, it takes place face to face or over the phone between salesperson and customer, then it requires good interpersonal skills training and is highly professional activity, hence conducted by salesperson. The tool is more effective in selling capital equipment and industrial goods.

Since a salesperson faces customer, makes conversation with him or her directly, he/she is expected to: Provide all necessary information regarding a product or service. Answer all questions regarding product and a company as whole from customer, it is therefore easy to him to foster confidence to customers regarding products and the company. Styles of personal selling include trade selling, missionary selling, technical selling and new business selling. Its major goal is to make a sale while other tools of promotion move a prospect closer to a sale.

2.3.4 Promotion mix – Sales promotion

Sales promotion according to Lancaster, *et al.* (1993), is an immediate step on delayed incentive to purchase. A distinguishing characteristic of sales promotion is primarily a tactical tool with short effects. Baker (2007) defined sales promotion as a

facet of marketing that is adding value usually of a temporary nature to a product/service in order to persuade the end user to purchase that particular product/service.

The main objective is to encourage customers to switch brand, encourage customer to try a new brand/product/service and encourage heavier purchase. Major forms of sales promotion are premiums, exhibitions, trade show and free samples. The chief factor in assessing the success of sales promotional campaigns is in the effect on sales as compared to cost of the campaign. It is advisable to pre-testing before going into the market. To measure the effectiveness of sales promotion, it is important to monitor sales over a long period than the duration of campaign itself.

2.3.5 Promotion mix – Publicity Tool

Publicity is promotion about an organization or its products and services which is not paid for the organization” Lancaster *et al.* (1994) Stanton W. *et al.* (1994) defined publicity as any communication about an organization, its products or services through the media that is not paid for by an organization.

For so long this strategic marketing tools were neglected by marketing strategy writers. It is extremely cost effective and has a high credibility thus it should be managed with the same and in conjunction with the rest of promotion mix. It is commonly used to announce new products or services, publicize new policies, recognize employees and describe research breakthrough or reports financial performance if the message is viewed by the media as newsworthy. Stanton *et al.*

(1994), defined public relations as a management tool designed to favorable influence attitudes towards an organization, its products or services and its policies.

Lancaster *et al.* (1993) defined public relations as the deliberated planned and sustained effect to establish and maintain mutual understanding between an organization and its public. This instrument of promotion mix is aimed at publics such as policy makers and politicians other than the consuming public. It also aims to maintain a good image for an organization and a favorable relationship with customers, prospects, stakeholders, employees and the government. Publicity and public relations are difficult to evaluate i.e. it is not easy to measure effects of these tools but they can increase awareness of a product or brand name, or changes in attitude and beliefs about an organization. Most companies achieve good relations by supporting charitable projects, aids participating in community events and sponsoring sports.

2.3.6 Organization Performance Indicators

Luiz Edmundo (2009), argue that measurement of organizational performance has undergone changes in relation to its measurement focus. From a uniquely financial perspective, it began to consider other non-financial perspectives, as well as to include a cause and effect relation between the operational dimension and the strategic dimension of organizations.

Based on above argument a company need not only to focus on financial indicators but also on non-financial indicators. Frost (2000) also explained that depending on business nature, stakeholders such as external customer, internal customers,

regulation authorities, shareholders and others can determine how the organization perform. Therefore consideration should be made to all stakeholders involved with the organization when measure the performance of organization. According to Adams and Neely (2003), who structured the Performance Prism, stakeholder satisfaction, as well as its contributions act at the core of the search for success in an organization. Even though process perspectives, strategies and competencies are involved and serving as supporting perspectives to reach stakeholder satisfaction or receive their contribution.

Bogan and English (1997) present a differentiation among performance indicators in past and current contexts and mentions profitability as a central core of performance of organization. They also go further and mention that the profitability can be measured by increase on revenue, costs reduction, control of cash flow, capital expenditures, Sales increase, and increase on number of customers, Liabilities, debtors and Level of assets. They also argue that performance indicators have now been improved to include other non-financial dimensions which mainly take care of stakeholders needs (clients and employees) as shown in Figure 2.1.

According to Cavenaghi (2001), financial performance measurement is seen as the only way, the correct and legitimate way of assessing effectiveness and efficiency in an organization. Drucker (1998) however stresses that, in measuring performance, it is important to consider the strategic approach that goes over an organization's internal boundaries, overcoming the vision contemplating cost centers and approaching issues like proprietary and third-party technologies, changes in

economy, markets, clients and future targets and financial markets. In that case performance indicators should also include quality of service or product, customer retention, customer satisfaction, staff retention and fault index.

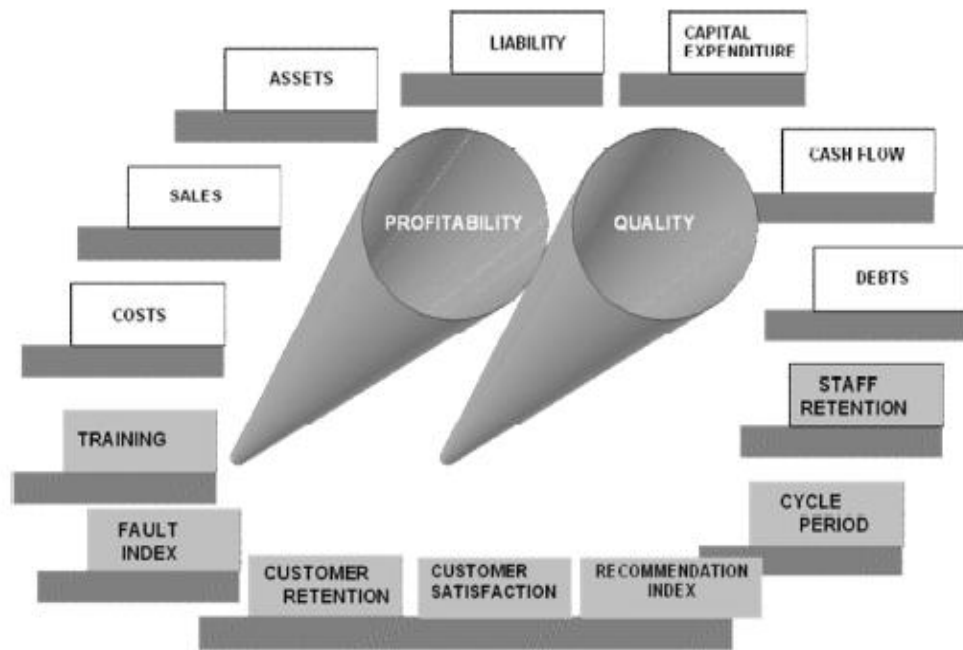


Figure 2.1: Integrated Performance Indicators of Organization

Source by Bogan and English (1997)

Nelly and Adams (2000). Proposed that various organizations can have different ways of measuring the performance, but nonetheless the model in Figure 2.1 preferred as it is a broader model, since it considers both internal and external stakeholders and parameters of performance. According to Adams and Neely (2003), in the structure of such Performance Prism, stakeholder satisfaction, as well as its contributions act at the core of the search for success in an organization. For the authors, even though process perspectives, strategies and competencies are involved and serving as supporting perspectives to reach stakeholder satisfaction or receive their contribution. Neely, Adams, and Crowe (2001), had an opinion that the model

has been applied in a real number of situations. It has also been used in mergers and acquisitions, aimed at improving public organization.

Electricity Utilities like any other organization have no exceptions as all the performance criteria holds. The World Bank the journal referred as “Monitoring Performance of Electricity Utilities” conducted for sub-saharan Africa, identifies monitoring performance of power utility as key to the reform of electricity utilities. The journal goes further and names some of the financial indicators which include: connectivity potential, Tariff setting and adjustment, Profit/Loss, Customer billing collection, Total cost, Total revenue, customer service and service restoration.

2.4 Empirical Literature Review

In the course of documentation, a researcher went through different reports and references about the impact of promotion mix on sales or/ and organization in general.

2.4.1 General Empirical Review in the World

Consolata Sanka (1999), in her research “effectiveness of promotion in service marketing”, states that, most people in organizations think that promotion is the role of marketing department only. This reduces the effectiveness of promotion mix/tool(s), and she concludes that frequent seminars, conferences, workshops and training should take place so that every employee in every department can participate in getting the expected promotion effect to organization.

Bonnie Drewniany (2010) in the study conducted in Colombia referred as “Creative strategy in advertising” explains that what is needed for successful program

implementation in today's fast-changing media environment is to start with customer needs. Focusing on the idea that good advertising always starts with an understanding of people and an awareness of their needs. He suggests that implementation of strategic advertisement should therefore focus on both internal and external customer needs.

Shahriar Chaharsoughi and Jamia (2011) in the study conducted at India with the purpose of learn the affect of sales promotion on consumer interest to purchase products of IKCO automotive company as well as Performance of sales promotion in introducing of new product to consumer, they learn that Sales promotion has become a vital tool for marketing and its importance has been increasing significantly over the years. One of the purposes of a sales promotion is to elicit a direct impact on the purchase behavior of the firm's consumers. Firms have to rethink the relationship between attitude and behavior of their consumers. Sales promotions are highly effective in exposing consumers to products for the first time and can serve as key promotional mix components in the early stages of new product presentation. Therefore is important for organization across the world to explore how the tool can be applied over a life cycle of a product to ensure profits.

Anna (2010) in study conducted in USA regarding influence of product publicity on attitude formation for fashion products industry, it was realized that; since publicity has become increasingly common to attempt to get products featured in the editorial content of different media therefore it is relevant to consider which functions editorial content serves for the consumer, and thus which potential the inclusion of a product in the editorial content has of influencing the consumer's attitude towards

the product. The tendency to use product publicity in the fashion industry suggests that there may be some synergy effect between this communication form and the fashion product. In the study it was concluded that product publicity is an extensive new and undeveloped area of marketing research, and the study was only able to consider a few of its aspects. Paradoxical perhaps, due to the theoretical nature of the research and it was suggested that future research is to be based on actual occurrences of product publicity.

Characteristics of the product, media and editorial content in that analysis, thus bridge the gap between practice and theory. Another vital finding of the study was that, it is not a question of whether organization should or should not practice publicity to ensure higher product sales but the focus should be on how publicity can be improved and becoming focused on specific product.

