# INTEGRATED MARKETING COMMUNICATION STRATEGIES ADOPTED BY SECOND HAND MOTOR VEHICLE DEALERS IN NAIROBI

OGWENOH, BENARD D65/78953/2015

SUPERVISOR: MRS. MARY KIMONYE

A RESEARCH PROJECT PRESENTED IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTER OF SCIENCE IN MARKETING, SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

**AUGUST, 2016.** 

# **DECLARATION**

This research project is my original work and has never been presented for a degree in any other university.

Signature: Date: 27 10 2016

OGWENOH, BENARD D65/78953/2015

# Supervisor's Approval

This research project has been submitted for examination with my approval as the university supervisor.

Signature: Date: 27/10/16

MRS. MARY KIMONYE
DEPARTMENT OF BUSINESS ADMINISTRATION
SCHOOL OF BUSINESS
UNIVERSITY OF NAIROBI

## **ACKNOWLEDGEMENTS**

First, thanks to God with whose grace i accomplished this project. I gratefully acknowledge the insightful guidance, positive criticism, encouragement and valuable advice from my supervisor Mrs. Mary Kimonye and moderator Dr. Winnie Njeru, which aided my efforts to complete this project. I also acknowledge and thank my family for their love and encouragement during my preparation and work on this project. Finally, i wish to express my profound gratitude to all my classmates, particularly for their encouragement as we engaged each other during the course of our study.

# **DEDICATION**

This work is dedicated to my dear wife Christine Ananda and My Daughter Sheena Meagan for their support and prayers for the entire period of the course.

My dedication also goes to the lecturers and colleagues of the Master of Science in Marketing, for their guidance and endless encouragement through the entire course. Thank you so much for the encouragement and assistance you accorded me.

# TABLE OF CONTENTS

DECLARATION	i
ACKNOWLEDGEMENTS	ii
DEDICATION	iii
TABLE OF CONTENTS	iv
LIST OF TABLES	vii
LIST OF FIGURES	ix
ABSTARCT	X
ABREVIATIONS AND ACRONYMS	xi
CHAPTER ONE: INTRODUCTION	1
1.1 Background of the Study	1
1.1.1 The Concept of Integrated Marketing Communication	2
1.1.2 The Concept of Strategy	5
1.1.3 The Second Hand Motor Vehicle Industry	6
1.2 Research Problem	8
1.3 Research Objectives	11
1.4 Significance of the Study	12
CHAPTER TWO: LITERATURE REVIEW	13
2.1 Introduction	13
2.2 Theoretical Foundation	13
2.2.1 Nicosia Model of Consumer Behavior	13
2.3 Empirical Literature	15
CHAPTER THREE: RESEARCH METHODOLOGY	19
3.1 Introduction	19
3.2 Research Design	19

3.3 Population of Study	9
3.4 Sample Size	0
3.5 Sampling Method	0
3.6 Data Collection Methods	1
3.7 Data Analysis	2
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION2	3
4.1 Introduction	3
4.2 General Information	3
4.2.1 Showroom Organization Structure	3
4.3 Integrated Marketing Communication Strategies	6
4.3.1 Integration of Integrated Marketing Communications in the Showrooms 2	6
4.3.2 Integrated Marketing Communication Tools	8
4.3.3 Relationship Between Years of Operation And IMC Strategies	8
4.3.4 Integrated Marketing Communication Media Mix	1
4.3.5 Forms of Promotional Mix And Extent of Adoption	5
4.3.6 Integrated Marketing Communications And Brand Equity	8
4.4 Influence of IMC on the Performance of Showrooms	1
4.5 Integrated Marketing Communications Adoption by Location 4	6
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS 4	9
5.1 Introduction	9
5.2 Summary	9
5.3 Conclusions	1
5.4 Recommendations from the Study5	1
5.5 Limitations of the Study	2
5.6 Recommendations for Further Research 5	2

REFERENCES	53
APPENDICES	60
Appendix 1: Questionnaire	60
Appendix 2: List of Showrooms in Nairobi	66
Appendix 3: Research Budget	68
Appendix 4: Work Plan	69

# LIST OF TABLES

Table 1: Showroom years of operation
Table 2: Number of vehicles stocked
Table 3: Vehicle models stocked
Table 4: Number of sales people employed
Table 5: Marketing functions
Table 6: Extent of IMC integration by functions
Table 7: Integrated marketing communication tools
Table 8: Chi-Square Test of Association
Table 9: IMC mix via TV
Table 10: IMC mix via radio
Table 11: IMC mix via newspaper
Table 12: IMC mix via magazines
Table 13: IMC mix via mail
Table 14: IMC mix via Internet
Table 15: IMC mix via outdoor media
Table 16: Extent of using different forms of advertising
Table 17: Extent of using different forms of public relations
Table 18: Extent of using different forms of sales promotion
Table 19: Extent of using different forms of direct/online marketing
Table 20: Consistent feel and look across multiple media

Table 21: Seamless brand communications	39
Table 22: Relevant brand associations	40
Table 23: Influence on marketing communication effects	41
Table 24: Agree/Disagree on marketing communication effects	42
Table 25: Influence on operational efficiency	42
Table 26: Agree/Disagree on operational efficiency	43
Table 27: Influence on customer response	44
Table 28: Agree/Disagree on customer response	44
Table 29: Influence of brand exposure and channel support	45
Table 30: Agree/Disagree on brand exposure and channel support	45
Table 31: IMC adoption along Gitanga Road	46
Table 32: IMC adoption along Karen Road	46
Table 33: IMC adoption along Kiambu Road	47
Table 34: IMC adoption along Langata Road	47
Table 35: IMC adoption along Ngong Road	48

# LIST OF FIGURES

#### **ABSTARCT**

Second hand motor vehicle business thrives in Kenya due to attractive credit facilities and the steady increase of disposable income from the middle class. The industry significantly contributes to the growth of the Kenyan economy by way of taxes, duty and self-employment. Players within this industry face rigid completion due to globalization, increased consumer awareness and the advancement in technology. Many brands have become dynamic, the media landscape fragmented, and the consumers have more control over their media consumptions and are no longer susceptible to interruptions by marketers. The new media can be digitally accessed by audiences from anywhere at any time and responsive to their control. The need to equip second hand motor vehicle dealers with the most effective marketing communication strategy has become critical to ensure their survival. The objective of this study was to determine the extent of adoption of integrated marketing communication strategies by the second hand motor vehicle dealers in Nairobi and how it has impacted their performance. The study adopted descriptive cross-sectional research design. The population of study was second hand motor vehicle dealers operating showrooms in Nairobi. Primary data was collected using questionnaires administered to 60 respondents from which 56 completed questionnaires were received. Descriptive statistics such as frequency tables, percentages, means, modes, medians and standard deviations were used to analyze data. The results were presented in tables, bar charts and graphs. The research findings concluded that integrated marketing communication strategies, which include advertising, sales promotion, public relations, personal selling and direct/online marketing have been widely adopted by the showrooms in Nairobi. The showrooms have integrated these strategies within their respective departments and balanced their usage across multiple media. IMC strategies adoption also enhanced brand value and equity of the showrooms. The benefits derived from the adoption of the strategies included increased marketing communication effects, operational efficiency, customer response as well as brand exposure and channel support.

# ABREVIATIONS AND ACRONYMS

AMA American Marketing Association

IMC Integrated Marketing Communication

JUMVEA Japan Used Motor Vehicle Exporters Association

SHOWROOM Business premise for the second hand motor vehicle dealer

#### **CHAPTER ONE: INTRODUCTION**

# 1.1 Background of the Study

Schultz (1998) defined integrated marketing communication as a strategic process that businesses use to grow, expand, and appraise synchronized, quantifiable, convincing brand messages over time with stakeholders. The goal is to achieve a coordinated communications strategy that synergies the different promotional tools available to the company while avoiding any duplication. In order to understand the phenomenon under investigation, Nicosia Model of consumer behaviour will be considered. Nicosia (1976) explains the relationship between a firm's communication with consumers and the consumers' tendency to take specific actions. Although this model has been criticized by commentators for not having been empirically tested (Zaltman et al, 1973) and the lack of definitions for many variables it used (Lunn, 1974), it still plays a significant role in predicting the effects of marketing communications.

Global motor vehicle sales have been on the increase since 1990s. The strengthening global labour markets and improving financial conditions continue to favour this trend. The sales volume by the end of 2016 is set to exceed 75 million cars, representing an increase of over 4% from the 2015 sales volume (Gomes, 2016). In Kenya, the second hand motor vehicle imports started in the year 1993 after the liberalization of the economy (Karthi & Schiller, 2016). Between 2003 and 2012, the volume of imported motor vehicles had grown by over 300%, from just 33,000 units to a total of 110,474 units (Kenya National Bureau of Statistics, 2012). Availability of attractive credit and a steady increase of disposable income from the middle class contribute to the rise of second hand motor vehicles on Kenyan roads, now approximated to be over 84% (Ndungu, 2008). Second hand motor vehicle dealers viciously compete for market share

in a crowded and competitive landscape by adopting a range of marketing strategies, including the integrated marketing communication in order to be profitable.

## 1.1.1 The Concept of Integrated Marketing Communication

The concept of IMC has evolved considerably. It was initially viewed as a tool for coordinating brand communication (Krugman et al., 1994), but is now considered a viable strategic tool for management (Duncan, 2002). Carlson et al (2003) once noted that the earlier conceptualization of IMC were rather vague resulting into diverse approaches to brand communication. Differences still exist among researchers as to the correct conceptualization of IMC even after several years of research in the area. While stating their views, Cornelissen and Lock (2000) argued that it is a "management fashion" rather than a theoretical concept. Responding to this claim, Schultz and Kitchen (2000) noted that IMC can not be a "fashion" rather; it is an emerging pattern whose evolution as a concept is exclusively appropriate and is consistent with scientific theory. Recently, Gould (2004) while accepting that IMC is still a contentious theoretical concept, also noted that it can still be an influential theoretical tool when scrutinized from a post-structural classical viewpoint on theory. The above arguements suggest that IMC as an academic concept is on the right path in generating intellectual discourse from different researchers.

Several definitions of IMC exist in literature. This study will however focus on those definitions that are relevant to the study objectives. Schultz and Schultz (1998) produced one of the earliest definitions of the IMC. In their definition, they viewed IMC as a strategic business process that companies apply to plan, expand, accomplish, and appraise synchronized, quantifiable, convincing brand messages over time with stakeholders. The stakeholders envisaged in this context are consumers, customers,

prospects, and other relevant audiences. Duncan (2002, p. 7) on the other hand conceived IMC as a process. According to him, the management of customer relationship is vital for growing brand value. The IMC process provides the infrastructure for companies to build profitable client relationships. Through IMC, organizations have developed crossfunctional procedures that have created and fostered profitable relationships with their stakeholders through deliberate communications to achieve purposeful dialogue. Most recently, Raman and Naik (2005) noted that it can also be viewed as a program. In this context, it becomes a tactic that can be used to perform marketing activities in a consistent way so that the overall impact of the program surpasses the results of each individual activity. Finally, the American Marketing Association posits that IMC is a planning process. In their definition, there is an emphasis on the relevance of brand messages to the customers or prospects. The IMC planning process should therefore ensure that messages received by the respective customer or prospect are relevant to their needs and consistent over time (AMA).

