



Effects of Marketing Promotional Strategies on Brand Equity Among the Consumers of Mobile Telecommunication Services in Malawi

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ABSTRACT

The proper application of marketing promotional strategies has impact on brand equity in the eyes and minds of the consumers. Mobile telecommunication companies in Malawi were perceived to be using marketing promotional strategies which may not have been providing extraordinary impact on brand equity among the consumers of their services. The study aimed at assessing the effects of marketing promotional strategies on brand equity among the consumers of mobile telecommunication services in Malawi. Primary data was collected by conducting a survey through the use of self-administered questionnaire. 100 Sample members were drawn from various sectors of the telecommunication industry using non-probability method in form of stratified sampling. The research used quantitative methods. Collected data was analysed and interpreted using Microsoft Excel. Findings of the study indicated that the use of traditional marketing promotion strategies should be greatly reinforced with the use of digital and online media considering that the shift in presence of consumers of mobile telecommunication services in Malawi to the digital space and online. The study further indicated that businesses should emphasize on building brand equity and brand equity dimensions, which have significant importance towards customer satisfaction and ultimately brand loyalty among different consumers' segments.

1. Introduction

Marketing academics have viewed brand equity from two distinct perspectives: the firm's (or organizational) perspective and the consumer's perspective (Morgan-Thomas & Veloutsou, 2013). The former perspective of firm-based brand equity (FBBE) considers the financial values of a brand whereas the latter perspective of consumer-based brand equity (CBBE) captures the added value of a brand to the consumers, their positive attitudes and perceptions of a firm (Morgan-Thomas & Veloutsou, 2013). On the other hand, marketing promotional strategies can be used by marketers or businesses for various reasons. Most organizations generally use marketing promotional strategies for the main goal of creating brand awareness to influence consumers so that they become customers of their brand (Yasa, Giantari, Setini, & Rahmayanti, 2020).

Ultimately, businesses aim use marketing promotional strategies to sell products and services. Understanding the effects of marketing promotional strategies on CBBE remains high-priority for businesses, more so for mobile telecommunication companies in Malawi such as Airtel Malawi and Telekom Networks Malawi (TNM).

2. Problem Statement

The proper application of marketing promotional strategies has impact on brand equity in the eyes and minds of the consumers. Mobile telecommunication companies in Malawi are using marketing promotional strategies which may not have extraordinary impact on brand equity among the consumers of their services.

3. Objectives of the study

- i. To find out the types of marketing promotional strategies mobile telecommunication companies in Malawi are using to create brand equity.
- ii. To examine the impact of particular marketing promotional strategies on brand equity among specific segments of consumers for mobile telecommunication services in Malawi.
- iii. To recommend marketing promotional strategies mobile telecommunication companies in Malawi must focus on to create maximum brand equity.

4. Literature Review

Findings from a study titled Customer-based brand equity and firms' performance in the Telecom Industry, revealed that there was a strong positive relationship between customer-based brand equity (CBBE) and company's performance (Buzdar, Janjua, & Khurshid, 2016).

According to (Buil, De Chernatony, & Martínez, 2013), individuals' attitudes toward the advertisements, which have received little research attention in the brand equity context, are important when building brand equity. Findings furthered showed that by using original, creative and different advertising strategies, companies can develop higher brand awareness and positive perceptions of their brands.

A study by (Maduka, Eze, & Asiagwu, 2020) found that brand awareness has a significant positive effect on customer patronage in Abia State. This implies that potential buyer's ability to recognize or recall a particular brand can influence customer patronage. It agrees with the position of Richardson, Stark and Stierna (2005) that well-known brands enable the customer to feel safer using the product and increasing the possibility of the brand to be accepted and chosen.

SMS marketing is found to have a significant positive impact on brand awareness and perceived quality. Personalized, interactive, and general messages are effective for building brand awareness, and general and personalized messages positively influence perceived quality. With the right choice of message, explicit permission enhances the effects of SMS marketing on brand association (Smutkupt, Krairit, & Ba Khang, 2012).