Ilona (2011), in a study conducted in USA mainly with the purpose of expanding the current knowledge about the measurement of marketing communications performance and implications for business-to-business (B2B) organizations. The study investigates the problem by looking at the case of DHL Supply Chain and a qualitative approach was taken to conduct a case study research. Semi-structured interviews were carried out with Global Marketing and Regional Marketing team leaders as well as managers of DHL.

The findings suggest that the current information deluge and many various sources available create difficulties for organizations to select the most relevant KPIs and implement measurement. It is also important to keep consistency and persistent

throughout the whole measuring process. What is more, budget plays a significant role when it comes to choosing measurement tools and frequency of measurement. Different maturity level across the regions as well as complex organizational structure are two other factors that influence the measurement of marketing communications performance. In terms of metrics, organizations must be aware that some of them such as impressions can be subjective. Among the most important areas to measure KPIs DHL Supply Chain case proposes the following: brand awareness, relevance set, loyalty, positioning, consistency of messages and standard messaging, communication touch points, and leads generation.

Lastly, the study concluded that balanced scorecard adopted by DHL Supply Chain attempts to measure integrated marketing communications performance. However, it misses out the strategic linkage between the four main perspectives originally developed within the DHL Company. Therefore, was recommended that organization should take a more collaborative approach when developing the concept of this tool and involve Regional Marketing teams in the process.

Jean and Ganaël (2009), the study defines a framework for understanding the impact of sales force automation (SFA) on customer relationship management (CRM) processes from the perspective of information systems and motivation theories. Investigating the relationship between these processes, with sales activities as the common link, sheds new light on several crucial issues. To enrich this study, two alternative models that distinguish the efficiency and effectiveness of salespersons' activities also are formulated. The main outcomes of SFA implementation in CRM

processes include a mostly negative effect of SFA reporting and conflicting but complementary and globally positive effects of SFA call planning and product configuration.

Ali, Majidazar and Niromand (2012), the main thrust of the study was evaluate effectiveness of the promotional tools of advertisement, sales promotion, public relations, direct selling and direct marketing on sales volume of products of the Iran Tractor Manufacturing Complex in Iran. The Iran Tractor Manufacturing Complex is one of the largest Enterprises in the Middle East and currently has more than six thousand employees. Its products are sold all over the country and also exported to many South American and African countries. The population for this research study is comprised of the authorized sales representatives and also consumers of the Iran Tractor Manufacturing Complex in Iran. The results of this study show that there is significant relationship between promotional tools and sales volume which was the main hypothesis of the research.

Furthermore the results shows that the sales promotion tool is the most effective ones and the second ranked tool is the advertisement, the tool ranked third is the public relations, the forth ranked tool is the direct marketing and the last is the direct selling. The final conclusion of the research was market communication can bring a big impact in an origination goals if properly implemented however vary with type of product and service to be delivered.

2.4.2 In Africa Countries

Zefania Kimolo (1998) in her report on the “Promotion Techniques” conducted at NSSF headquarters found out that, some organizations are not effective in sales

because they are not aware of the promotion tools and on when, where and how to employ them. She further narrates that some techniques are not affecting sales because they are wrongly implemented and lacks enough funds for implementation.

George, Michael and Gayle (2008) in the study conducted in Australia, reflects the shift from the conventional methods of advertising to the more widely recognized approach of implementing an integrated marketing communications strategy. The study underscores the importance of recognizing that a firm must use all promotional tools available to convey a unified message to the consumer. The integrated marketing communications perspective catapults the idea into the business practices and on how the business can be improved.

Oyedapo, Akinlabi and Sufian (2012) conducted a study in Nigerian , mainly to examines sales promotion and its effects on organizational effectiveness in Nigerian manufacturing industry. The study focuses on how sales promotion is used to generate higher sales, increased profitability and greater market share. The study focused on sales promotional tools and how NESTLE Nigeria Plc has adopted sales promotion to generate its effectiveness. Sales promotion is an important component of any organization's overall marketing strategies alongside advertising, public relations, and personal selling.

The result of the study indicated that the beverage drink companies increasingly make use of sales promotions. Furthermore results show that adoption of sales promotion strategies significantly influence the effectiveness of beverage drink industry. The study concluded that organization across the word should engage

regularly in more promotional mix strategies, and by doing so invite consumers to make sales; this in turn would enhance and boost their sales revenue.

Alexander (2012), conducted a study in Ghana on sales promotion and its effects on advertising revenue of Television in Africa, Ghana. The study focuses on how sales promotion is used to generate revenue, how it is done, the common sale promotion tools and strategies adopted by the Television companies, and find out if sale promotions increase advertising revenue. Sales promotion is an important component of any organization's overall marketing strategy alongside advertising, public relations, and personal selling. The result of the study indicated that guarantees and warranties, souvenirs, discounts offer and give away are the mostly adopted sales promotion tools by most of Television in Africa. It was concluded that management should continue modifying or updating its sales promotion activities according to the taste and preferences of its customers and the public at large.

2.4.3 In Tanzania

Joseph.E.G (2002) of Mzumbe University in his research on "The impact of promotion techniques under competitive business environment" emphasizes that promotion tools are the most important weapon(s) used in the competition battle, and if they are effectively used, they tend to affect sales positively.

According to Jaha (2004), in his research report titled "The Impact of Effectiveness Promotion Techniques in Telecommunication Company" argues that TTCL should increase more funds to boost promotion activities so as to create good image, improve customer care and network expansion. He also argues that there should be

application of effective promotion which means a promotion with all the necessary messages and uniqueness, sales promotion campaigns should be conducted frequently to overcome the activities of competitors. While new products in the market should have an intensive sales promotion for public awareness.

Biseko (2000) in his research report on effectiveness of sales promotion at Bonite Bottlers Limited argued that sales promotion should be included in a company's promotion plans along with advertising and personal selling. It recommends that Bonite management must establish a policy for evaluation of effectiveness of its sales promotions activities. This will enable a firm to know the news of consumers and retailers and therefore be on the next sales promotions. Also the firm should employ the experts in promotion activities who will be responsible to steer the implementation of sales promotion activities.

Kimolo (1998) in her report on the "Promotion Techniques" conducted at NSSF headquarters found out that, some organizations are not effective in sales because they are not aware of the promotion tools and on when, where and how to employ them. She also says that some techniques are not affecting sales because they are wrongly implemented and lack enough funds for implementation.

2.5 Research Gap

From the above empirical literature review it is eminent that in previous researches referred above, there was no consideration on "promotion mix effectiveness and its impacts towards performance of a respective organizations". It is on the basis of these gaps that this research is conducted to try to explore it as "an instrument" for

measuring performance of organizations. Establishing the most appropriate market instrument for private sector that can be used in the public and non-profit is quite a challenge. Osborne and Gaebler (1992) urged that numerous private marketing instruments that can be transferred to public and nonprofit sector have been developed some being Total quality management, strategies based on client's needs, e-marketing, cost-benefit analysis, marketing communication etc. The question that is raised is how far can these instruments/tools be applied and shown success in public sectors, considering that the activities in the public sector are definitely different forms those of private companies. Market commutation has been applied in TANESCO for the past five year, but how successful it has been and how much can be improved to ensure high quality public sector deliveries and performance remains entirely a question that is expected to be answered with this study. This study therefore aims at exploring the significance of the tool and determine how it has been effective on improving service delivery and performance of the organization.

2.6 Conceptual Framework

This research determines the following dependent and independent variable through which both objectives and questions will be achieved.

The Figure 2.2 shows the relationship between promotion mix (Advertising activities, Sales Promotion activities, Publicity activities, Personal selling and Public) and the increase in new customers, Monthly collections, Customer awareness on TANESCO product/Services and customer satisfaction. All this dependent variables depends on the amount of budget allocated to promotion and promotion effectiveness to realize organization performance.

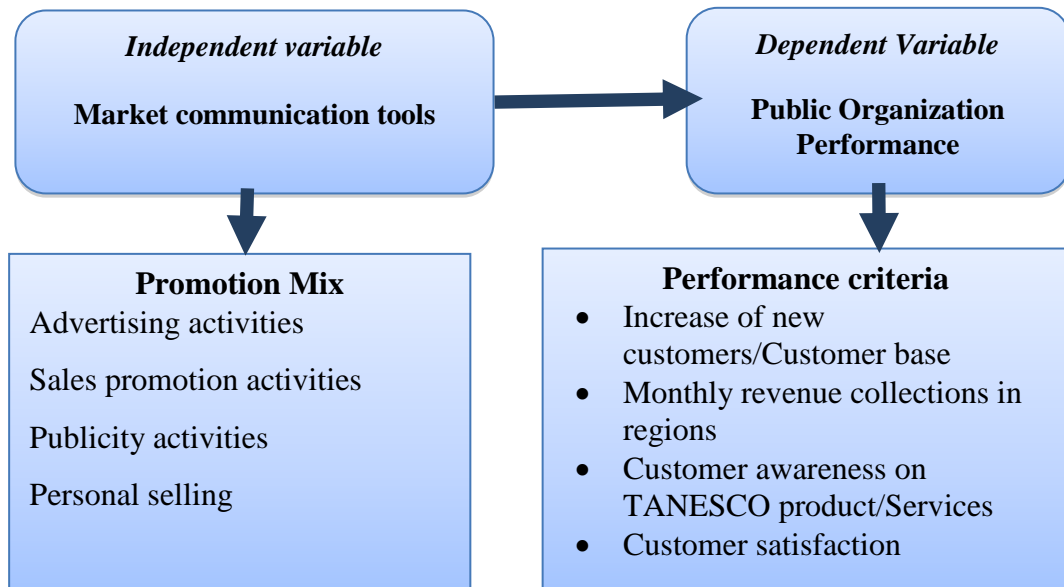


Figure 2.2 Conceptual Framework

Source: Developed by the Researcher, (2013)

2.7 Theoretical Framework

The framework is a summary of suppositions presented in the theories sub-section above. The theory shows that there has been dominance of public sector as most of them do monopolize the service since they are single provider. The situations have been existing for quite number of years. However customers over years have change their perception, they have understood their rights that public sector ought to work to satisfy not only their customers but also stakeholder in the country that they are operating. The Theory behind market communication/ promotion mix (Advertisement, Sale promotion, Publicity and Personal selling) explains that these tools have been used successful over year in various private sectors and public utilities in some of the countries and manage to improve the public sector services offered. Since the same tools have been implemented in TANESCO is therefore the intention of this study to show how it has been successful on improving service delivery.