Percy et al. (2001) in their definition linked IMC to marketing objectives. They argued that IMC should assist an organization to arrange and execute marketing communication in a way that supports the organization's marketing objectives. The central theme is to implement persuasive communication programs that are intended to influence or affect the behaviour of the target audience. The forms or technique via which influential communications programs are to be built is considered in the IMC process. The process focuses on the customer as the sole recipient of the messages (Schultz, 1993a, p. 17). The IMC model uses communication as its basis, with all relationships engulfed in a circular rather than a linear process. It creates a continuous process where brand value is improved as represented by increased sales, higher profits margins, and enhanced brand

equity. Ensuing from this is an endless acquisition, retention and growth of customers (Duncan, 2002).

To other scholars, IMC is a management concept. As the different facets of marketing communication are employed by marketers, the role of IMC is to ensure that they work in harmony. The facets, which include advertising, sales promotion, personal selling, direct marketing and public relations often work in isolation. Many organizations consider IMC as a key competitive advantage (Kitchen et al., 2001). Putting in place effective IMC strategies can increase sales and profit and also save time, resources and anxiety (Smith, 2002). It is a dynamic model that makes marketing communication consumer oriented by reducing the risks associated with products (Kitchen, Brignell, Li and Jones, 2004).

By failing to integrate the various communications through its many channels, a firm can send mixed messages to its consumers and audiences. Advertisements may present one message while price promotion says something else, a product label potrays a different meaning and at the same time the company's sales literature and web site are out of tune with everything else. Many companies are however incorporating integrated marketing communications in their businesses today. Messages are carefully integrated and coordinated among various communication channels and made to deliver a concise, reliable, and persuasive message of an organization's products, brands or services. It suffices to say therefore that organizations can exploit IMC to ensemble strong brands through the harmonization of their corporate messages, positioning messages, image and identity across all marketing communications.

#### 1.1.2 The Concept of Strategy

Strategy is a multi-dimensional concept with no single, universally accepted definition. Most authors only express views that broaden their perspectives and clarify issues in strategic management. Therefore, the definition of strategy from the perspectives of several authors will help in better understanding its meaning in the context of this study.

Strategy is defined in five dimensions by Mintzberg et.al (2002). It is viewed as a plan, ploy, pattern, position and perspective. Strategy is considered a plan since it is a consciously intended course of action to deal with a situation, it is a ploy since it is a maneuver intended to outwit the competitors, it is a pattern since it is a streamline of actions, it is considered a position since it is a means of placing an organization in its right environment. As a perspective it is an embedded way of perceiving the world. Strategy is basically about competition and the means by which organizations try to gain competitive advantage (Porter, 1980). Further, Hofer et.al (1980) noted that strategy is the common theme among an organization's diverse activities. According to Hill and Jones (2004), strategy is an action that an organisations' management take to achieve its goals. For most organizations, this overriding goal is usually to attain better performance than its competitors. A company is said to have a competitive advantage if its strategies results in better performance than its rivals.

Thompson et.al (2007) noted that an organisations' strategy is an action plan assembled by the management to successfully run the business. It symbolizes their commitment to follow a set of actions such acquiring and retaining customers, competing effectively and improving the organisations' monetary and marketing performance. According to Johnson et.al (2006), strategy can be the direction and scope of an organization in the long-term. Organisations can realize benefits in their dynamic environment through the

re-arrangement of resources and competences in order to exceed stakeholder requirements. Finally, Pearce & Robinson (2005) define strategy as the blueprint that guides an organization's management in detailing their business, the expected end and the means through which it will reach these ends.

#### 1.1.3 The Second Hand Motor Vehicle Industry

A collection of firms that offer similar products or services is called an industry (Pearce et.al, 2005). The motor vehicle industry is made up of firms dealing in the supply of motor vehicles (both new and used), their spare parts, accessories as well as maintainance of those motor vehicles (Bennet et.al, 2002).

Importation of second hand motor vehicles in Kenya dates back to the year 1993 following the liberalization of the motor vehicle industry (Bennet et.al, 2002). Since then, there has been a drastic increase in the importation of second hand motor vehicles into Kenya via the port of Mombasa (Mwenda, 2007). The registrations of new motor vehicles stood at 98,570 in the year 2015 (Kenya National Bureau of Statistics, 2015) with a total of 77,457 being imported to Nairobi (JUMVEA). Data from Kenya Revenue Authority show that the importation of second hand motor vehicles has been rising at a steady rate of more than 2,300 units annually for the past ten years. According to Ndungu (2008) appriximatetly 84% of motor vehicles on Kenyan roads are second hand vehicles imported via the port of Mombasa.

Firms use new product development process to acquire new products. The new product can arise from an improvement of an existing product, modification of existing product, or new product to world. During a product's lifetime, sales and profits may begin to decline. The firm may perform several actions to revive the sales volume and profitability of a declining product. Market modifying strategies are commonly adopted

by firms to increase consumption of the current product. Common strategies involve identifying new markets, new users or increasing usage among existing users. Manufacturers of new motor vehicles often adopt market modifying strategies to market second hand motor vehicles. This strategy creates markets among new users within the country of origin and also identifies new markets and new users in foreign markets.

According to Hamilton and Macauley (1998) the increase in the durability of automobiles and reduction in prices has accelerated the growth of the second hand market, affecting the marketing of these automobiles. In Kenya, the motor vehicle dealers compete for market share by offering multiple products in an attempt to occupy coveted market segments to remain profitable. Consideration on consumer interest in product design becomes critical as dealers position themselves to respond to changes in consumer tastes and preference at the right time.

The second hand vehicle market performs an important function for both consumers and manufacturers of motor vehicles. The availability of low price and low quality vehicles enables buyers who would otherwise not take part in the market to own a vehicle and also allows sellers to trade in their used vehicles for new ones. Manufacturers gain by selling to the sellers after they trade in their used units. The market facilitates trade of low quality vehicles that can not be economically by supplied by manufacturers and allows both new and used products to co-exist since they satisfy the same general needs (Janischewski et al., 2003).

The study is being conducted at a time when second hand motor vehicle dealers are facing several challenges and stiff completion due to globalization. The influx of second hand motor vehicles and increased consumer awareness through digital platforms further increase the pressure on dealers to devise ways of remaining profitable. Dealers are not

assured of sizeable market share and profitability unless they become creative and more innovative in the trade. Designing and executing suitable integrated marketing communication strategies is now more critical for their survival.

#### 1.2 Research Problem

The challenge for many firms is how to sustain robust marketing communication practices with available resources and channels to meet the changing consumer tastes and preferences. Integrated promotional mix can become a valuable strategic tool for businesses by providing marketing communication that is customer oriented (Kitchen et al., 2004).

Over the past twenty five years, the field of marketing communications has encountered a dramatic revolution. Information technology now facilitates enormous customer data storage (Clow et al., 2002), and easy manipulation electronically (Maddox, 2001). The internet has become a convenient source of information (Durkin and Lawlor, 2001), it is also a communication conduit, and transaction catalyst as well as a means of delivery (Gronstedt, 1997; Reich, 1998). According to Clow and Baack (2002), many new practices such localization and globalizations are evolving rapidly. Others driven by client needs such as organizational learning are pointers to robust marketing communication environment (Gould et al, 1999).

Thrassou and Vrontis (2009) anticipate a growing balance between the power of consumers and the influence organizations have on consumer perceptions. Consumer needs are rapidly evolving into wants which are becoming increasingly vague, obscure and emotional, shifting marketing communications to perception management that is only responsive to brand messaging. Firms' admiration are for brands that have a global

reach while maintaining local appeal (Fill and Yeshin, 2001). Kitchen and Schultz (2000, p. 16) signals the need to change the development and management of marketing communication. Marketing communication has been impacted in very significant ways; brands have become dynamic, the media landscape is extremely fragmented, and an empowered consumer has emerged.

According to Schultz and Schultz (2004), the era of innovation, which was the main theme between the 1960s and the early 1990s has suffered setbacks. With the advancement of latest technologies, products can be replicated with much ease; compeling firms to now consider innovation not only as a market-leader tool but also as a competitive tool. The new media is digitally accessible to audiences from anywhere at any time and responsive to their control. Consumers have become selective, skeptical, demanding and can no longer devote their attention to a single media. They have greater access to information and have authority over media utilization (Vollmer and Precourt, 2008). Consumers can now multitask due to the availability of portable on-demand devices which allow them to interact with multiple media; they are no longer susceptible to interruptions by marketers.

IMC provides firms with the infrastructure and capability to achieve competitively in the new media environment by synchronizing communication from multiple media in order to create a consistent and coherent image for brands. The concept of IMC resonates well within the current marketing framework and presents solutions to the challenges raised by a marketplace where the media landscape is considerably fragmented, with brand communications all over the place as consumers take control of their media concentration and consumption. Organizations must now to re-invent the way marketing communications is done since consumers can now determine the way firms develop and

market their products and brands increasingly suffer dissonance. Only companies with the ability to develop relevant brand communications that ultimately reach the customers will successfully navigate the landscape.

According to Hover & MacInnis (2004), understanding the set of decisions (what. why. when, how much and how often) that consumer makes over the time is critical to any intervention needed to influence their purchase decision. Using integrated marketing communication at every stage of a consumer's decision making process can reveal buying behavior towards certain automotive brands. Nicosia Model is a framework on how a firm's communication strategy can be adapted to enhance its communication effectiveness. The model offers invaluable insights on how firms can adopt communication strategies that resonate with their audiences in order to achieve positive results.

Previous studies in this area have discussed little about the communication strategies adopted by the showrooms. Wacuka (2006) conducted a study on the competetive strategies adopted by the dealers but excluded the role of marketing communication. Ntara (2007) examined how firms in the motor industry are using of internet to market their products while Musyoki (2012) investigated the factors influencing consumer buying behavior for saloon vehicles at General Motors East Africa. Makembo (2013) studied the factors affecting the performance of second hand motor vehicle importers in Nairobi but did not discuss the part played by marketing communication. Bwisa and Suter (2013), while studying the influence of entrepreneurial characteristics on the success of second hand motor vehicle dealers in Kenya, focused only on the management qualities of the proprietors. Kinoro (2013) on the other hand looked at the factors affecting new vehicle sale while Mbogo (2013) conducted a study at General Motors

East Africa Limited on adoption of strategic management practices. Lastly, Lithaa et al (2014), in their study on the regulatory practices that influence the growth of the industry, only underscored the effect of the said practices to the profitability of the industry.

According to Mwenda (2007), the industry contributes immensely to the growth of the Kenyan economy in terms of taxes and duty, now estimated at more than one third of the new motor vehicles. The contribution in terms of gross domestic product and self-employment is enormous (Suter and Bwisa, 2013). As firms adopt IMC strategies, it is expected that they will achieve their objectives with greater capacity. Objectives such as brand awareness and favourable brand preference, favorable brand attitudes and the increase of purchase intention can be attained through the effectinve application of IMC. Duncan and Mulhern (2004) suggest that the adequate adoption of IMC by firms can increase the firms' capacity to chieve its campaign objectives. The need to equip second hand motor vehicle dealers with the most effective communication tools in order to remain competitive is highly essential. Emanating from these reasons, the primary research problem for this study is: How can the second hand motor vehicle dealers in Nairobi implement and benefit from integrated marketing communication strategies?