According to (Gavilan, 2022), push notifications as a mobile marketing strategy have a direct relationship (and effect) on the brand equity of fashion brands. Overall, the influence of consumer attitudes is far stronger for bridge brands across the dimensions of loyalty and awareness whereas the opposite is true for the dimension of brand associations.

In this era, social media platform is integrated into the marketing strategy. This new technology sets out new mechanisms and communication tools that companies can rely on to interact and engage with actual and potential customers. These attributes of social media marketing directly influence brand loyalty and indirectly influence brand equity mediated by brand trust (Ebrahim, 2020).

A study by (Bala & Verma, 2018) revealed that consumers are looking and searching more on internet to find the best deal from the sellers around India as compared to traditional or conventional methods. The study further acknowledged that businesses can really benefit from digital marketing such as search engine optimization (SEO), search engine marketing (SEM), content marketing, influencer marketing, content automation, e-commerce marketing, campaign marketing, and social media marketing, social media optimization and e-mail direct marketing as forms marketing promotional tools to enhance brand equity among consumers.

According to (Mudanganyi, Muposhi, & Shanhuyenzva, 2019), provision of service to be of excellent quality as perceived by consumers was found to be the strongest predictor of customer satisfaction. Through the study, management of mobile cellular service providers in South Africa were urged to concentrate on customer satisfaction and its antecedents to improve customer loyalty and develop a cadre of loyal customers.

(Rusdianto, 2016) agreed with (Maduka, Eze, & Asiagwu, 2020) by stating that service has direct positive impact to three dimensions of brand equity, its brand awareness, brand image and perceived quality or mean if company want to get high value of brand awareness, brand image and perceived quality on the market, they can focused on service with increasing quality of service their provide to customer.

(Al-Dmour, Zu'bi, & Kakeesh, 2013), said that there is a statistical significant relationship between marketing promotional strategies which forms part of service marketing mix (SMM) and brand quality and the process element was the most important one on perceived quality followed by the promotion, serviced, people, the price, and physical evidence respectively, however, the distribution element was found insignificant.

5. Research Methodology

Framework

Conceptual framework was used in order to allow the researcher draw own conclusions by interpreting findings of the study.

Research Design

Descriptive research design was chosen because the researcher did not control or manipulate any of the variables, but only observes and measures them. The focal point of this type of research is to arrive at the "what" of the research subject, not "why"

Research Method

Quantitative research method was used because it provided room to reach a higher sample size, enabled the researcher collect data more quickly and the work validated itself because results pointed directly towards the collected data.

Research Setting

The researcher conducted the study in city of Lilongwe, Malawi.

Study Population

Population of 1,000 was drawn from consumers of the mobile telecommunication services in Malawi.

Sample Size

A sample size was narrowed to 100, representing the study population, due to the limiting factor of the researcher's resources and time. A probability sampling technique in form of stratified sampling was used to ensure that all sub-groups in the population were well represented and provided with equal chance of being selected into the sample population.

Data Collection Tool

Self-administered questionnaire with close ended questions was used in the study to collect primary and quantitative data.

Data Analysis

The acquired data was subsequently collected, edited, combined, and put through a proper statistical test before being presented as tables. Microsoft Excel was used to analysis the collected data