CHAPTER THREE

3.0 RESEARCH METHODOLOGIES

3.1 Introduction

(Kothari, 2000) defines research methodology as “a way to systematically solve the research problem”. This chapter describes the strategies of the study, survey population, sampling design, measurement of variables, methods of data collection, data processing and data analysis.

3.2 Research Design

According to Kothari (2004) a research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to research purpose with economy in procedure. This research uses the deduction approach to conduct the study in which, a variety of books and journals relevant to the study was gone through, picked some theories of the subject, collected data from the field and then analyzed it. The design enabled the researcher to get detailed information both quantitative and qualitative in nature and to have a deeper understanding of the phenomenon.

3.3 Area of Research

The research was conducted at TANESCO head office and in the four TANESCO regions all located in Dar- es- Salaam metropolita, where implementation of Market Communication tool was analyzed and data collected.

3.4 Population of the Study

The population study is the total number of units under the research focus. It is a total collection of elements about which the researcher wishes to make some

inference Schindler and Cooper, (2006). According to Panneerselvam (2007), a population is an entire spectrum of a system of interest. Malhotra (1999) however defines the same as an aggregate of all the elements that share some common set of characteristics, and that comprise the universe for the purpose of a marketing research problem

The respondents of this study included the employees of TANESCO Head office and four TANESCO regions located in Dar-Es-Salaam these are Kinondoni North, Kinondoni South, Temeke and Ilala regions. The respondents categories includes: within the company (Member of Management, Engineers, Market personnel, Customer relation officers especially in the regions, Customer Care Officers and Call centre attendant) and outside of the company (Customers picked at random visited the regions and Head office to obtain various services). Responses from employees helped the researcher to know whether they were aware of the promotion mix tools that are used within the organization and whether they participate in applying this tool in their roles. Customers on the other hand helped the researcher to know how the organization is effectively communicating the promotion mix to its customers.

3.5 Sampling Procedures

The researcher use convenience sampling method to customers as important respondents; this is due to their convenient availability. However, the researcher used purposeful sampling to employees as respondents to represent the majority. A total of 50 employees were selected from the four TANESCO regions (Kinondoni North, Kanondoni South, Temeke and Ilala) in Dar-es-Salaam regions and Head office to

respond to questionnaires and ten for interview. On the other hand, 50 customers were approached to complete the questionnaires to obtain the data. The distributions of respondents are as shown in the Table 3.1.

Table 3.1: Number of Sample Collected

Category of respondent	No. of Respondents (employees)	No. of Respondents (Customers)	Total
Ilala region	10	13	23
Temeke region	10	12	22
K'North	10	13	23
K'South	10	12	22
Head office	10		10
Sub -Total Sample Size	50	50	100

Source: Field Data, (2013)

3.6 Data Collection Methods

The collection of data and its ultimate analysis and interpretation, has from the very beginning been the most important step of this study. This is because it is from this process that answers for the research questions were obtained. For that purpose, data relevant to how the market communication /promotion mix has influence the performance of TANESCO and ultimately affect the service delivery was collected.

The researcher used primary data collection methods to collect first hand information. The methods under this section included personal interviews and questionnaires. This is because interviews allowed deeper discussions and probing; while questionnaires were convenient in addressing the time frame limitation especially as the sample size was relatively large (at least 50). Interviews were

conducted to respondents from both within and outside the company for selected individual based on sample principles.

Yin (1994), recommends that study protocol is important when conducting interviews because it enhances validity of findings. For the sake of having deeper understanding of customer perception, personal interviews were used to obtain the required information.

The researcher also employed secondary data collection techniques. Secondary data is the type of data that is collected from sources which have been already created for the purpose of first time use and future uses (Panneerselvam, 2007). Under this section, the researcher spent time revising various documents, books, journals, internet, brochures and other papers relevant to the research topic.

3.7 Data Collection Tools

Various methods were used during the study to ensure data collection which includes interviews, questionnaires and documentary review. The data collected were analyzed to obtain the required information as shown below.

3.7.1 Interviews

Interviews are a set of questions that are normally asked to the responded and are subject to change depending on the comfortability and convenience of the responded. A set of questions were used to employees in order to find out TANESCO employees awareness on Market commutation/promotion mix. Respondents to such interviews included Member of Management, Engineers, Market personnel, Customer relation officers and Customer Care Officers.

3.7.2 Questionnaires

Mc Daniel and Gates (2001) defines a questionnaire as a set of questions that are set by the researcher to achieve or gain necessary data that help the researcher achieve his or her objectives. Questionnaires are set in such a way that they are simple and easy to understand so that the respondent can fill them within the shortest time possible. Chisnail (1997) cites that there are two types of questionnaires which are commonly used.

They are open ended questionnaires and closed questionnaires. Both closed questionnaires and open ended questionnaires are structured so as to help the responded in answering the questions to the best of his or her ability as well as help the researcher in gaining information that is valid and reliable.

This study used both, Open ended questionnaires and closed ended questionnaires to customers and some of the employees at TANESCO in such a way that the respondent could answer the questions to best of his or her ability and at the same time to provide room to express their thoughts and facts in details.

3.7.3 Documentary Review

Since many events happening in any organization are usually recorded. The researcher used documents available at TANESCO website, annual reports, organizational strategically plans and various TANESCO publications relating to market department and various product, line-product and service offered and organizational performance to get some useful information of the study.

3.8 Reliability and Validity of the Data

In this section data collected were subjected to various tools to check whether they are realistic and consistent to ensure the information obtained are accurate and that will bring the logical results.

3.8.1 Reliability

Reliability can be referred as extent to which a scale is free of random error and thus produces consistent results (Shao, 1998). Reliability is normally done by testing the subject with the same measure several times with the same or similar scales results expected to be obtained. To improve reliability the following was included:

Research instruments/ were pre-tested. Pilot tests were run to ten respondents from Market department and ten customer at Kinondoni south region to gain insights on the topic, but also to ensure that the instruments have the ability to collect the information they purported. This also helped in identifying deficiencies, omissions and poorly structured questions all of which helped in improving the instruments.

3.8.2 Validity of the Data

According to (Shao, 1998; Sirkin, 1995), validity refers to the degree to which a test measures or rather, the scale measures what the measurer thinks it does. In other word it is the extent to which a test measures claims to measure. Lastly respondent were validated as recommended by Silverman, (1993). This was done via one on one interview with action sales manager and personnel directly dealing with sales in TANESCO. Validity was also done to initial data collected to check the validity of data whether fits the conceptual and theoretical framework of the research.

3.9 Data Analysis

This refers to examining what has been collected in a survey and making deductions and inferences it involves uncovering underlying structure, extract important variable, detecting any anomalies and testing any underlying assumption. It involves scrutinizing the acquired information and making inferences (Kombo and Tromp, 2006). In quantitative data analysis which consists of measuring numerical values from which description such as mean and standard deviation made.

The types of quantitative data analysis include descriptive statistics, inferential statistics and correlation analysis regression analysis, factors analysis and time series. As far as this study is concerned data analysis for both quantitative and qualitative method of analysis were collected. Questionnaires were analyzed by the use Excel program with frequency table and some charts to discuss the results.

After recording the data in the excel program, some of the observation was vivid and therefore the data were to be checked, edited, coded and transcribed. In this case the data that was not consistent were checked and edited to ensure better analysis. Either to some of the coded data original questions were to be re-revisited and logically transcribed.

3.10 Expected Results

Now that the research has completed the impact of promotion mix has been identified on performance of TANESCO. The result also suggest that promotion mix tools which includes (advertisement, Sale promotion, Publicity and Personal selling) have enable the company to improve performance in term of revenue collection,

increase of customer base, awareness to TANESCO products. Also the results have been able to identify the most suitable and useful tools among all. Ultimately the research revealed how promotion mix helped on improving public sector service delivery in this particular case TANESO.

CHAPTER FOUR

4.0 DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1 Introduction

This chapter presents the data collected during the study, analyzes and discusses the findings. The analysis is done to obtain the information that narrates impact of Market communication/ promotion mix on overall performance of TANESCO as public utility. The chapter begins with presentation of the information gathered through data obtained from respondents' questionnaires and interviews followed by the analysis of results and discussion.

4.2 Market Section and Various Promotion Strategies used to Boost the Performance

The Market section within TANESCO is formed of a team of marketing experts and engineers working towards ensuring customer satisfaction by informing and educating customers on various products and services and ensures they meet their various needs. The section was mainly established in 2008 around that time the company changed the perception about the customers and therefore market section was to engineer the process. The section comprises a total of seven staffs at Head office but some of the functions are also performed by the region championed by the Region managers as head on operation in the regions. In the regions there are specific staffs who champion market strategies which are referred as Customer Relation Officers. These officers are found in almost all big regions where TANESCO is operating.

The main challenge of Market section across the company has always been the in-depth understanding of customers' needs. Market section has been able to obtain this detail by conducting research for the purpose of understanding and anticipating TANESCO's customers' needs and also for the purpose of informing development of products, services and policies that are customer orientated. The good results of such research resulted into successful development of various product/service, of which most of them facilitate obtaining units to obtain power.

These includes M-pesa, Max Malipo, Tigo pesa, ezy pesa, Airtel money, Max malipo paying points, CRDB and NMB mobile. Others include UMEME loan, READY Body and Electrical installation services. Buying power was a challenging issue as queues were experienced at Luku vendas day and night. The introduction of the electronic paying points has easy the process and hence it has facilitated an easy purchase of product electricity. At the moment almost 40% of revenue collected by TANESCO is through electronic paying points.

According to interviews performed with acting head of Marketing unit, it has been revealed that partnership formed on establishment of electronic selling point with banks and cell phone company have benefit the company such that most of promotion of using these point of selling are done by the respective company due to percentage of revenue being paid to each unit bought by the customer.

During interview with Acting Marketing manager, it was revealed that Products such as READY body meter and Umeme loan are among items that require personal selling, since needs to face the customer and explain how the product is working or

the condition goes with the product. Member of management mentioned that READY body meter has been supplied more in the regions outside of Dar-Es-Salaam. Umeme load is the product that customer is offered a loan under certain condition, and ACB bank is paying the money for electricity connection to TANESCO for the company to offer electricity while the bank monitors the returns.

The product is not doing well to the market due to delays of connection by TANESCO mainly caused by service line material and now that prices are lower, the demand for the connection fee has decreased. When conducting interview with customers visiting Kinondoni South branch, they mentioned of having interest of joined Umeme loan product. However to-date only three customers have that applied and joined the service for the year 2013 in the whole of Dar-es- Salaam.