#### 1.3 Research Objectives

The objectives of this study were as follows:-

- To determine the integrated marketing communication strategies adopted by the second hand motor vehicle dealers in Nairobi.
- To establish the level of implementation of the integrated marketing communication strategies by the second hand motor vehicle dealers in Nairobi.

 To ascertain the impact of integrated marketing communication strategies on the performance of second hand motor vehicle dealers in Nairobi.

## 1.4 Significance of the Study

The study will make contribution to the body of knowledge by availing resources for reference by future researchers. The disclosure from this study will also provide information on the integrated marketing communication strategies adopted and the extent of their use by the second hand motor vehicle dealers.

The research will be of significant importance to both current and prospective second hand motor vehicle dealers in Kenya. The motor vehicle dealers will use the strategies identified to increase the loyalty of their existing customers and also acquire new customers cost effectively. The Kenyan motor industry will also learn from this study by applying the principles revealed in the study to improve their integrated marketing communication strategies.

This study will be useful to the government and policy makers in policy formulation and implementation. Since second hand motor vehicle industry contributes significantly to the growth of the economy, its success is vital to the Government, policy makers, dealers and consumers alike. Research results will provide viable information that these agencies can use in developing progressive policy frameworks that is bound to inspire the growth of the industry.

#### **CHAPTER TWO: LITERATURE REVIEW**

#### 2.1 Introduction

This chapter reviews the various literature available on the topic under study in varying contexts. The researcher will review the literature that is in line with the objectives of the study. A detailed review of relevant theories or models that underpins the study will also be undertaken.

#### 2.2 Theoretical Foundation

#### 2.2.1 Nicosia Model of Consumer Behavior

According to Blackwell et al (2006), the activities people engage in when obtaining, consuming, and disposing products and services is called consumer behavior. When researchers investigate how individuals make decisions to spend their resources, which include time, money and effort on consumption-related items, they are said to be conducting consumer behavior studies (Schiffman and Kanuk, 1997). These studies probe what consumers buy, why they buy it, when they buy it, where they buy it, how often they buy and use it. Solomon (1996) describe them as processes undertaken by individuals or groups when they purchase, use, or dispose products, services, ideas, or experiences to satisfy their needs or desires. Marketers take great interest in product use since it determines the best positioning strategy. It can also provide insights on how to increase the products' consumption patterns. Consumer behavior knowledge is critical to modern marketing philosophy since consumers are considered as the centre of all marketing activity.

According to Andreason (1965), information can determine the nature of decision a consumer will make. Consumers process and filter marketing information to form

particular attitudes towards the firm's products or services. A model detailing the buyer's decision process for a new product was developed by Francesco Nicosia in 1976. The model explains the relationship between a firm's communication with the consumer and the actions they take (Nicosia, 1976). Even though this model has been criticized for lack of empirical testing (Zaltman et al, 1973), and lack of definion of some of the variables (Lunn, 1974), its attempt to clearly integrate the organisation's marketing communication within the consumer behavior model is vital (Runyon & Stewart, 1987).

Nicosia (1976) depicts firms trying to influence consumer's choice of decisions by using of messages that guide the consumer to make a purchase. The inclination of consumers towards the firm's products and communication messages is intended to persuade them to develop positive attitudes towards the advertised brands. Generally, positive attitude results in the motivation to purchase those brands. Given its reliance on a firms' communication initiative, the Nicosia model indicates how the firms' message and the resultant impact on the potential consumers are related. In its broadest terms, the model assumes that consumers are exposed to the firm's various marketing communications and responds to them by their purchase actions. The model is interactive and proposes that while firms try to influence their consumers through marketing communications, the cunsumers react by buying (or not buying) the advertised brands.

The model divides the consumer activity into four areas; the formation of consumers attitudes as a result of message exposure, the search of information and evaluation of alternatives by the consumer, the act of purchase, and the responses consumers provide to the firms. Information concerning consumers buying habits and favourite media is therefore crucial for firms to develop convincing communication programs.

#### 2.3 Empirical Literature

Integrated marketing communications is a marketing communication approach that tries to combine both contemporary and conventional marketing strategies so as to create a proficient and dependable means of conveying a company's brand messages to all the stakeholders. Since its inception, the strategies have proved to be dependable means of communication since it harnesses the best from both the contemporary and conventional communication methods. Communication is only effective if the message is conveyed without any distraction with the best clarity. IMC provides this guarantee and promotes relationship building between the firm and its audiences resulting into financial gains for the firm. Communication can also be a tool for conveying feelings and sharing information among different parties. According to Frazier and Summers (1984), it is a process by which influential information is exchanged within the organization. While acknowledging the important role of communication between organizations and their stakeholders, the marketing literature has failed to provide any integrated theory on the adoption of integrated marketing communication to enhance this role in many sectors (Grabner and Rosenberg, 1969). Communication has been theoretically connected to both behavioral and structural issues amongst parties, with scanty empirical research on integrated marketing communication. Communications in a marketing context is characterized by the totality of all marketing mix of the brand that promotes and builds shared meanings with the stakeholders of brand. The main function of marketing communication is to convey relevant information to the target audience to improve the company's financial performance. The excessive use of sales promotion may however decrease the firms' brand evaluation (Dodson et al., 1978). Supporting this argument is the self-perception theory, which was suggested by Sawyer and Dickson (1984) as a psychological model of response to sales promotion.

Wacuka (2006) while studying the adoption of competitive strategies by second hand motor vehicle dealers established an ovewhelming awareness of the stiff competition present within the industry. Consumer tastes and preferences has significant influence on the performance of organizations in markets where there is intense competition or fast technological advancement (Reid, 2005). Low (2000) notes that competitive intensity can influence positively the adoption of IMC strategies. Organizations that compete in markets exemplified by acute competition often find it necessary to integration strategic brand communication to maximize their communication effects. Potluri (2008) notes that the effective use of IMC can create awareness, change attitude, enforce brand loyalty and build company image. According to Vargas (2005), pursuing a strategy that assimilates the different marketing communications tools can improve the value of the brand. According to Vantamay (2011), a number of factors can be used to measure the success IMC implementation.

According to Kitchen et al (2001) and Smith (2002), IMC is considered a key competitive advantage in many organizations. The increase in sales income, higher profit margins and reduction of operational costs can all be linked to IMC adoption (Smith, 2002). The role of integration in marketing communication is very critical in a dynamic market where the currency of information is critical. Stern and El-Ansary (1988) describes communication as the glue that keeps strategy together and links the organization with its stakeholders. Makembo (2013) while noting that competition, training in business management skills, changes in customer tastes and preferences and regulatory framework have significant impact on the performance of the second hand motor vehicle dealers failed to specify how a firm's marketing communication affects their performance. The significance of marketing communications in industrial markets is a well researched topic (Garber, 2002, 1; Kitchen, Schultz, 2003, 66). Therefore,

understanding the level of implementation of IMC strategies by second hand motor vehicle dealers can enhance its use and inspire widespread adoption within the secor.

Globalization has changed the way companies do their business today. The Internet has created a global village by eliminating borders or territories for most companies. Evidently second hand motor vehicle dealers with no offices in Kenya now conduct business in Kenya just like the local dealerships. Local dealers now face stiff competition from a global front. Ntara (2007) while describing how the use of internet can improve sales when adequately embraced by Kenyan motor vehicle dealers notes the existence of a potential market, of more than 100 million people created by the integration of the five East Aftican states. The opportunities created in the larger market present a huge potential to grow sales and expand business for firms with the right marketing communications strategies. The internet has limitless potential for second hand motor vehicle dealers. Apart from increasing the speed of communication, it can also be tapped as a tool of vast strategic proportions. Smaller dealers can leverage on its power to compete against larger players and also enhance their brand image by synchronized communication using the various tools, affording them equal opportunities that they ordinarily could not have on a brick-and-motar setting. In the words of Schultz (1996), the need of an integrated approach is inevitable owing to the rapid evolution of technology, which is bringing together communication and distribution into a single globalized world with an interconnected market.

Musyoki (2012), in his study on saloon cars at General Motors East Africa, perceived price, quality, cultural factors, brand image and level of income as significant influencers on consumer buying behavior. While this study was conducted among the population of new motor vehicle dealers, its implications are still relevant to second hand motor

vehicle dealers. Price, quality and brand image are perception factors that affect both customers of new and used motor vehicles. According to Ali & Umbreen (2013), IMC practice is a necessity in today's business practice and highlights the importance of strategic integrated marketing communications tools. Firms should analyze the changing preferences of consumers and how they influence the buyers purchase decision on a number of pertinent factors. Schultz (1996) states that even though organizations often convey uncoordinated messages, consumers usually combine and assimilate these messages to form a certain pattern. In many cases, the consumer choice of criteria produces outcomes that impair the interest of the firm and its brands. It is therefore important for the company to influence the consumers' choice critera in accordance with its purposes and strategic interests.

This study will help the firms to adopt marketing practices in accordance to the changing environment and consumers' buying trends and also highlight the most preferred tools of communication to the consumers in the context of the second hand motor vehicle industry.

3.1 Introduction

This chapter contains information on the research design, the population of study,

sampling method, sample size and the data collection methods that were used for data

analysis.

3.2 Research Design

The research design was a descriptive cross-sectional design whose main objective was

to portray the characteristics of persons, situations and groups used to describe the

variables in the study rather than testing a predicted relationship between the variables

(Mamabolo, 2012). The design was expected to include the identification of the study

problem, conduct the research and analyse the data and information into final results.

According to Cooper and Schindler (2003), descriptive designs are concerned with

determining who, what, where, when and how much.

3.3 Population of Study

According to Polit and Hungler (1999), a population is a collection of all objects,

subjects or members that conform to a certain set of specifications. The population of

study was the second hand motor vehicle dealers registered as members of the Kenya

Auto Bazaar Association (KABA) who also operated showrooms in Nairobi County.

According to KABA, there were a total of 109 registered members operating showrooms

in Nairobi County by 31st August 2016.

19

## 3.4 Sample Size

A subset of the population that has been chosen to participate in the study is called a sample. It is often a portion of the whole, chosen to play a part in research assignment (Brink, 1996). To obtain an adequate sample size relative to the objectives of the study, the researcher adopted the formula proposed by Yamane (1973) as follows:-

$$n = N/\{1 + N(e^2)\}$$

Where:

 $\mathbf{n}$ = sample size required;  $\mathbf{N}$  = number of people in the population;  $\mathbf{e}$  = allowable error (%) and a 95% confidence level.

Given the total population of 109 registered members, the sample size will be as follows:

$$n = 109/\{1 + 109 (0.05)^2\}$$

$$= 109/1.275$$

$$= 85$$

## 3.5 Sampling Method

The procedure of choosing a fraction of the population to represent the entire population is called sampling (LoBiondo-Wood & Haber, 1998). Stratified random sampling and simple random sampling methods were used to choose the sample for the study. The population was divided into subgroups, called strata, based on the road they are located within Nairobi County using stratified random sampling. Simple random sampling was subsequently used to select samples from each stratum to obtain a stratified sample.

Sample selection was done for each stratum by the researcher picking a showroom randomly until the complete sample was exhausted.

#### **3.6 Data Collection Methods**

Both primary and secondary data were used in this study. The primary data was collected from 56 respondents out of the 60 who accepted to participate in the study. Some 25 respondents declined to be sampled, citing proprietory and confidentiality issues. The research instrument for the primary data collection was questionnaires with closed ended questions that also featured likert scale questions. The questionnaire was administered through drop - pick method. Mugenda and Mugenda (2003) noted that closed ended questionnaires are much easier to analyze.