6. Data Interpretation and Summary Findings

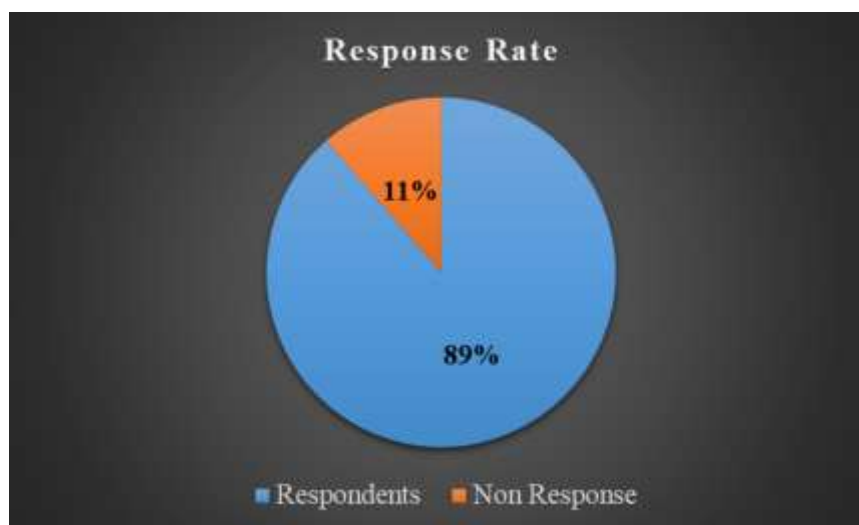


Figure 6.1 Response Rate

As shown in figure 4.1 above, eighty-nine respondents represent 89% while nonresponse of eleven represents 11%.

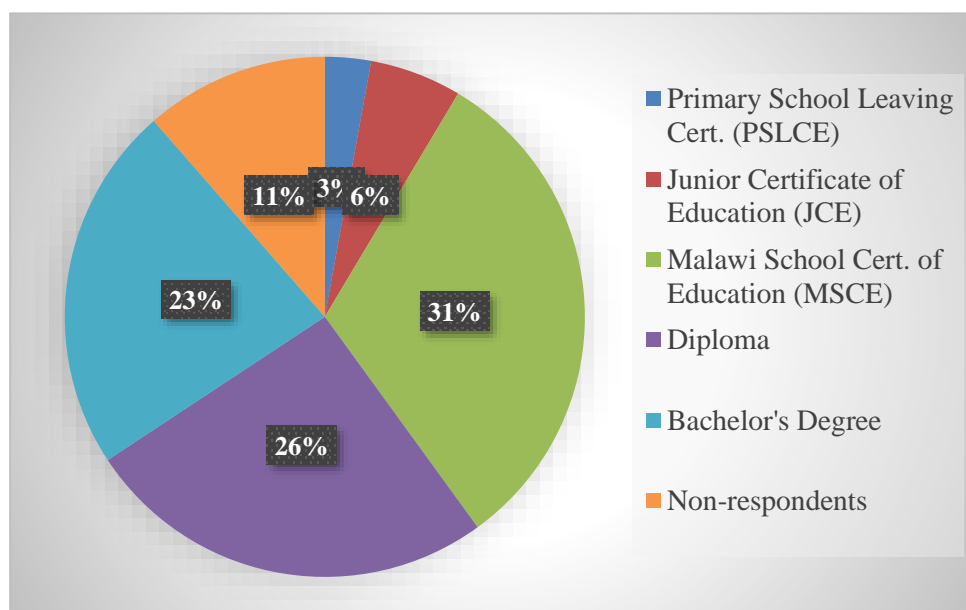


Figure 6.2 Respondents' Educational Qualification

According to 71% of respondents to the study, the use of marketing promotional strategies has significant impact in creating brand awareness, in the way they perceived the brand and the loyalty they developed for the brand.

The study established that a significant proportion of the population of respondents identified traditional marketing promotional strategies such as print advertisement, poster ads, television commercial broadcasting, radio jingle airing and billboards as the forms of promotional strategies mobile telecommunication companies were largely using in creating brand awareness and persuading consumers to patronize their brand.

59 % of the respondents to the study indicated that they were not as connected as before to their mobile telecoms brand because of the brands unavailability on their social media platforms such as Twitter, Instagram and TikTok.

7. Conclusion

The study concluded that the shift in presence of consumers of mobile telecommunication services from the physical space to digital and online spaces called for a shift in focus, in terms of marketing promotional strategies to be employed. Failure in adopting new media forms of promotion such as email marketing, content marketing, social media marketing and influencer marketing would result into disconnection with the consumers which could lead to negative brand equity.

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