To ensure that the section introduces properly the products, market communication/ promotion mix is used to both external and internal customers. This is done in order to raise customer awareness and acceptance of TANESCO services and products. This is also important because Customer satisfaction is now a principle phenomenon for TANESCO business and is therefore among the three top priorities. In the company strategic plan the company enumerates five strategic goals of which customer service is one of them. TANESCO therefore needs not only to understand its customer needs, but also to satisfy and care for its customers.

The marketing section conducts educational campaigns to customers on areas such as the significance of reporting emergency cases, steps involved in service line connection, procedures for raising claims against loss in of property or equipment

due to electric faults etc. Such campaigns also help to keep customers informed of the products and services, as well as where and how the same can be obtained. Similarly through education, customers are informed on the various promotion mix performed by TANESCO in order to give customers proper know how and to clear customer doubts for all issues that were misinformed. The education is to be disseminated via; Media such as Television and radio stations, newspapers, Printed brochures and posters, Personal selling especially for technical products and Videos or Audio clips.

Proper marketing communication/promotion mix is only possible if the company understands the needs and requirements of its customers. For this reason, the marketing section undertakes frequent market survey with a view to understanding the needs, wants, preferences and attitudes of customers towards TANESCO's products and services. The insight so obtained helps in developing strategies for promoting services offered by TANESCO.

To ensure the above TANESCO established a centralized call centre in 2010, this enhanced service quality by providing customers with a means for communicating on 24/7 basis via telephone and e-mail services. The same enabled TANESCO staff the ability to track queries or complaints lodged at various stages. The centre is staffed with highly trained and experienced individuals who are capable of handling customers' queries or complaints and ensuring that they are resolved to the customer's satisfaction.

Establishment of centralized call centre enable the company to carry out the customer survey which covered 24 regions with 10 questions addressing: Advance

warning, Power stability, Info updates on products/service, Frequency power outages, Politeness and helpful, Language used, Info update on safety precautions, Time for resolving customer complaints, Time for new service line construction and Time for attending temporary break down: The summaries results are as followed:

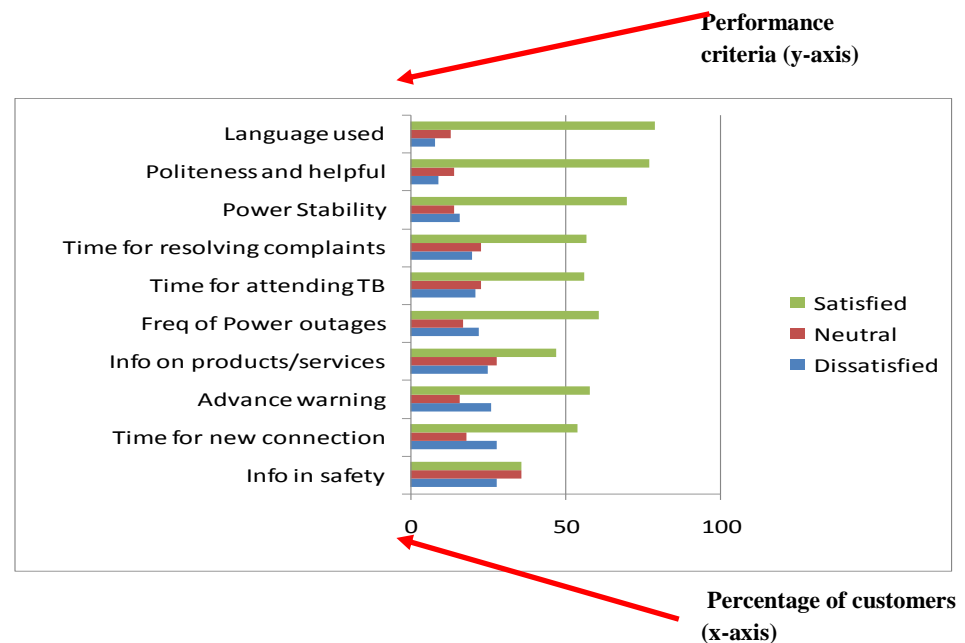


Figure 4.1: Summary of Customer Survey Done in all Regions where TANESCO Operates

Source: Field Data, (2013)

The results were also presented such that response of customers in each region was shown and compared. For the purpose of this study regions situated in Dar-es-salaam were of more interest which comprised by K/North, K'South, Temeke and Ilala as indicated in Figure 4.1.

According to Figure 4.1 and 4.2 generally customer are satisfied with the services, but if you consider areas covered in this study (areas of this dissertation) which include; Ilala, K'South, K'North and Temeke, only Temeke as show in Figure 4.2 shows that out of 100% customer contacted via telephone (54%) indicated to be

satisfied with the way they are being informed and updated about TANESCO products and services. In Ilala, K'South and K'North the percentage shows that Ilala - 4%, K'North – 35%, K'South – 14% of all customers responded that they are being updated on the products and service provided.

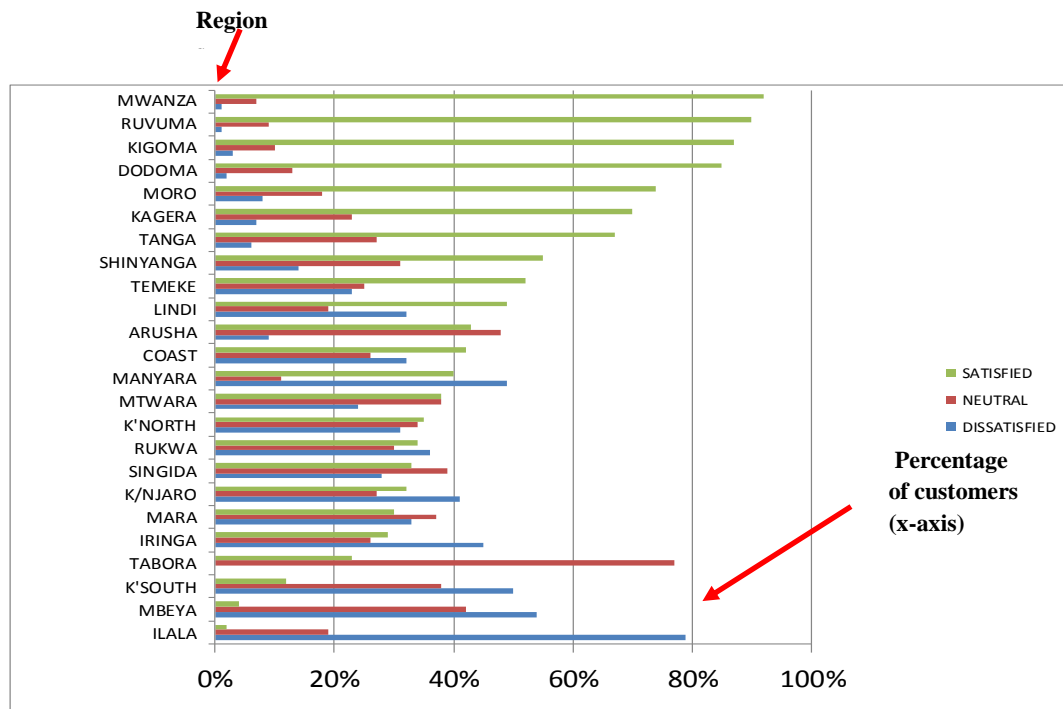


Figure 4.2: Customer Survey Results on Update of Products/Services

Source: Field Data, (2-13)

Improper use of electricity may lead to losses of money and property of TANESCO's customers. Marketing Engineers within the market units pay frequent visits to customers especially Large Power Users in order to establish whether or not they consume electricity efficiently. Where customers' use of electricity reveal efficiency gaps, Engineers provide them with free advice on how to use electricity economically, thus reducing their operating expenses. This is done through a process technically known as demand side management. To ensure all services and products are offered more efficiently, establishments of districts have done in all region at

Dar-Es-Sallam. The newly opened Tanesco service districts are Kigamboni, Yombo, and Mbagala in Temeke region; Kimara in Kinondoni South region; Industrial Area, Gongo la Mboto and Tabata in Ilala region; as well as Mbezi and Tegeta in Kinondoni North regions.

4.3 Information of Respondent Employed (Employees) by TANESCO

Respondents in this study were of two categories. In the first category, were mainly respondents working with TANESCO and in the second category, were customers who visited TANESCO offices in TANESCO's four region (Temeke, Ilala, Kinondoni South and Kinondoni North). The profile includes information on age and years of service to the company and working position. All categories of respondents completed questionnaires and a total of 50 employees and 50 customers were visited and completed the questionnaires. Additional information was obtained through interviews with members of TANESCO management including head of Market unit – TANESCO head office.

4.3.1 Age Category of Respondents

The questionnaire designed such that some of demographic data were to be obtained, in this case the respondent were asked about their age to see how much of age group involved in market activities both at Head office and at the selected regions. The data collected is as presented Figure 4.3.

The Figure 4.3 shows the distribution of respondents by age. 4 (8%) participants were of the age ranging between 18 – 26, 14(28%) were of the age range of between 27 – 34, 20 (40%) had a range of between 35 – 43, 11(22%) were ranging between

44- 52 and 1(2%) were above 53. It can be concluded that 35 - 43 age range dominates the distribution. This is partly because these ranges comprise employees who participated more on market related activities, also this age group was more responsive than the rest age limits who some did not return questionnaires.