The target respondents were the staff in top level management and those in middle level but also serving in sales. The top level management is deemed to have been involved in formulating strategy at corporate level while the sales staff serving in middle management is also deemed to have contributed in strategy formulation at business level and are also likely to be involved in the implementation. Questionnaires are the most effective methods for collecting data from a large sample at the same time and still able to provide a high response rate (Fraenkel & Wallen, 2000). The questionnaire contained three sections; A, B, and C. Section A was used to gather data about the showrooms and the integrated marketing communication strategies they use. Section B was used to determine the level of implementation of the integrated marketing communication strategies while Section C was used to identify the influence of integrated marketing communication strategies on the performance of the showrooms.

Secondary data or information is the data that was gathered by someone else or for other purposes other than the study under consideration, or a combination of both Cnossen (1997). Secondary data provides a cost-effective way of gaining a broad understanding of the research questions. The data was helpful in designing the primary research and also provided a baseline with which to compare the primary data collection results. A review of the existing secondary data was carried out before engaging in primary data collection activity (Novak, 1996). The sources of secondary data were the relevant ministries of the Government of Kenya, Kenya Revenue Authority, Kenya Beareau os Statistics, National Transport and Safety Authority and other relevant publications.

## 3.7 Data Analysis

The questionnaires were edited and tested for completeness and consistency. Statistical Package for Social Sciences (SPSS) and Microsoft Excel were used to prepare and analyze the data. Data was tabulated and classified according to common characteristics. Ary et al (2002) notes that three steps are involved in analyzing data: organizing, interpreting and summarizing the data. In order to facilitate use of basic statistical analysis and descriptive statistics, responses were coded by assigning them numbers. According to Mugenda and Mugenda (2003), coding happens after data collection as a process of assigning numbers to subjects' responses. Tables, frequencies and percentages were used to represent the data.

4.1 Introduction

This chapter presents the analysis, findings and discussion for the study as set out in the

research methodology. A total of 60 questionnaires were given out during the study. A

total of 56 were completed and returned representing a response rate of 93%, which

represents an adequate base to make finding and draw conclusions about the study.

**4.2 General Information** 

The profile of second hand motor vehicle dealers was researched in this section to

establish any similarities, such as the location of the showroom, years of operation,

number of vehicles and vehicle models stocked, number of sales people employed and

functions responsible for marketing of the motor vehicles at the respective showrooms.

Frequency tables, bar graphs and percentages were used to analyze and present the data.

**4.2.1 Showroom Organization Structure** 

Establishing the duration that a showroom has been in operation is important in

determining any relationship between the duration of operation and the integrated

marketing communication strategies they use. Similarities and differences between the

IMC strategies adopted by the different showrooms on the basis of their period of

existence have been discussed in this section.

23

**Table 1: Showroom years of operation** 

Years of Operation	Frequency	Percent	Cumulative Percent
Less than 1 year	6	11	11
1 - 2 years	11	20	30
3 - 5 years	24	43	73
6 - 10 years	10	18	91
11 - 15 years	2	4	95
Above 15 years	3	5	100
Total	56	100	

The above results show that 11% of the surveyed second hand motor vehicle dealers have been in operation for less than 1 year while only 9% have been in operation for more than 10 years. An overwhelming majority of the showrooms (91%), have been in operation for less than 10 years.

Table 2: Number of vehicles stocked

Number of Vehicles	Frequency	Percent	Cumulative Percent
			7.1
1 - 10 vehicles	3	5%	5%
11-20 vehicles	6	11%	16%
21-30 vehicles	12	21%	38%
31-40 vehicles	6	11%	48%
41-50 vehicles	1	2%	50%
Above 50 vehicles	28	50%	100%
Total	56	100	

The results indicate that a half of the showrooms (50%) stock more than 50 motor vehicles. While only a small number of showrooms (5%) stock between 1 and 10 motor vehicles.

Table 3: Vehicle models stocked

Vehicle Models	Frequency	Percent	<b>Cumulative Percent</b>
1 - 5 models	13	23%	23%
6-10 models	24	43%	66%
11-15 models	6	11%	77%
Above 15 models	13	23%	100%
Total	56	100	
2 0 1112			

From the table above, 23% of the showrooms stock between 1 to 5 models while 43% stock between 6 to 10 models. This means that two thirds of the showrooms surveyed (66%) stock upto 10 models. The remaining 34% stock a variety of models from 11 and above.

Table 4: Number of sales people employed

Number of Salespersons	Frequency	Percent	<b>Cumulative Percent</b>
1 - 5 persons	36	64%	64%
6-10 persons	16	29%	93%
11-15 persons	3	5%	98%
Above 15 persons	1	2%	100%
Total	56	100	

From the table above, 64% of the showrooms have employed between 1 to 5 sales persons. It was also noted that only 7% of the showrooms have employed more than 10 sales people.

**Table 5: Marketing functions** 

Function	Frequency	Percent	<b>Cumulative Percent</b>
Sales	33	28	28
Marketing	33	28	56
Management	11	9	65
Accounts	1	1	66
Administration	5	4	70
Salesperson	36	30	100
Total	119	100	

The table above shows the functions responsible for marketing the motor vehicles within the showrooms. From the table, 28% of the showrooms use both the sales and marketing functions in equal measure while individual salespersons are used by 30% of the showrooms. Only 9% of the showrooms use the management and another 5% use both the administration and accounts departments.

# 4.3 Integrated Marketing Communication Strategies

#### 4.3.1 Integration of Integrated Marketing Communications in the Showrooms

IMC involves the coordination of a firms' marketing activities to maximize its profits. This section seeks to establish the level of involvement of various functions in the marketing activities of the showrooms. The table below is a presentation of a set of likert items designed to help the resercher determine how IMC strategies were integrated within the functions of the showrooms. The results were converted into a likert scale and used to determine whether or not IMC was integrated into the functions of the showrooms. This was done by determining how each function is engaged in the use of IMC strategies.

**Table 6: Extent of IMC integration by functions** 

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Management	56	1	5	3.27	1.458	2.127
Administration	47	1	5	2.57	1.347	1.815
Marketing	55	1	5	3.85	1.079	1.164
Sales	56	1	5	4.18	0.917	0.840
Accounts	39	1	5	2.08	1.365	1.862
Individual Salesperson	56	1	5	4.14	1.135	1.288
Valid N (listwise)	39					

The table above summarises the level of integration of IMC by the showrooms. From the table, the sales function was the highest in integrating IMC functions with a mean score of 4.18. The individual salespersoms followed closely with a mean score of 4.14 while the management comes third with a mean score of 3.85. The administration department performed the functions on average with a means core of 2.57 while the accounts function was the least with a mean score of 2.08, falling below the mean score.

Harmonization of marketing activities across the various functions of the showroom is consistent with the role of IMC as a tool for managing customer relationships to drive brand value through the firm's cross-functional approaches in promoting profitable relationships with customers or stakeholders as previously indicated in the literature. Integrating the departments to offer a wider marketing and communication function ensures that messages are strategically controlled and influenced to create purposeful dialogue with the customers.

#### **4.3.2 Integrated Marketing Communication Tools**

**Table 7: Integrated marketing communication tools** 

			Sales	Personal	Public	Direct/Online
		Advertising	Promotion	Selling	Relations	Marketing
N	Valid	56	56	56	56	56
	Missing	0	0	0	0	0
	Mean	3.50	3.07	3.91	3.09	4.48
	Median	3.00	3.00	4.00	3.00	5.00
	Mode	5	3	5	5	5
Std.	Deviation	1.265	1.248	1.269	1.552	0.972
	Variance	1.600	1.558	1.610	2.410	0.945
	Minimum	1	1	1	1	1
]	Maximum	5	5	5	5	5

The use of integrated marketing communication within the showrooms surveyed ranges from moderate to very large extent as depicted by the mean scores ranging from 3.07 to 4.48 shown in the table above. It was noted from the results that direct/online marketing is the tool used to the greatest extent as demonstrated by the highest mean score of 4.48 while personal selling, public relations and direct/online marketing are the most frequently used tools as depicted by the a mode of 5 in the table above.

#### 4.3.3 Relationship Between Years of Operation And IMC Strategies

It is important to establish any relationship between the showrooms' years of operation and the extent of adoption of the various integrated marketing communication strategies. The tables below show the relationships between the extent of usage of the integrated marketing strategies and the showrooms' years of operation.

**Table 8: Chi-Square Test of Association** 

		Sales	Personal	Public	Direct/Online
Chi-Square Tests	Advertising	Promotions	Selling	Relations	Marketing
Value	15.880a	10.211a	19.644a	20.977a	23.972a
df	20	20	20	20	20
Asymptotic Significance (2-sided)	0.724	0.964	0.480	0.398	0.244
N of Valid Cases	56	56	56	56	56

The results show that there is nothing significantly different in the usage advertising, sales promotion, personal selling and direct/online marketing within the showrooms in relation to the showrooms' durarion of operation. When chi-square was used to test the relationship, the proportions were found to be advertising (0.724), sales promotions (0.964), personal selling (0.480), public relations (0.398), direct and online marketing (0.244). Since these proportions are above p=0.05, it means that there is no significant difference, the five integrated marketing communication functions are used to varied extents. It also tells us that there is no statistically significant association between the showrooms' years of operation and the extent of usage of the various integrated marketing communication strategies.

The findings indicate that the sales promotion has the highest p-value of 0.964. Studies have shown that sales promotion cannot built brand loyalty or enhance brand image. Companies will tend to reduce the use of sales promotions in order to increase brand loyalty and image. Arguements over the fact that sales promotions have negative effect on brand equity and brand evaluation may also contribute to the showrooms' decreasing use of sales promotions with time. This finding is supported by previous literature that indicates that the use of promotion tends to decrease brand value and evaluation.

Personal selling with a p-value of 0.480 is suited for products of high unit value that also require demonstration of its benefits to the customers or prospects. Products that involve trade-in, like automobiles also favour, to a great extent the use of two-way communication. This enables the sales person to adapt messages conveniently after gaining feedback from the customer. Personal selling is arguably the most effective communication method for building relationships with customers due to its interactive nature. It is also the most suitable method for companies that sell expensive products that heavily rely on customers making repeat purchases.

Public relation is the next important communication method with a p-value of 0.398, often used by firms to build brand awareness and long-term recognition of their products. Public relations are less costly than advertising, have a greater impact and carry the greatest credibility since they represent independent third-party endorsement for the firm's products or brand. Second hand motor vehicle dealers often suffer reputation issues and therefore need to increase their use of public relations. As was indicated in literature, there are high risks involved in this venture, including the sale of stolen motor vehicles, illegally or incorrectly rebuilt vehicles or even re-modeled motors vehicles that continue to erode the reputation of the dealers and the industry.

Direct/online marketing, with a p-value of 0.244 is the most critical tool for the second hand motor vehicle dealers. As noted from the literature, companies on a global level are successfully using the internet as a new medium to market their products or services, promote their philosophy, and increase awareness of their brands. Companies have adapted their sales effort by incorporating cultural differences on their web sites and tailored their organizational structures to comply with marketing in the internet era. The higher usage of the internet observed in this study is a manifestation of this fact.