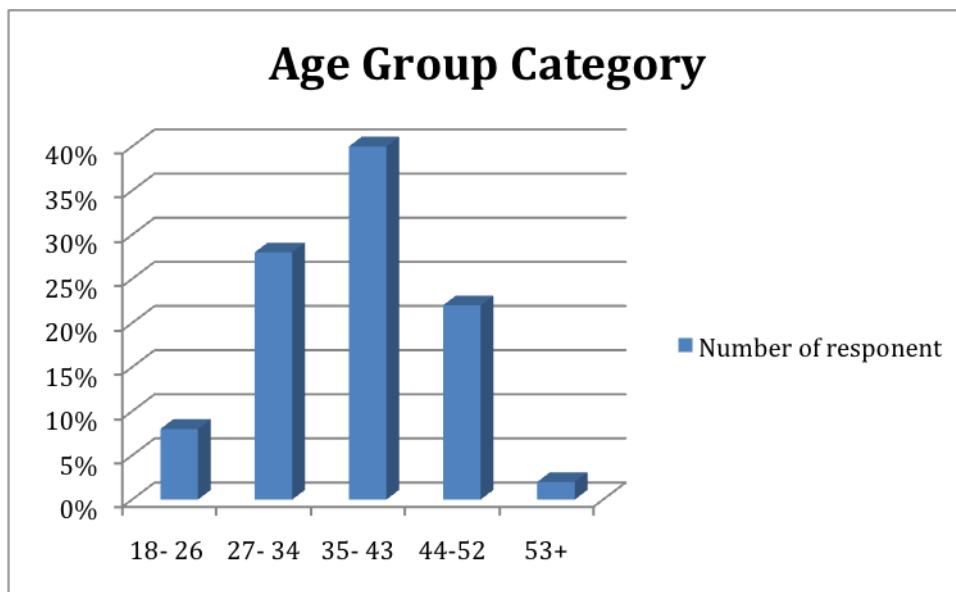


Figure 4.3: The Age Category of the Respondents (Employees)

Source: Field Data, (2013)

4.3.2 Number of Years Served by Respondents

Before carrying on with data collection regarding market communication, data were to be collected regarding number of years served by respondent working with TANESCO. The aim of the researcher was to see whether all the respondent involve on implementation of market communication or serve the company during the range and include five years ago when market communication where introduced in the company In this category therefore the respondents were requested to identify years of serving the company. The results are as shown in the Figure 4.4.

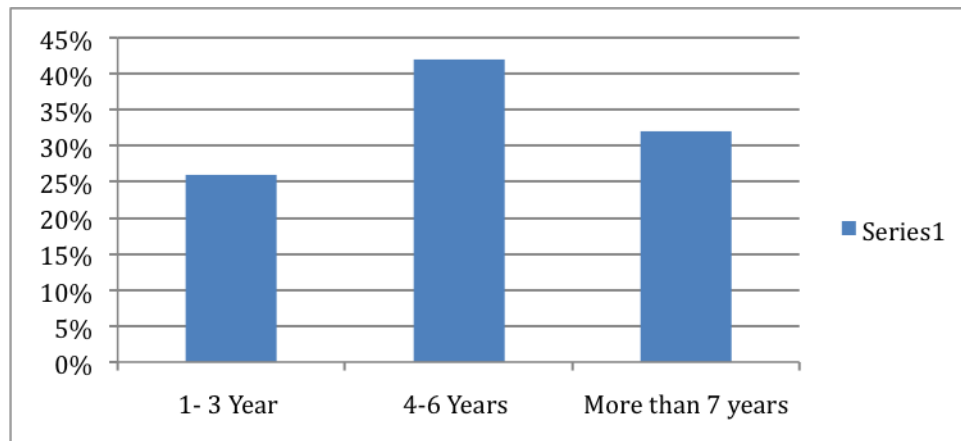


Figure 4.4: Experience Respondent have on Working with TANESCO

Source: Field Data, (2013)

Figure 4.4 shows that 13 (26%) respondents had served the company between 1 – 3 years, 21 (42%) had served the company between 4-6 years and 16 (32%) had served a company more than 7 years. The results also suggest that most of the respondents who filled the questionnaires were present before and after the transformation of company to become customer centered and hence implementation of promotion mix.

4.3.3 Working Positions

Job position/category have impact on how one involved on market related activity, the respondent were asked to identify their job category to see where research covers job category that involved with market related and non-market related activity. The pattern shows that majority was engineers as indicated in the Figure 4.5.

Respondents were also asked to describe their Job positions, it turned out that the majority (about 38%) of respondent who filled the questionnaires are engineers, this is because TANESCO is an engineering company and therefore quite a good number of TANESCO employees are engineers, while (16%) sixteen percent respondents were from customer care and commercial officers.

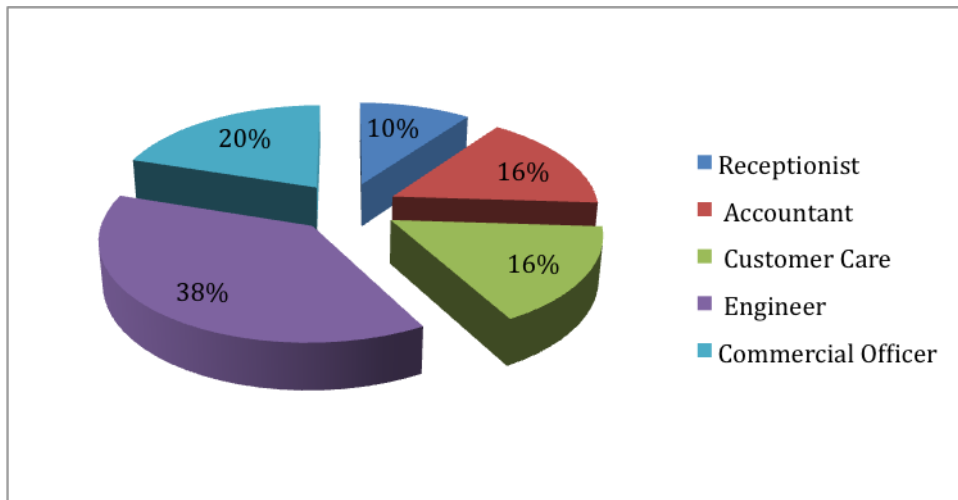


Figure 4.5: Described Working Position of the Respondent

Source: Field Data, (2013)

4.3.4 Impact of Advertisement to Overall Performance of TANESCO

Advertisement is one of the market communication tools where product/service and related attributes are normally introduced through various media and promoted to welcome customers. In this case the questioner was designed to see whether employees are aware of any success realized due to introduction of advertisement of any form including that involved partners such as VODA –M-PESA, TIGO- Pesa, Max-com and the rest in relation to performance indicators.

It is observed from Figure 4.6 that about 70% of respondents who completed the questionnaires said advertisement has a very importance contribution to revenue collection. The same was observed during interview conducted with member of management, where it was revealed that the revenue collecting has increased in average of 60% since the regions started launching advertisement activities. Similarly, about 40% had an opinion that it has also increased the awareness to TANESCO product.

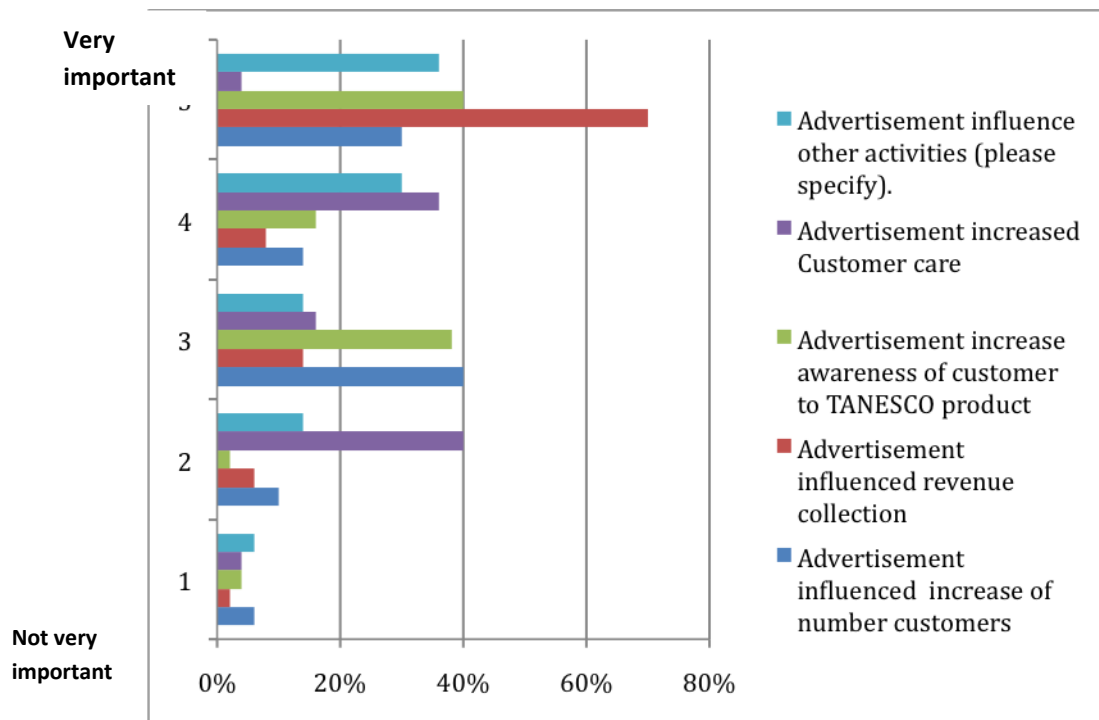


Figure 4.6: Influence of Advertisement on Selected Performance Criteria with TANESCO

Source: Field Data, (2013)

The analysis also shows that about 30% of the all employees involved in the research have an opinion that advertisement is very important on increasing the number of customers in the organization. On the other hand, interviews with members of the management of TANESCO organization mentioned that other factors which contributed to the increase of customers includes lowering the connection fee and performance related targets introduced by consultant from Uganda inside TANESCO as part of management strategies. Increase of customers, revenue collection and billing formed three of the major performance criteria on overall performance of TANESCO.

About 20% of the respondents have an opinion that advertisement does not contribute anyhow on costumer care. This may be due to the fact that advertisement

activities do not have a direct relation to the customer care, though again during interview with Head of market unit TANESCO it was eminent that introduction of TANESCO call center was another opportunity for TANESCO not only to serve better customers but also to give chance to customers to give their opinion about TANESCO's product and customer care specifically on how they want to served. The majority of respondents also had an opinion that advertisement influences the rest of activities in TANESCO.

Issue raised during interviews with marketing officers revealed that public to private business partnership has also been a key to successfully on revenue collection. In this case advertisement done by Telecommunication Company (i.e. VODA, TIGO and AIR TEL) and Ecommerce (i.e. MAX- malipo) where a customer can now buy electricity while at home or anywhere else and not necessary go to a selling point but later access electronic selling point has booted the revenue collection activity. Market officers also went further and explained about AMR (Automatic Meter Reading) where a customer meter is connected with control server at Head office and therefore can be disconnected or connected based on payment status. The same is also advertised to ensure timely payments of large power users.