#### 4.3.4 Integrated Marketing Communication Media Mix

The choice of media and to the extent of use is critical to the success of integrated marketing communications. It saves time, effort and resources and enables the firm to achieve results faster. As mentioned in the literature, companies can increase the value of their brands by adopting strategies that assimilate different marketing communication techniques.

The results for this section have been analysed based on the various media outlets used by the showrooms. The scores of each IMC function were consolidated against each media to form a likert scale depicting whether that media was used more or less frequently by the showrooms.

Table 9: IMC mix via TV

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Advertising on TV	26	1	4	1.50	0.990	0.980
Sales Promotions on TV	24	1	5	1.46	0.977	0.955
Personal Selling on TV	22	1	5	1.77	1.378	1.898
Public Relations on TV	21	1	4	1.67	1.111	1.233
Direct/Online Marketing on TV	20	1	5	2.15	1.663	2.766
Events on TV	20	1	3	1.40	0.754	0.568
Sponsorship on TV	21	1	3	1.43	0.811	0.657
Valid N (listwise)	20					

The table above summarises the extent of choice of IMC functions on the TV media. From the table, all IMC functions are used below average on this media. This is an indication that the showrooms prefer using less TV in their communications.

Table 10: IMC mix via radio

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Advertising on Radio	26	1	4	1.54	0.95	0.898
Sales Promotions on Radio	22	1	4	1.64	0.95	0.909
Personal Selling on Radio	18	1	4	1.33	0.97	0.941
Public Relations on Radio	20	1	4	1.55	0.94	0.892
Direct/Online Marketing on Radio	18	1	5	1.72	1.32	1.742
Events on Radio	20	1	4	1.65	0.93	0.871
Sponsorship on Radio	19	1	3	1.21	0.54	0.287
Valid N (listwise)	18					

Even though radio has the widest reach in Kenya, the second hand motor vehicle dealers seem to use this media only to a small extent. This is demonstrated by the mean score ranging from a low of 1.21 to a high of only 1.72.

Table 11: IMC mix via newspaper

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Advertising on Newspaper	45	1	5	2.89	1.21	1.465
Sales Promotions on Newspaper	27	1	5	2.67	1.30	1.692
Personal Selling on Newspaper	22	1	5	2.64	1.36	1.861
Public Relations on Newspaper	20	1	5	2.25	1.29	1.671
Direct Marketing on Newspaper	22	1	5	2.64	1.36	1.861
Events on Newspaper	20	1	5	1.50	1.05	1.105
Sponsorship on Newspaper	20	1	3	1.45	0.83	0.682
Valid N (listwise)	18					

From the results above, the use of newspaper was close to average for advertising (2.89), sales promotion (2.67), personal selling (2.64) and direct/online marketing (2.64). The remaining functions were used below average as shown by the respective mean scores.

Table 12: IMC mix via magazines

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Advertising on Magazines	36	1	4	2.00	0.93	0.857
Sales Promotions on Magazines	23	1	4	1.78	1.00	0.996
Personal Selling on Magazines	19	1	4	1.89	1.24	1.544
Public Relations on Magazines	20	1	5	1.85	1.23	1.503
Direct Marketing on Magazines	21	1	5	2.48	1.40	1.962
Events on Magazines	19	1	4	1.58	0.96	0.924
Sponsorship on Magazines	20	1	4	1.55	1.00	0.997
Valid N (listwise)	18					

Automobile magazines were used to a moderate extent in marketing the motor vehicles via direct/online channels as shown by the mean score of 2.48 in the table above. All the remaining IMC functions were used below average on this media.

Table 13: IMC mix via mail

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Advertising on Mail	26	1	5	2.69	1.29	1.662
Sales Promotions on Mail	22	1	5	2.41	1.53	2.348
Personal Selling on Mail	37	1	5	3.03	1.40	1.971
Public Relations on Mail	22	1	5	2.41	1.44	2.063
Direct/Online Marketing on Mail	38	1	5	3.68	1.42	2.006
Events on Mail	21	1	5	1.86	1.31	1.729
Sponsorship on Mail	19	1	5	1.42	1.07	1.146
Valid N (listwise)	17					

Electronic mail (email) is one of the most cost effective ways of communication. The second hand motor vehicle dealers used this media fairly in the marketing of its moror vehicles. Direct/online marketing was used to the largest extent with a mean score of

3.68. Personal selling was used moderately on media while advertising was used slightly above average with a mean score of 2.69. Events and sponsorships were least used on this media with mean scores of 1.31 and 1.07 respectively.

Table 14: IMC mix via Internet

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Advertising on Internet	38	3	5	4.50	0.80	0.635
Sales Promotions on Internet	30	1	5	3.77	1.28	1.633
Personal Selling on Internet	48	1	5	3.83	1.02	1.035
Public Relations on Internet	27	1	5	3.48	1.48	2.182
Direct Marketing on Internet	53	1	5	4.09	0.99	0.972
Events on Internet	24	1	5	2.46	1.44	2.085
Sponsorship on Internet	20	1	5	1.90	1.48	2.200
Valid N (listwise)	19					

Except for events and sponsorships, all the IMC functions were used on this media to between moderate and large extent. Advertising lead the pack with a mean score of 4.50, direct/online marketing came second with a mean score of 4.09, personal selling was third with a mean score of 3.83. Lastly, public relations and sales promotion were used moderately with mean scores of 3.48 and 3.77 respectively. Events and sponsorship were used below average with mean scores of 2.46 and 1.90 respectively.

Table 15: IMC mix via outdoor media

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Advertising outdoor	32	1	5	3.22	1.21	1.467
Sales Promotions outdoor	40	1	5	2.83	1.38	1.892
Personal Selling outdoor	23	1	5	2.65	1.50	2.237
Public Relations outdoor	39	1	5	2.74	1.27	1.617
Direct/Online Marketing outdoor	20	1	5	2.75	1.48	2.197
Events outdoor	27	1	5	2.63	1.50	2.242
Sponsorship outdoor	25	1	5	2.24	1.48	2.190
Valid N (listwise)	18					

The outdoor media is used to a fairly moderate extent by each of the IMC functions by the second hand motor vehicle dealers. Except for sponsorship, all the other IMC functions were used to a moderate extent, with mean scores ranging from 2.63 for events to 3.22 for advertising.

#### 4.3.5 Forms of Promotional Mix And Extent of Adoption

Different promotional tools are often used differently depending on their suitability and access to the second hand motor vehicle dealers. Familiriaty with the various tools as well as the skills and resources within the showrooms sometimes contribute to skewed use of certain promotional tools. In this section, the researcher seeks to analyse the use of the components of each of the promotional tools by the showrooms.

Table 16: Extent of using different forms of advertising

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Broadcast media	56	1	5	2.00	1.335	1.782
Print media	56	1	5	3.18	1.281	1.640
Product placements	44	1	5	1.73	1.188	1.412
Point-of-purchase	55	1	5	3.76	1.319	1.739
Word-of-mouth	54	1	5	4.02	1.073	1.151
Social media	56	1	5	4.54	1.061	1.126
Valid N (listwise)	41					

From the results above, the social media is being used to a very large extent by the showrooms with a mean score of 4.54. Word-of-mouth comes second 4.02 due to the existence of digital platforms that make it easey for customers to spread the word using the social media platforms. WhatsApp was was noted as particularly popular due to the ease of use and ability to combine text, images, video and documents on the go.It is important to note that product placements is used only to small extent, with a mean score of 1.73.

Table 17: Extent of using different forms of public relations

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Public vehicles	56	1	4	1.66	0.837	0.701
Special publications	56	1	5	2.13	1.080	1.166
Community activities	55	1	5	1.75	1.142	1.304
Corporate advertising	56	1	5	3.07	1.110	1.231
Cause-related marketing	43	1	5	2.51	1.352	1.827
Event sponsorships	47	1	5	2.09	1.299	1.688
Valid N (listwise)	42					

From the table above, public relations are only occssionally used by the second hand motor vehicle dealers. Community activities like tree planting, public cleaning etc are only used to a very small extent as shown be the mean score of 1.75 in the table above. The use of public vehicles such as feature articles, interviews, press releases etc, are also used to a small by the second hand motor vehicle dealers as shown by the mean score of 1.66 above.

Table 18: Extent of using different forms of sales promotion

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Bonus packs	56	1	5	3.36	1.227	1.506
Special discounts	56	1	5	3.41	1.156	1.337
Loyalty rewards	55	1	5	2.07	1.200	1.439
Events	44	1	5	1.98	1.422	2.023
Valid N (listwise)	44					

The use of sales promotion items are in average use by the showrooms. Bonus pack such free service, car wash, alarm fitting, free key holders etc are used to a large extent as indicated by a mean score of 3.36. Special discounts such on special occasions, trade-ins

are also used to a large extent as represented by a mean score of 3.41. Loyalty rewards and special events are used to a small extent as indicated by mean scores of 2.07 and 1.98 respectively. These findings are consistent with previous research in the literature as some of the strategies showrooms use to beat competition.

Table 19: Extent of using different forms of direct/online marketing

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Direct mail	56	1	5	3.18	1.208	1.458
Direct response	56	1	5	2.32	1.114	1.240
Telemarketing	56	1	5	3.34	1.339	1.792
Shopping channels	50	1	5	2.36	1.367	1.868
Internet sales	56	1	5	4.68	0.834	0.695
Valid N (listwise)	50					

From the results above, the use of internet sales is the leading form of direct/online marketing is the largest with a mean score of 4.68 due to the availability of various online platforms, initiatives and partnerships with online advertising companies. The recent release of mobile platform applications by Cheki Kenya and Olx has made it easy for motor vehicle dealers to upload and manage motor vehicles advertisements online. The proliferation of multiple devices and lower data connection rates has also increased the use of mobile telephony to access the internet to make sales and purchases for many consumers.

## 4.3.6 Integrated Marketing Communications And Brand Equity

The concept of brand equity is important to any business venture. Firms are engaged in various activities to increase the value of the brands. The second hand motor vehicle dealers are also engaged in attempts to improve the value of their brands by employing different integrated marketing communication strategies. In this study, the strategies

involving the use of multiple media to potray consistent look and feel, seemless brand communications and relevant brand messages were considered and the outcome presented below.

Table 20: Consistent feel and look across multiple media

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Consistent products displays	56	2	5	3.82	0.917	0.840
Consistent identity	56	1	5	3.98	1.053	1.109
Synchronized programs	56	1	5	3.86	1.103	1.216
Valid N (listwise)	56					

From the results above, the showrooms use of the three activities surveyed to depict consistency with frequency of use approaching the mean value of 4.0 (to a large extent) on the likert scale. The consistency and high frequency of use of the showrooms' brands contribute to enhanced brand equity. As noted earlier in literature, IMC can guarantee consistency in the formulation and implementation of different marketing activities in a manner that ensures the combined impact exceeds the sum of individual activities.

Table 21: Seamless brand communications

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Common brand identity	56	1	5	3.29	1.345	1.808
Use of branded materials	56	1	5	3.52	1.236	1.527
Use of branded messages,	55	1	5	1.96	1.290	1.665
applications etc						
Valid N (listwise)	55					

From the results above, the showrooms are using common brand identity and branded messages to a moderate extent to communicate seamless brand messages to their

customers. This is depicted by the mean scores of these two activities rated above average of 3.29 and 3.52 respectively. The use of branded messages and applications is however used below average, with a mean score of 1.290.