4.3.5 Impact of Sales Promotion on Overall Performance of TANESCO

Sales promotion is mentioned as one of market communication tool in literature. It was of interest of this study to evaluate how the tool has been applied within the company and how effective has been on bringing impact on improving the performance in the organization. In figure 4.7 the opinion on sales promotion are detailed shown.

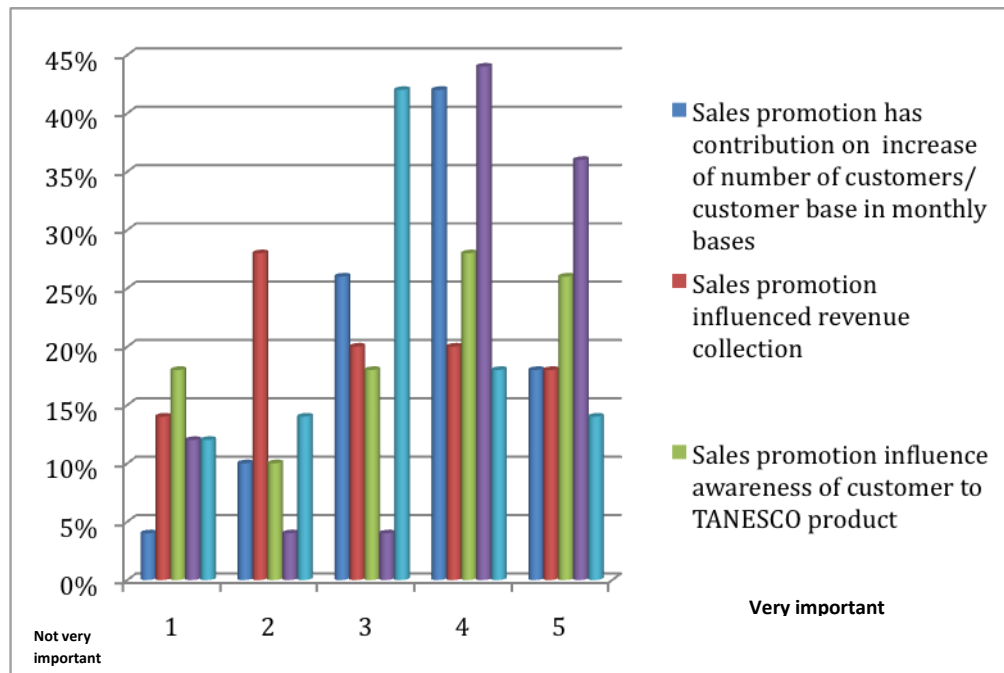


Figure 4.7: Impact of Sales and Promotion on Selected Performance Criteria with TANESCO

Source: Field Data, (2013)

In Figure 4.7 shows that 21 (42%) of respondents had an opinion that Sales promotion is somewhat important as a factor for TANESCO to ensure an increase in its number of customers, while only 28% feels that it is not somewhat important as it does not have much contribution to revenue contribution. 14 (28%) respondents had an opinion that it has an importance only when it has an increasing/influencing awareness to customers about TANESCO product. About 44% (24) had an opinion that it has significance to other activities especially to other electrification projects such as MCC (Millennium Challenge Account- sponsored by USA) and REA (Rural Electrifying Agency).

During interview with regional customer relation officer of – Kinondoni South and Temeke regions, they all mentioned that among sales promotion performed is their

regions includes the situation where by new project is introduced and the first 50 to 100 customers are normally get discount of connection fee determined by the region through directive of Head office – TANESCO. However it was mentioned of having no longer significant as the connection fee has gone down since early 2013 following Minister of Energy and Natural Resources directives. The reason was also linked with under performance of UMEME loan – product where a customer can access a loan with ACB – (Akiba Commercial Bank) and the bank pay for connection fee.

4.3.6 Impact of Personal Selling on Overall Performance of TANESCO

Again personal selling is among the promotion mix tool in the whole context of market communication. The tools address face-to-face contact with the customer and persuade him or her to purchase the product. It was of interest of this research to learn on how this tool is being applied in day to day running of customer.

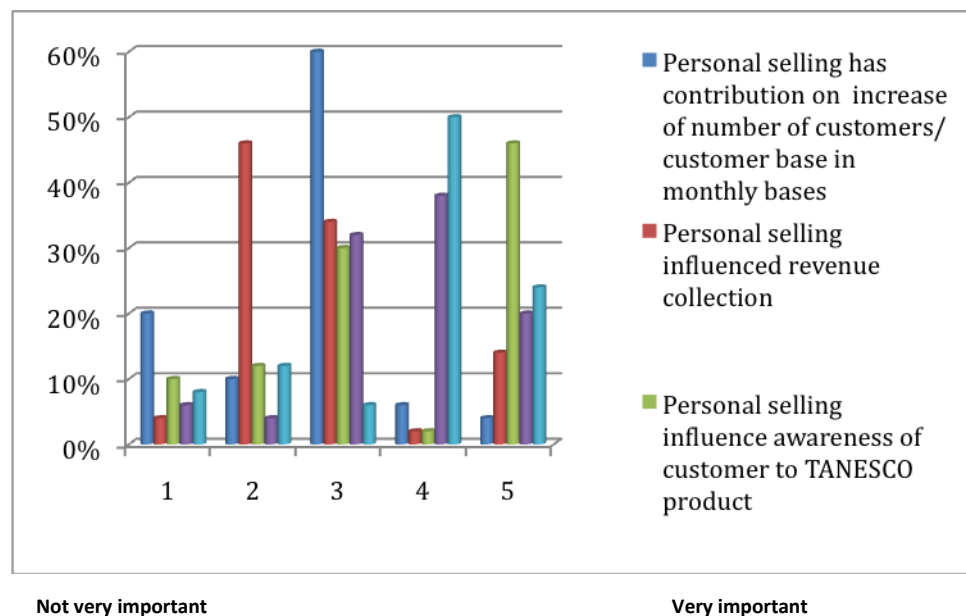


Figure 4.8: Impact Of Personal Selling on Selected Performance Criteria with TANESCO

Source: Field Data, (2013)

It is observed that about 30 (60%) respondents commented that personal selling is importance on increasing number of customers and around 30% respondent commented that it is important in both increasing the customer base, revenue collection and understanding of customer product. Also half of the respondents (50%) commented that it has impact on other companies' products.

Interview with acting manager revealed that personal selling in the organization is very specific to certain product which includes READY body. This is a product designed to lower the cost of connection and therefore both meter and Socket beaker are made in one unit. However it also revealed that the product is performing better at the region outside Dar-Es-Salaam. Region like Kigoma the tool were applied during electrification at Kibondo and Kasulu as penetration strategy. Umeme Loan is one of the product that applied in Dar and the tool was vital to introduce the product and success where realized in the first few months. In general he concluded that the tool is not effectively used compared to other tools like advertisement of publicity.

4.3.7 Impact of Publicity on Overall Performance of TANESCO

The majority of respondents 30% commented that it has an importance on revenue collection and on increasing the number of customer base. At the same time 44% commented that it is very important on increasing awareness to TANESCO product while again 34% commented that it is very importance on other activities performed by TANESCO.

4.4 Analysis of Customer Gathered information

During the study about 50 of customers where approached and requested to complete the questionnaires to get their opinion on promotion mix. Since the main objective of

the study was to measure or to explore the market communication/promotion tools on improving service delivery. Data on their resources is presented below:

4.4.1 Awareness of TANESCO Customer on Company's Products

Questioner was designed such that customer completed them were to comment whether approached with TANESCO or informed through any media regarding TANESCO products or services. The aim was to measure how many customers was approached anyhow and informed of TANESCO product. The data gathered are as shown in Figure 4.9.

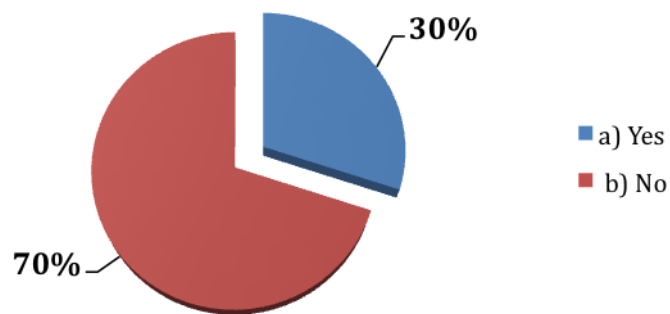


Figure 4.9: Percentage of Customer Approached by TANESCO Regarding Promotion Mix

Source: Field Data, (2013)

About 70% of all respondents which are TANESCO customers who completed the questionnaire declared that they had never been approached by TANESCO and told about promotion mix regarding TANESCO product however they admitted having seen and heard from sometime TANESCO employees announcing /talking about revenue collection but not about the new product such as meters or some kind of installation.

4.4.2 Quality of Service Improvement after Introduction of Promotion Mix

Out of 30 % customers visited, about 73% of them declared satisfaction while 20% said that it was very good and only 7% said the service were excellent. This indicate that majority of customer are not visited and even the one visited are not satisfied with the services provided.

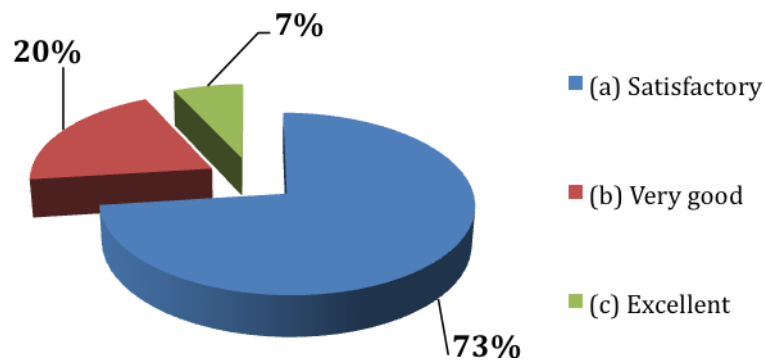


Figure 4.10: Customer Opinion on Quality of Services Provided Compared to the Past Five Year

Source: Field Data, (2013)

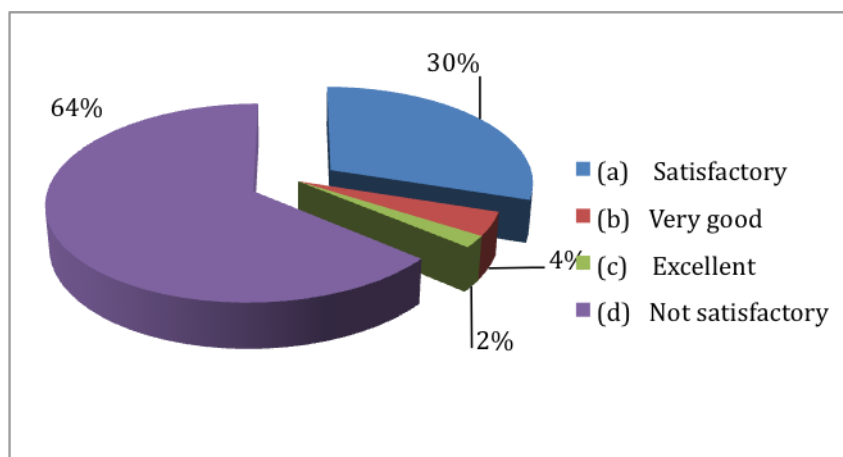


Figure 4.11: Customer Perception on Quality of Services Provided by TANESCO

Source: Field Data

4.4.3 Customer Comments on Quality of Service

When customers were asked about quality of service improvement compared to the past five years, about 64% had an opinion that services have not improved for that period and actually indicated that they were not even satisfactory. 30% said it was just satisfactory while only 4% commented that it was very good and at least 2% commented that it was excellent.

4.4.4 Customer Comments on Implementation of Promotion Mix Tools

Respondent of this category were also asked to give their opinion about the promotion tools used by TANESCO which includes advertisement, sales promotion, personal selling and publicity. About 66% of all respondent commented that there is moderate change and were hopeful that in future it may be effectively implemented, while 18% commented that there are no changes. Only 10% commented that they are implemented and the change is good but only 6% commented that there is very good change in terms of how the tools are being implemented.

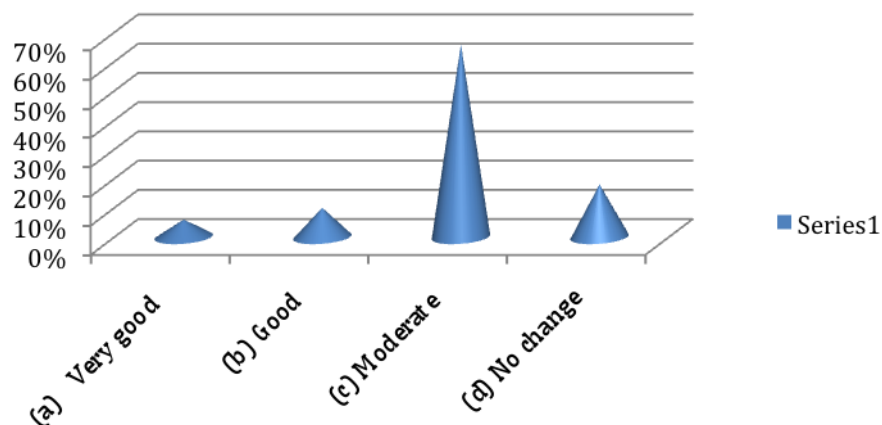


Figure 4.12: Perception of Customer about implementation of Market Communication (MC)

Source: Field Data

4.5 Discussion of Findings

In this chapter four of this document both information regarding internal and external customers where gathered through questioners and interview after the data been analyzed. Information collected from 50 employees working with TANESCO and 50 customers obtained service from the four regions of Dar-es- Salaam which includes Kinondoni North, Kinondoni South, Temeke and Ilala were analyzed to obtain the information. Either about five employees working at management level, acting Marketing manager and two other employees working with market department where visited for interview to obtain extra details on strategic issue.

Following the interview conducted, it was noticed that Market section in TANESCO is formed with team of experts constitute of market engineers and market officers all working together towards ensuring the customer are satisfied. It was also revealed that in the regional level there are employees employed refereed as customer relation officer which are dealing directly to ensured marketing issues at the region level are facilitated. Various activities, product and services provided by TANESCO where identified which includes promotion of electronic selling point to facilitate purchasing of the electricity formed in collaboration with other companies refereed as M-pesa, Tigo pesa, Ezy pesa, Airtel money, Max malipo, CRDB and NMB mobile. Establishment of these electronic selling points has increase monthly collection for about 40% and improved service of purchasing electricity the detail that was obtained following interview with acting marketing manager. Other product which includes UMEME loan and READY board notice not to performed well in Dar-es-salaam market the reason being discount made on electricity connection fee

for the case of Umme loan and READY board not supported with nature of installation in Dar-es-Salaam regions.

Other activities conducted by the TANESCO market unit includes education on process of electricity connection which normally goes with promotion for the case of new project, Create awareness on TANESCO services, publishing Investment and Safety information, Demand side management (to ensure large customers are utilizing properly the Power as a scarce resource) most of these activities are carried out by using market communication tools.

It was also discovered that TANESCO established customer care desk on 2008 with vision of ensure service are brought close to the customer which goes together with establishment of about nine district offices. Customer satisfaction surveys are normally carried out with TANESCO via call centers, where customers are called by mobile phone and opinion gathered. The main objective is to get a comments or opinion on service delivered by TANESCO. The outcome of survey shown that satisfaction of customer in Dar- es-Salaam region where this study undertaken the satisfaction levels were on the lower side, Ilala - 4%, K'North – 35%, K'South – 14% compared to the region outside Dar-Es-Salaam of which most scored above 50%.

Information gathered from employees implies that most of employees covered in this study were available during the period of implementation of MC tool and 70% had an opinion that advertisement and publicity have been successful tools on increasing

monthly revenue collection and only 42% has an opinion that sale promotion has a contribution on revenue collection. Also 60% of employees had an opinion that Personnel selling has contribution on increasing customer base however during interview with marketing officers it was revealed that the Personal selling is currently almost not being used mainly due to nature of TANESCO product. Generally employees were found very enthusiastic with MC tools and most had an opinion that ongoing effort will bring positive change to the company.

Customer on the other end had a completely different picture, where 70% of customer covered with this research confirmed of not been contacted by TANESCO and informed of market communication or associated tools. 73% has an opinion that the service provided are just satisfactory and 64% has an opinion that service have not improved much within the period of implementation of market communication tool while about 66% commented that there are moderate change to TANESCO service compare to the past five years. The summary brings us the next chapter of summary of conclusion and recommendation.

CHAPTER FIVE

5.0 SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This study was conducted to explore the effectiveness of market communication/ promotion mix on improving service delivery on public utility. The main objective was therefore to measure the effectiveness of services offered by public utility through implementation of promotion tools. As observed on chapter one perception of the customer has changed as they are more demanding for quality and better services.

At the same time public utility has been lagging behind in offering the required services as most of them have monopolize the market as they are the single provider; hence there no competition. In private sector the situation is different as the competition is very vivid. Companies have got no option but to adhere to standards of their customers. In case where the company doesn't comply then customers have option to turn to another company which offer the same service or shifting to substitute which is the opposite in public sector. In public sector pressure sometime is created from stakeholders such as regulatory bodies and social institutes.

However, even under such pressure, most of public utilities especially in Tanzania have not been able to meet fully stakeholder compliance. The concept of market communication/ promotion mix in public sector is also very new in most of African

countries and therefore not many studies have been undertaken, this was one of the major reasons of carrying out this study. In this study TANESCO's promotion mix tools/strategies were studied, where data from both employees and customers were obtained and analyzed. The findings, analysis and corresponding discussions were presented in chapter four. In this final chapter, presentation of a summary of the findings, conclusions, recommendations, the study limitations and areas for further research is done.

5.2 Summary of the Main Findings

This section presents main findings in brief as narrated, analyzed and discussed in chapter four. It is a brief summary of answers to the three research questions identified in chapter one.

5.2.1 Contribution of Advertisement as One of Promotion Mix in TANESCO

Key findings of this study revealed that from employees and the management, TANESCO's advertisement for customer to pay voluntarily without electricity disconnection has a big impact to the organization. This was also leveled from the interviews where there has been 40% increase of revenue since launching advertisement campaigns.

However employee didn't find it important to create awareness to TANESCO products. Statistically advertisement rank very low on increasing customer base, customer care, awareness on TANESCO's product and other activities such as meter

installation and Umeme loan etc. The exercise performed by the TANESCO call center revealed less than 45% (which is a low percentage) of customer mentioned to have already having good understanding of TANESCO products, out of which only a few are satisfied with their level of understanding. In this study the same was revealed where about 70% of customers said they were never approached by TANESCO and told about the company's products. When customers were asked if the quality of services have been improved, about 64% mentioned that they have not been satisfied. But when asked about improvement of services compared to five years ago, about 73% believed that it has improved compare to five years ago.

5.2.2 Sales Promotion and Improvement of TANESCO Performance

In this research the tools were found to be performed concurrently with advertisement. This tools is less used by the company especially in Dar, due to number high number of customers demanding the service. Products have been established by other company with collaboration with TANESCO, such as one to facilitate purchasing of electricity via M-Pesa, Tigo-Pesa, Ezy- Pesa and the rest are mostly advertised by the respective company since there are profits attached to this partnership. The establishment of these products is a big success and has greater contribution to the revenue collection. During this study about 42% of employees visited had an opinion that sales promotion has a higher contribution in increasing customer base. Majority of customers had an opinion that contribution is moderate and effort have to be increased to improve service delivery.

5.2.3 Personal Selling and Service Delivery with TANESCO

Among the promotion mix tools this is less used by the company. The interview carried out on this tool shows that nature of service and product offered by TANESCO doest favour personal selling. During this study only two products were found to be adequate. One of them is READY body meter which is found to be more promoted in regions outside Dar-Es-Salaam, this was mainly to assist customer to save cost of wiring since they have both socket breaker and meter at the same unit. Umeme loan offered by ACB bank which is one the product offered in all the TANESCO regions in Dar-es-Salaam seems not to perform well in the market. According to the data analyzed it was revealed that about 60% employees had an opinion that personal selling increases customer base. However, since only 70% out of all customers who were interviewed declared to have been approached by TANESCO and told of the products. Therefore it was therefore found of not much significant to make a big impact.

5.2.4 Publicity Activities in TANESO on Improving Service Delivery

Publicity as one of promotion mix tools is among the tools that are mostly used by TANESCO. The tool is mainly used via radio such as” TANESCO NA MAENDELEO”. In most cases, this tools is used by organization to deliver various issues such as investments that are going to be undertaken, various activities that are of beneficial to the company, including accident prevention, status of power production and way forward and activities that will require switching off of electricity (outage) to allow maintenance. In this study the employees had opinion

that this tool is vital on increasing customer base (30%), revenue collection (44%), customer satisfaction (34%) and promotion of the rest of activities.