Table 22: Relevant brand associations

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Communicate affection	56	1	5	3.50	1.206	1.455
Symbolize fun	56	1	5	3.52	1.144	1.309
Reassure Safety	56	1	5	3.84	1.075	1.156
Enhance self esteem	56	1	5	3.89	1.073	1.152
Valid N (listwise)	56					

Consumers rate the value of a brand on the basis of what the brand is associated with. If the brand is associated with pleasant and memorable things, the consumers with hold those feeling about that brand. Second hand motor vehicle dealers develop appropriate communication messages that illicit certain favourable feelings to their brands by their customers. In this study, the showrooms' use of those messages was above average as represented by the respective mean scores of the associations that they sought to achieve. Designing communication messages that depict their brand as affectionate, warm, calm and sentimental was used to a moderate extent, with a mean score of 3.50 as well as messages that represent the showrooms as funfull and joyous, with a mean score of 3.52. Messages that reassure the customers of the safety in dealing with the showrooms were used to large extent, with a mean score of 3.84. This is a critical factor in this business venture since some customers seek actions that reassure the safety of the transaction due to previous unpleasant experiences. Buying an automotive is a high involvement purchase activity with many influencers. The buyer may not make a purchase if some influencers do not approve their purchase activity. Showrooms often assure the customer

about social approval from their friends, family, workmates etc following the purchase of certain automotive. Messages that enhance the customer's self esteem about the showroom and the vehicle model they intend to to purchase were therefore critical at all customer contacts. Such messages were used by the showrooms to a large extent, with a mean score of 3.89. These findings are consistent with previous finding about role of IMC in literature, which is to consider all sources of brand or company contacts with customers or prospects as channels of message delivery.

#### 4.4 Influence of IMC on the Performance of Showrooms

As noted in literature, the effective use of IMC can create awareness, change attitude, enforce brand loyalty and build company image. Many companies consider IMC as a key competitive strategy whose effective application can result in increased sales income and higher profits margins and while improving operational efficiency. To measure the effectiveness of IMC programs, some five factors were investigated. This section analyses the influence of these factors on the performance of the second hand motor vehicle dealers in Nairobi. The effects of the five factors; Effects on communication effects, Operational efficiency, Customer response; Brand exposure and Channel support were analysed and the results tabulated.

Table 23: Influence on marketing communication effects

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Increased brand knowledge	56	1	5	3.91	1.014	1.028
Created favourable brand attitude	56	2	5	3.96	0.852	0.726
Increased purchase intention	56	2	5	4.07	0.759	0.577
Increased brand awareness	56	3	5	4.32	0.741	0.549
Increased customer retention	56	2	5	4.30	0.829	0.688
Valid N (listwise)	56					

From the results above, the use of integrated marketing communication has positively influenced the marketing communication effects of the showrooms as depicted by the above average mean scores of between 3.91 to 4.32. Increased brand awareness and customer retention are the most positively influenced with mean scores of 4.32 and 4.30 respectively.

Table 24: Agree/Disagree on marketing communication effects

	Disagree	Neutral	Agree
Increased knowledge of our brands	7%	29%	64%
Caused favourable attitude towards our brands	2%	32%	66%
Improved ours consumers' purchase intention	2%	20%	79%
Increased our brand awareness	0%	16%	84%
Increased customer retention	2%	18%	80%

When the results were grouped into Agree/Neutral/Disagree, 64% of the showrooms agree that the use of IMC strategies positively influenced the increase of brand knowledge, 66% agreed that it caused favourable attitudes towards their brands, 79% agreed it improved customers' purchase intention while 84% and 80% agreed it increased brand awareness and customer retention respectively. It was noted that the proportion of respondents who did not agree with this research question was less than 10%.

Table 25: Influence on operational efficiency

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Increased sales income	56	1	5	4.23	0.874	0.763
Increased market share	56	1	5	3.73	1.070	1.145
Increased premium pricing	56	1	5	3.23	1.206	1.454
Increased profitability	56	1	5	3.89	0.928	0.861
Increased competitiveness	56	1	5	4.07	1.059	1.122
Valid N (listwise)	56					

The showrooms surveyed have implemented a number of IMC strategies to improve on their operational efficiency. The results above indicate that these strategies have positively influenced the operational efficiency of the showrooms from moderate to large extent as indicated by the mean scores between 3.23 to 4.23 shown above. Increased sales income is the most positively influenced with a mean score of 4.23 followed by increased competitiveness with a mean score of 4.07. Increased profitability and market share follow closely with mean scores of 3.89 and 3.73 respectively. Increased premium pricing by the showrooms is the least influenced with a mean score of 3.23, however, still an above average positive influence.

Table 26: Agree/Disagree on operational efficiency

	Disagree	Neutral	Agree
Increased our sales income	4%	13%	84%
Increased our market share	11%	25%	64%
Increased the ability to charge higher price	29%	32%	39%
Increased our profitability (reduced costs)	7%	16%	77%
Enabled us stay ahead of our competitors	7%	20%	73%

When grouped into Agree/Neutral/Disagree, the results showed that 84% of the respondents agreed that the implementation of IMC strategies increased the showrooms' sales income, 64% agreed that it increased their market share, 77% agreed that it increased their profitability while 73% agreed it increased their competitive advantsge. It was noted that only 39% agreed that the implementation of IMC strategies increased their ability to charge premium price while those who were neutral or disagreed were 32% and 29% respectively.

**Table 27: Influence on customer response** 

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Increased brand loyalty	56	1	5	3.93	0.970	0.940
Increased customer satisfaction	56	1	5	4.05	1.017	1.033
Enhanced brand extension	56	1	5	3.63	1.071	1.148
Increased brand referals	55	1	5	3.98	0.952	0.907
Increased brand preferences	56	1	5	3.77	1.095	1.200
Valid N (listwise)	55					

From the results above, the use of IMC strategies by the showrooms had a positive influence on customer response. Based on the results, increased customer satisfaction was the most positively influenced with a mean score of 4.05. The rest of the activities were positively influenced with mean scores ranging between 3.63 to 3.93.

Table 28: Agree/Disagree on customer response

	Disagree	Neutral	Agree
Increased brand loyalty	7%	23%	70%
Increased customer satisfaction	7%	21%	71%
Enhanced brand extension	16%	29%	55%
Increased brand referrals	7%	18%	73%
Increased brand preference	14%	20%	66%

When grouped into Agree/Neutral/Disagree, the results showed that 70% of the respondents agreed the adoption of IMC strategies increased customer response in their showrooms, 71% agreed it increased customer satisfaction, 73% agreed it increased brand referrals while 66% agreed it increased brand preference. Although the propotion who agreed it enhanced brand extension were 55%, a significant number, 29% were neutral while 16% disagreed.

Table 29: Influence of brand exposure and channel support

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Increased personal contacts	56	1	5	4.11	0.888	0.788
Increased mass media exposure	56	1	5	3.64	1.135	1.288
Increased contact points exposure	56	1	5	3.88	0.935	0.875
Increased level of channel support	56	1	5	3.96	0.914	0.835
Valid N (listwise)	56					

The results above indicate that the implementation of IMC strategies by the second hand motor vehicle dealers in Nairobi had positively influenced their brand exposure and channel support. Increase in personal contacts is the most positively influenced with a mean score of 4.11. The remaining items were also positively influenced as represented by mean scores ranging from 3.64 and 3.96 above.

Table 30: Agree/Disagree on brand exposure and channel support

	Disagree	Neutral	Agree
Increased personal contacts	4%	18%	79%
Increased mass media exposure	13%	29%	59%
Increased contact points exposure	7%	23%	70%
Increased level of channel support	5%	16%	79%

When grouped into Agree/Neutral/Disagree, the results showed that 79% of the respondents agreed the implementation of IMC strategies in their showrooms increased personal customer contacts, 59% agreed it caused mass media exposure, 70% agreed it increased contact points exposure while 79% concurred it increased the level of channel support and cooperation.

# 4.5 Integrated Marketing Communications Adoption by Location

The study was conducted at five locations along the major highways in Nairobi. After subjecting the results to statistical analysis to determine any similarities or differences between the adoptions of integrated marketing communication among these locations, the following results were produced.

Table 31: IMC adoption along Gitanga Road

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Advertising	9	2	5	3.78	1.302	1.694
Sales Promotions	9	1	5	3.33	1.414	2.000
Personal Selling	9	1	5	3.33	1.581	2.500
Public Relations	9	2	5	3.00	1.225	1.500
Direct/Online Marketing	9	4	5	4.67	0.500	0.250
Valid N (listwise)	9					

The direct/online marketing was used to a very large extent at the showrooms along Gitanga road. This is shown by the highest mean score of 4.67 in the table above. The other IMC strategies were used to a moderate extent.

Table 32: IMC adoption along Karen Road

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Advertising	7	1	4	2.43	1.134	1.286
Sales Promotions	7	1	5	3.14	1.215	1.476
Personal Selling	7	1	5	3.86	1.345	1.810
Public Relations	7	1	5	2.14	1.952	3.810
Direct/Online Marketing	7	1	5	4.43	1.512	2.286
Valid N (listwise)	7					

From the results above, it was noted that advertising and public relations were used below average by the showrooms along Karen road. The direct/online marketing was used to a very large extent, with a mean score of 4.43. The remaining strategies were used to a moderate extent.

Table 33: IMC adoption along Kiambu Road

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Advertising	18	2	5	4.06	1.110	1.232
Sales Promotions	18	1	5	3.33	1.188	1.412
Personal Selling	18	1	5	4.22	1.060	1.124
Public Relations	18	1	5	3.22	1.309	1.712
Direct/Online Marketing	18	1	5	4.61	0.979	0.958
Valid N (listwise)	18					

The results above show that all IMC strategies were used above average by the showrooms along Kiambu road. This is indicated by all tools having mean scores more than 3.0 in the above table. Direct / online marketing, personal selling and advertising were however used to very large extent and large extent as indicated by mean scores of 4.61, 4.22 and 4.06 respectively.

Table 34: IMC adoption along Langata Road

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Advertising	6	2	5	3.33	1.211	1.467
Sales Promotions	6	1	4	2.83	1.169	1.367
Personal Selling	6	3	5	3.83	0.753	0.567
Public Relations	6	3	5	4.33	1.033	1.067
Direct/Online Marketing	6	3	5	4.17	0.983	0.967
Valid N (listwise)	6					

Sales promotion was used below average by all the showrooms along Langata road. This is depicted by a mean score of 2.83. Public relations and direct / online marketing were used to a large extent as indicated by the mean scores of 4.33 and 4.17 respectively. The remaining tools were used to a moderate extent.

Table 35: IMC adoption along Ngong Road

					Std.	
	N	Minimum	Maximum	Mean	Deviation	Variance
Advertising	16	1	5	3.25	1.238	1.533
Sales Promotions	16	1	5	2.69	1.302	1.696
Personal Selling	16	1	5	3.94	1.436	2.063
Public Relations	16	1	5	2.94	1.769	3.129
Direct/Online Marketing	16	2	5	4.38	0.957	0.917
Valid N (listwise)	16					

Sales promotions and public relations were used by the showrooms along Ngong road below average. Advertising and personal selling were used moderately while direct/online marketing was used to a large extent as indicated by the mean score of 4.38 in the table above.

In conclusion, the results show that there are similarities in the use of direct/online marketing at all the locations while the other IMC strategies are used interchangeably from less than average to moderate and large extent.

5.1 Introduction

This chapter summarises the findings of the study, presents conclusions and offer

recommendations resulting from the study. It also covers the limitations of the study and

recommendations for further research.

**5.2 Summary** 

The objective of this study was to establish integrated marketing communication

strategies adopted by second hand motor vehicle dealers in Nairobi. In order to achieve

this objective, a research was carried out on the second hand motor vehicle dealers in

Nairobi. Directors, managers and senior sales representatives who are also in middle

management were selected as respondents for the study. A total of the 85 respondents

were sampled for the study, however, only 60 agreed to participate. Of the 60

respondents, 56 completed and returned the questionnaires. This represented a response

rate of 93%, which was sufficient for basing the conclusions of the study.

The study shows that there are some similarities among second hand motor vehicle

dealers in Nairobi in terms of marketing structure and the extent of adoption of the

integrated marketing communication strategies. A majority of second hand motor dealers

had operated for less than 10 years while a very small proportion had operated for more

than 10 years. It was noted that a significant number had operated for between 3 to 5

years. Almost half of the showrooms stock in excess of 50 motor vehicles with a

significant proportion stocking models that range from 6 to 10. Most of the showrooms

had employed between 1 to 5 sales persons. The marketing function was equally

distributed between the sales, marketing and the individual salespersons while the

49

management, administrative and accounts staff only performed minimal marketing activities.

The use of integrated marketing communication strategies is widespread across the showrooms where the study was conducted. The study revealed that all the components of the integrated marketing communication are used above average while the great efforts by the showrooms to embrace the latest technologies was represented by the use of direct/online marketing to a very large extent. The same trend is maintained when the showrooms were grouped by location.

The findings showed that Kiambu road is using advertising more than the other locations. This was attributed to the stocking of a large number of vehicle models on that road which required the showrooms to develop detailed advertising messages covering all the models stocked. Karen road used the least advertising due to the small number of models stocked in the showrooms along that road.

The use of integrated marketing communication brings many benefits to the second hand motor vehicle dealers. The benefits highlighted in the study included; increased marketing communication effects, operational efficiency, customer response, brand exposure and channel support. On the role of IMC in influencing positive communication effects, a majority of the respondents agreed that it contributed to the increase in brand knowledge, created favourable attitudes, increased customers' purchase intention, increased brand awareness and that it enabled the showrooms to retain their customers.

On operational efficiency of the showrooms, most of the respondents said the use of IMC had increased their sales incomes, increased their market share, increased their profitability by reducing costs, and that it was a source of competitive advantage. The

findings showed that the surveyed showrooms agree that the use of IMC increased the customer response. According the results, customers have become more loyal, more satisfied, brand referrals have increased while their brands become more prefered.

On brand exposure and channel support, the benefits included increased personal contacts, increased mass media exposure, increased contacts points exposure and increased level of channel support.

#### **5.3 Conclusions**

Tables 9 to 15 are representations of the integrated marketing communication functions as a mix of the various communication media. The results depict a synchnorized approach to the use of available media in each showroom's attempt to maximize their communication efforts. It can therefore be concluded that the integrated marketing communication is a critical strategy by second hand motor vehicle dealers in Nairobi and as such contributes significantly the performance and growth of this sector.

In reference to tables 7, 16, 20, 32,33,34,35 and 36, it is evident that the role of online media platforms is significant to the adoption of integrated marketing communication strategies. Harnessing this new media and leveraging it for growth and profitability is also significant for the survival of the industry.

## **5.4 Recommendations from the Study**

It was noted from the study that product placement was only used to a very small extent. This is a useful tool that the showrooms need to start using. Just like in the the movie *die* another day, where James Bond features an Aston Martin motor vehicle while using a Sony cell phone and an Omega wristwatch, showrooms can use local celebrities to get endorsements for the brands that they stock. Community activities were similary used

to a very small extent. This form of public relations is vital to increasing brand value and equity and can enable showrooms to better understand their customers. It can help in enhancing customer loyalty and increasing referrals. The use of branded downloadable messages is yet another strategy that was used to a very small extent by the showrooms. This can be a very effective strategy in developing loyal customer base using the technological platforms already in existence. The fact that many showrooms do not use this strategy is a proof that it holds a viable potential and those who are the first to embrace it are sure to become the pioneers.

#### 5.5 Limitations of the Study

Availabity of adequate time was a limiting factor due to the content and scope of the study. Some respondents requested for more to consult in order to provide the required information while others requested to write their opinions in statements, which was excluded in this study. The study would have been of more value if other towns like Mombasa, Kusumu, Eldoret and Nakuru were also included.

#### **5.6 Recommendations for Further Research**

In this study, the role of the internet emerged prominently in driving the integrated marketing communication strategies. There is need to conduct a study that can investigate the influence of the internet and social media platforms on the performance of second hand motor vehicle dealers. This would enable researchers to develop appropriate links between the variables under play within the industry and the dynamic environment presented by the internet.

#### **REFERENCES**

- Ali, T. & Umbreen, U. (2013).Impact of Integrated Marketing Communication on Consumers

  Purchase Decisions.JISR-MSSE Vol.11, Number 1, January-June 2013
- Andreason, A.R. (1965). Attitudes and Consumer Behaviour: A Decision Model in New Research in Marketing (Preston). Institute of Business and
- Ary, D., Jacobs, L.C., & Razavieh, A. (2002). Introduction to research in education. Belmont, CA: Wadsworth/Thomson Learning.
- Bennet G., Gaya H., Kipchumba J., Percival D., A motor Industry Steered by an Ad Hoc
  Policy: Issue no. 8 December 2002, The Budget Focus: A publication of Economic
  Affairs Budget Information Programme
- Blackwell, R. J., Miniard, P. W., & Engel, J. F. (2006). *Consumer behavior* (10<sup>th</sup> international ed.). Mason, OH: Thomson/South-Western
- Brink, H. I. (1996). Fundamentals of research methodology for health care professionals.

  Kenwyn: Juta.
- Bwisa, H. M., Suter, N.P. (2013). Entrepreneurial Characteristics That Influence Success

  Among Second Hand Motor Vehicle Dealers in Kenya: A Case Study of Ngong Road

  Area. International Journal of Academic Research in Economics and Management

  Sciences. September 2013, Vol. 2, No. 5 .ISSN: 2226-3624
- Carlson, L., Stephen, J. G., and Michael, J. D. (2003)."Services Advertising and Inccgraced

  Marketing Communications: An Empirical Examination," yrwrrw/ of Current Issues and

  Research in Advertising. 25 (Fall), 68
- Clow, K. E., and Baack, D. (2002). *Integrated Advertising, Promotion and Marketing Communications*. Cranbury, NJ: Pearson Education, Inc., 2002
- Cnossen, C.(1997). Secondary Reserach: Learning Paper 7, School of Public Administration and Law, the Robert Gordon University, January 1997.
- Cooper, D. R., & Schindler, P. S. (2003). Business Research Methods (8<sup>th</sup> edition).

  USA: McGraw-Hill

- Cornelissen, J. P., and P. Lock, P. A. (2000). "Theoretical Concept or Management Fashion.-' Examining the Significance of *IMC Journal of Advertising Research*, 40 (5), 7-15.
- Dodson, A, Tybout, A. & Sternthal, B. (1978). The impact of deals and deal retraction on brand Switching. Journal of Marketing Research, 15, 72-81.
- Duncan, T. (2002). *IMC: Using Advertising and Promotion to Build Brands* (International Edition). New York: The McGraw-Hill Companies, Inc., 2002.
- Duncan, T., Mulhern, F.(2004. A White paper on the status, scope and future of IMC, McGraw Hill, New York, 2004.
- Durkin, M., and Lawlor. M. A. (2001). "The Implications of the Internet on the Advertising Agency-Client Relationship." *The Service Industries Journal* (London) 21, 2 (2001): 175–90.
- Fill, C. and Yeshin. T. (2001). *Integrated Marketing Communications*. Oxford, U.K.: Butterworth-Heinemann, 2001.
- Fraenkel, J. R. and Wallen, N. E. (2000). *How to Design and Evaluate Research in Education*. Boston: McGraw-Hill, 2000.
- Frazier, G., Summers, J. (1984). "Interfirm Influence Strategies and Their Application within Distribution Channels," Journal of Marketing, 48 (Summer), 43-55.
- Gomes, C. (2016). Global Auto Report, Global Economics, August 23, 2016
- Gould, S. J. (2004). IMC as Theory and as a Postscructural Set of Practices and Discourses: A Continuously Evolving Paradigm Shift," Journal of Advertising Research. 44 (March),66-70.
- Grabner, J.R. and Rosenberg, L.J. (1969). Communications in Distribution Channel Systems, in Distribution Channels: Behavioral Dimensions, L. W. Stem, ed. Boston:

  HoughtonMifflin Company. Integrated Marketing Communication
- Gronstedt, A. (1997). "Internet: IMC on Steroids." Marketing News 31, 11 (1997): 16.
- Hamilton, B.W, Macauley, M. (1998). Competition and Car Longevity. *Discussion*Paper 98-20. March 1998

- Hendel, I Lizzeri, A. (1999b). "Adverse Selection in Durable Goods Markets." *American Economic Review*. December, 89:5, pp.1097–115.
- Henderson, A.M, Parsons, T., Max Weber, M.(1947). The Theory of Social and Economic Organization. New York, Oxford University Press, 1947
- Hill, C. W. L, Jones, G. R. (2004): *Strategic Management Theory*; *An Integrated Approach*, 5<sup>th</sup> ed, Houghton Mifflin Company, Boston Newyork.
- Hofer, C.W, Murray, E. A. Jr, Charan, R, & Pitts, R. A. (1980). *Strategic Management: A Casebook in Business Policy and Planning*. St. Paul, MN: West Publishing
- Hover, W. D., MacInnis, D. J. (2004), *Consumer behavior*. (3<sup>rd</sup> ed) Houghton Mifflin Company.
- Janischewski, J., Henzler, M. P., & Kahlenborm, W. (2003). "The export of second-hand Goods and the transfer of technology: An obstacle to sustainable development in developing countries and emerging markets?" Adelphi Research commissioned by the German Council for Sustainable Development.
- Johnson, G., Scholes K., Whittington R. (2006). *Exploring Corporate Strategy*, 6<sup>th</sup> Edition, Prentice Hall of India.
- Karthi, P., K., Schiller, T. (2016). Navigating the African Automotive Sector: Ethiopia, Kenya and Nigeria
- Kenya Motor Industry (2007). Auto News Magazine, Monthly Motor Report Magazine.
  Monthly publications.
- Kinoro, A. J. (2013). Factors affecting new vehicle sale in the Kenya motor industry:
   A case of General Motors (East Africa) Limited. *International Journal of Social Sciences and Entrepreneurship*, Vol.1, Issue 2, 2013, 1 (2), 664-687
- Kitchen, P. J. (2000). "IMC, Brand Communications, and Corporate Cultures:

  Client/Advertising Agency Co-ordination and Cohesion," *Europeanjournal of Marketing*.