5.3 Conclusion

The study has been able to explore the market communication/promotion mix on improving public sector by measuring the effectiveness of the tools. Depending on the nature of organization (TANESCO) the study revealed that not all the tools are used in the same range (equally) as most of the tools especially advertisement and publicity works better with TANESCO and they are therefore more preferred and are used more often.

Although Market department has established during the past five years the market communication tool/promotion mix, success has been obtained in certain areas, especially on revenue collection. Public partisanship with other organization on establishing electronic selling point is one of the areas where greater success of market communication is realized due to both parties being interested on seeing the product performing better on the market. Advertisement on revenue collection and encouraging customers to pay on time has also been a major success on this area of ensuring revenue collection.

TANESCO Employees were found to be very optimistic on the market communication tool having seen it working well on improving the service delivery to the company in certain areas. Customers on the other hand have very different perception on the tool, though the majority admitted that there are changes compared

to the past five years but a majority still show dissatisfaction with the services provided. Considering the number of customers TANESCO has within the area of study (K'North, K'South, Temeke, Ilala), most of them have not been visited or approached by the market officers to be introduced to the product. The exercise of customer survey study done by Call center was therefore vital to show customers perception on the performance of the TANESCO.

5.4 Recommendations

In connection with the findings of the study, this section provides recommendations as follows:

Public partisanship should be enhanced between TANESCO and other companies to ensure that the new product/service already established are monitored/improved, and probably developing new line product that will improve service delivery in public sectors. For products that have already shown not to be performing well, a study should be conducted to find out ways to improving them and by using personal selling and other methods of promotion mix it should be effectively communication to the market so that it can produce the intended results.

Advertisement according to this research has been one to the tools that has already started showing good results. It should therefore be improved to ensure better service delivery. The tool can be used in other activities to ensure it contributes even more.

Not all the tools are being used properly, such as Personal selling and Sales promotion. There is still a possibility of improving them and seeing how they can be

implemented and used strategically to ensure that they assist the company to meet its expectations.

Customers have different views regarding TANESCO services especially on how market communication/promotion mix is used. The majority have commented on seeing moderate improvement but still are not satisfied with service provided. In this view therefore TANESCO is advised to work hard to ensure the brand image is changed. This should include effective use of market communication/promotion mix to continue updating customers on TANESCO products and improve service delivery.

The customer survey done by the company should be improved and should be narrowed down and become focused to specific issues which include how all promotion tools are being applied. Customers should be provided with opportunities to participate in the forum where they can contribute to solutions that can ensure that the organization is improving its services.

5.5 Implication of the Findings

The main objective of the study was to analyze the effectiveness of market communication/promotion mix which includes advertisement, sales promotion, personal selling and publicity implemented in TANESCO. The whole idea of introducing market communication in TANESCO was to improve quality of electricity supply and related services offered by the organization. The study carried out revealed that the implementation MC within the company has already started

showing positive results. The area where the tool has proven to be successful include monthly revenue collection where it was reported 40% increase since implementation of MC tool. Advertisement and Sales promotion tools mentioned to be behind the success where introduction of electronic selling point is mentioned to cause a great impact and easily purchasing of electricity via M-pesa, Tigo pesa, Ezy pesa, Airtel money, CRDB and NMB mobile. It therefore implied that TANESCO should continue conducting close follow ups on advertisement; probably expanding the tools and create more activities while partner with other private and stakeholders to enhance the tool, the process that will ensure even better results in future. Other public company should get involve with the tools and see if it can improve the strategic issues and improve service delivery as it has already shown positive results.

Establishment of Call center has open door for direct communication with customers, it therefore give a company a media to conduction customer satisfaction exercise in better way. The one conducted recently which also data were used in this research shows that customer in Dar-es-Salaam region have littler knowledge on service offered by the company. It is therefore a high time for the company to study how market communication tools can be used to improve the situation. Physical contact with customer has not been successfully, during this study 70% of customer revealed that have never contacted and told of TANESCO services: hence personal selling tools seems to be less used compared to the rest of the tools. It therefore suggested that the company should re-look how it can take advantage of establishment of Call center and ensure customer are reached and service improved.

Overall in this study it is eminent that there is a need for TANESCO's to review the implementation strategies of MC. This is because data collected from customers show that there is little involvement of stakeholder on implementation of MC. It was also revealed that the tool is not fully used which calls for need for further studies to see whether other tools can also be used to improve the services. The need for the study is therefore to carry out an evaluation on the implemented MC, linking it with the cooperate strategy of the company to determine gaps and short falls in TANESCO in order to define the way forward towards continuous improvement of service delivery.

5.6 Limitations of the Study

Given time constraints and budget, the study focused only on four regions in Dar-Es-Salam, while TANESCO is operating in all regions in the country. This was found feasible due to typicality of the case selected for the study as well as the opportunity to learn possibility Yin (1994) showed by the firm's management. It is, however, acknowledged that if many cases were included in the study, the findings would have improved further.

5.7 Areas for Further Research

The study carried out to explore the effectiveness of market communication on improving the service delivery. Considering the theoretical literature review across the world the tool has been very successfully and therefore considered to be of vital importance to ensure the identified performance parameters are achieved. The study only covers TANESCO operation in Dar-es-Salam which the operations are all over Tanzania; this was due to time and budget limitation. The conclusion above which

shows that although the success have started been realized still hasn't made much impact on performance indicators which directly impacted the customer satisfaction. Considering the limitation and recommendation the following areas of further studies are proposed:

- (i) Conducting studies on performance of electronics selling points established to improved purchasing of Electricity/Service delivery which seems to facilitate and improve revenue collection at TANESCO.
- (ii) Conducting research on various other public utilities and measure to what extend the promotion mix tools can be used to improve service delivery and whether all the tools are equally utilized and which ones work better under given circumstances.
- (iii) Effectiveness of Call center establishment on improving public sector service delivery.

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APPENDICES

Appendix I: Questionnaires

FOR EMPLOYEES

I am a student at The Open University of Tanzania (OUT) pursuing a Masters Degree in Business Administration (MBA). I have prepared this questionnaire for purpose of collecting data concerning my research study. Your contribution is highly valuable in making the study successful. Assurance is given that your personal information will be handled confidentially

PLEASE TICK TO THE APPROPRIATE BOX

1. What is your age group category?

18- 26 ()

27- 34 ()

35- 43 ()

44-52 ()

53+ ()

2. For how long have you worked for this organization?

1- 3 Year ()

4-6 Years ()

More than 7 years ()

3. What is your working position?

(a) Receptionist

(b) Accountant ()

(c) Customer Care

(d) Engineer

(e) Commercial Officer

4. Please circle a number to show your choice in the chart below:

	a) Advertisement in TANESCO	Rankings				
		Not very important				Very important
i.	Advertisement influenced increase of number customers	1	2	3	4	5
ii.	Advertisement influenced revenue collection	1	2	3	4	5
iii.	Advertisement increase awareness of customer to TANESCO product	1	2	3	4	5
iv.	Advertisement increased Customer care	1	2	3	4	5
v.	Advertisement influence other activities (please specify).	1	2	3	4	5

	b) Sales promotion in TANESCO?	Rankings				
		Not very important				Very important
i.	Sales promotion has contribution on increase of number of customers/customer base in monthly bases	1	2	3	4	5
ii.	Sales promotion influenced revenue collection	1	2	3	4	5
iii.	Sales promotion influence awareness of customer to TANESCO product	1	2	3	4	5
iv.	Sales promotion influence Customer care	1	2	3	4	5
v.	Sales promotion influence other activities (please specify).....	1	2	3	4	5

	c) Personal selling in TANESCO	Rankings				
		Not very important				Very important
i.	Personal selling has contribution on increase of number of customers/customer base in monthly bases	1	2	3	4	5
ii.	Personal selling influenced revenue collection	1	2	3	4	5
iii.	Personal selling influence awareness of customer to TANESCO product	1	2	3	4	5
iv.	Personal selling influence Customer care	1	2	3	4	5
v.	Personal selling influence other activities (please specify).....	1	2	3	4	5

	d) Publicity in TANESCO	Rankings				
		Not very important				Very important
vi.	Publicity has contribution on increase of number of customers/customer base in monthly bases	1	2	3	4	5
vii.	Publicity influenced revenue collection	1	2	3	4	5
viii.	Publicity influence awareness of customer to TANESCO product	1	2	3	4	5
ix.	Publicity influence Customer care	1	2	3	4	5
x.	Publicity influence other activities (please specify).	1	2	3	4	5

5. In your opinion what is the overall contribution of promotion mix (Advertisement, Sales promotion, Personal selling and Publicity) to the organizational performance?

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.....

.....

6 How do you compare public organization performance before and introduction of Promotion tool (Advertisement, Sales promotion, Personal selling and Publicity) to the organization?

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.....

.....

FOR CUSTOMERS

7. In your opinion, have you ever approached with TANESCO employee and informed/ promoted of any product or services?

a) Yes b) NO

If yes, please complete question number eight below

8. If yes, how can you rank the promotion

(a) Satisfactory

(b) Very good ()

(c) Excellent

8. To what extent do quality of services improved compare to five years ago ?

(a) Satisfactory

(b) Very good ()

(c) Excellent

(d) Not impr

9. What are your perceptions on how TANESCO is promoting the service or line-product?

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.....

10. What would you comment on TANESCO promotion tools (Advertisement, Sales promotion, Personal selling, Publicity)?

(a) Very good (b) Good (c) Moderate (d) No change

Appendix II: Interview Guide

EMPLOYEES

1. Are you aware of market department? If yes, can you mention any role of the department?
2. What are the impacts of a specific promotion tool (Advertisement, Sales promotion, Personal selling and Publicity) in improving the following: *fill in type of tool commonly used!*
 - a) Monthly Revenue collection?
 - b) Increase on number of customer, customer base.....
 - c) Customer satisfaction?
 - d) Increase of awareness of TANESCO's product?
3. Is there any difference in performance before and after TANESCO adopt promotion mix tool in the organization operations? If yes, are there any data or information available?
4. How do customers normally react to promotion Mix Company done by TANESCO?
5. What do you think are challenges that TANESCO faces on promotion its service and product?

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