  34(5/6), 667-686
- Kitchen, P.J., Brignell, J., Lit, T., and Jones, G.S. (2004a) The emergence of IMC: a theoretical Perspective. *Journal of Advertising Research*, 44 (1), 19–30.

- Kitchen, P. & Schultz, D. (1999) A multi-country comparison of the drive for IMC. Journal of Advertising Research, 39(1), pp. 21-38.
- Krugman, D. M., Leonard N. R., Watt, D. S., and Arnold M. B. (1994). *Advertising: Its Role in Modern Marketing*. 8tb ed.. Fort Wortb, TX: Dryden.
- Lithaa, N. J., Ngugi, K. & Njagi, L. (2014). Influence of Regulation Practices on Growth of Second Hand Motor Vehicle Dealers in Dagoretti District, Nairobi County, Kenya. European Journal of Business Management, 2(1), 179-184.
- Lobiondo-Wood, G. & Haber, J. (1998). Nursing Research Methods, critical appraisal and utilization (4th ed.). St. Louis, MO: Mosby
- Low, G. L. (2000). Correlates of Integrated Marketing Communications," *Journal of Advertising Research*, vol. 40, no 3, 2000, pp. 27-39.
- Maddox, K.(2001). "Shop Turns to Collaboration Tool." *B to B* 86, 13 (2001): 10.
- Makembo, G. (2007). Factors Affecting the Performance of Second Hand Motor Vehicle Dealers in Nairobi, Kenya. (MBA Project, University of Nairobi).
- Mamabolo, D. (2012). Research Design and Methodology.
- Market Research Society Conference Papers (1996). Contribution of Research to Guinness Advertising, MRS, London
- Mbogo, R. W. (2013). Strategic management practices at General Motors East Africa limited.

  (Unpublished MBA Project, University of Nairobi)
- Mintzberg, H., Campel, J., Quinn, J.B., & Ghoshal, S. (2002). The Strategy Process; Concepts, Contexts and Cases. 4<sup>th</sup> Edition, Pearson Education Ltd.
- Mugenda O. and Mugenda A. (2003). Research Methods: Quantitative and Qualitative Approaches. Act Press: Nairobi.
- Musyoki, N. M. (2012). Factors influencing consumer buying behavior of General Motors

  East Africa's saloon vehicles. (MBA Project, University of Nairobi).
- Mwenda, J. (2007). Monthly Economic Review.
- Ndungu, J. N. (2008). A survey of the vertical integration strategies used in the

- Automotive industry in Kenya. Unpublished MBA thesis, School Of Business, University Of Nairobi
- Nicosia, F.M. Robert, W (1976). Consumer Behavior Toward Sociology Of Consumption

  Journal of Consumer Research
- Novak, T. P. (1996). Secondary Data Analysis Lecture Notes. Marketing Research, Vanderbilt University.
- Ntara, E (2007). The use of internet marketing by firms in the motor industry in kenya. (MBA Project, University of Nairobi)
- Pearce, J. A. II, Robinson, Jr, Richard, B. (2005): *Strategic Management: Formulation, Implementation and Control*, 9<sup>th</sup> Edition, Irwin McGraw-Hill.
- Potluri, R.M. (2008). Assessment of Effectiveness of Marketing Communication Mix Elements In Ethiopian Service Sector, Journal of Business Management, 2(3), pp. 59-64.
- Porter, M. E. (1980): Competitive Strategy; Techniques for Analyzing Industries and Competitors.
- Raman, K. and Naik, P.A. (2005). Integrated Marketing Communication in Retailing, pp. 339-353.
- Reich, K.(1998). "IMC: Through the Looking Glass of the New Millennium." *Communication World* 15, 9 (1998): 26–28.
- Reid, M. (2005). Performance Auditing of Integrated Communication (IMC) actions and outcomes, *Journal of Advertising*, vol. 34, no 4, 2005, pp. 41-54.
- Runyon, K.E., & Stewart, D.W. (1987). Consumer Behavior, Columbus, OH: Merrill (third edition).
- Sawyer, A. O. & Peter R. Dickson, P. R. (1984), "Psychological Perspectives on Consumer Response to Sales Promotion," in Research on Sales Promotion: Collected Papers,Katherine E. Josz, ed. Cambridge MA: Marketing Science Institute, 47-62.
- Schiffman J.B and Kanuk Lealie Lazar (1997). Consumer Behavior published by Prentice Hall Sixth edition .446
- Schultz, D. (1993a). "Integrated Marketing Communications: Maybe Definition Is in the Point of

- View." Marketing News, January 18, 1993a
- Schultz, D. (1998) Determining how brand communication works in the short and long terms, *Internationat Journat of Advertising*, 17(4), pp. 403-426.
- Schultz, D., Schultz, H. (2004).IMC, the Next Generation Five Steps for Delivering Value and Measuring Returns Using Marketing Communication 1st Edition
- Schultz, D. E. (1996). The Inevitability of Integrated Communications", *Journal of Business Research*, vol. 37, no 3, 1996, p. 139-146
- Solomon (1996). Cconsumer behaviour, 3<sup>rd</sup> edn Prentice Hall Englewood Cliffs. NJ, 33
- Smith, P.R. (2002). Marketing Communications: An Integrated Approach, 3<sup>rd</sup> ed.

  London: Kogan Page Ltd.
- Stern, L.W. and El-Ansary, A.I. (1988). Marking Channels, 3rded. Englewood Cliffs, NJ: Prentice-Hall.
- Thompson, Jr A. A., Strickland, III A.J., & Gamble J.E. (2007). Crafting and Executing Strategy (Texts and Readings), 15<sup>th</sup> Edition, McGraw-Hill Irwin.
- Thrassou, A., Vrontis, D. (2009). A New Consumer Relationship Model: The Marketing Communications Application. *Journal of Promotion Management*. University of Nicosia, Nicosia, Cyprus. Online Publication Date: 01 October 2009
- Vantamay, S. (2011) Performances and Measurement of Integrated Marketing Communications (IMC) of Advertisers in Thailand. Journal of Global Management, 1, 1-12.
- Vargas, R.D. (2005). Integrated Marketing Communications—An Effective, Comprehensive Approach, Business Ventures.
- Vollmer, C. and Precourt, G. (2008). Always On: Advertising, Marketing, and Media in an Era of Consumer Control (Strategy + Business) Paperback March 25, 2008
- Wacuka, M. (2006). Competitive strategies adopted by second hand motor vehicle dealers in Nairobi, Kenya. (MBA Research project, University of Nairobi).
- Weilbacher, W.M. (2001). Point of View: Does Advertising Cause a Hierarchy of Effects'? Journal of Advertising Research, 41(6), pp.19-26.

- Yamane, T. (1973). Statistics: An Introductory Analysis, 2nd ed., New York: Haper and Row Press, USA. 1973, p. 45.
- Zaltman, G. Pinson, C.A .And Agelman, R. (1973). *Ethodology and Consumer Research*. Holt Rinehart and Winston, New York

#### **APPENDICES**

# **Appendix 1: Questionnaire**

I am carrying out a study on the use of Integrated Marketing Communication by second hand motor vehicle dealers in Nairobi. Kindly fill in the questionnaire as required. No one will be intimidated on the basis of their responses, while the responses provided will the treated with utmost confidentiality. The results of the study will be provided to all the interested parties. Answer the questions by marking a  $\sqrt{}$  against your response in the boxes provided.

#### **Section A: General Information**

Accounts [

(This section requires you to give general infe	ormation regarding your showroom. Please
tick ( $\sqrt{\ }$ ) or fill in where appropriate).	
1. Name of your showroom	
2. Location of your showroom	
3. Position/Title of respondent	
4. How long has the showroom been in operation?  Less than 1 year [ ] 1 - 2 years	[ ] 3 - 5 years [ ]
6 - 10 years [ ] 11 - 15 years	ars [ ] Above 15 years [ ]
5. How many vehicles does the showroom stock ea	ach month?
1 - 10 vehicles [ ] 11-20 vehicles [	] 21-30 vehicles [ ]
31-40 vehicles [ ] 41-50 vehicles [	] Above 50 vehicles [ ]
6. How many vehicle models does the showroom s	stock each month?
1 - 5 models [ ] 6-10 models	[ ]
11-15 models [ ] Above 15 models	[ ]
7. How many sales persons does the showroom ha	ve?
1 - 5 persons [ ] 6-10 persons	[ ]
11-15 persons [ ] Above 15 persons	[ ]
8. Which of the functions below are responsible for	r marketing the motor vehicles?
Sales [ ] Marketing	[ ] Management [ ]

[ ]

Salesperson

Administration

## **Section B: Integrated Marketing Communication Strategies**

Use the scale of 1-5 to indicate your responses for questions in this section.

- 1 To a very small extent, 2 To a small extent, 3 To a moderate extent, 4 To a large extent, and 5 To a very large extent.
- 9. State the extent to which the following functions/departments/persons are involved in marketing of the motor vehicles at your showroom.

Des	cription	Resp	esponse			
		1	2	3	4	5
1	Management (proprietor, directors ,manager, supervisor)					
2	Administration (receptionist, booking officer etc)					
3	Marketing (planners, product developers etc)					
4	Sales (moves prospects to customers)					
5	Accounts (Accountants)					
6	Individual Salespersons					

10. State the extent to which you use the following integrated marketing communication tools at your showroom.

Des	Description		onse			
		1	2	3	4	5
1	Advertising - a paid promotion of vehicles, ideas or services					
2	Sales Promotions – Short term incentives to encourage vehicle purchase					
3	Personal Selling - presentation by the showroom's sales person to make a sale and build customer relationships					
4	Public Relations - building relationships with showroom publics via favourable publicity, corporate image and media handling					
5	Direct and Online Marketing - direct connection with carefully targeted consumers to gain immediate response and long term relationships					

11. Use the scale of 1-5 to indicate the extent of media usage by each IMC function.

IMO	C Function	TV	Radio	Newspaper	Magazines	Mail	Internet	Outdoor
1	Advertising							
2	Sales Promotions							
3	Personal Selling							
4	Public Relations							
5	Direct and Online Marketing							
6	Events							
7	Sponsorships							

12. State the extent to which you use the following forms of advertising.

De	Description		Response					
		1	2	3	4	5		
1	Broadcast media (TV/radio)							
2	Print media (newspapers, magazines)							
3	Product placements (TV, movies, use by famous person)							
4	Point-of-purchase (displays, packaging)							
5	Word-of-mouth (Referrals)							
6	Social media (facebook, twitter, whatsapp, instagram etc)							

13. State the extent to which your showroom uses the following methods for public relations.

De	Description		Response					
		1	2	3	4	5		
1	Public vehicles (feature articles, Interviews, news release, special events, press conferences etc)							
2	Special publications (newsletters, magazines)							
3	Community activities (tree planting, public cleaning etc)							
4	Corporate advertising (for image, reputation, awareness etc)							
5	Cause-related marketing (social and charitable causes)							
6	Special event sponsorships							

14. State the extent to which you use the following sales promotion tools.

Desc	Description		Response					
		1	2	3	4	5		
1	Bonus packs (free service, alloys, alarms, carwash, fuel etc)							
2	Special discounts (valentines offer, trade-ins etc)							
3	Loyalty rewards (coupons, shopping vouchers etc)							
4	Events (sponsorships, CSR etc)							

15. State the extent to which you use the following direct marketing tools.

Desc	Description		Response						
		1	2	3	4	5			
1	Direct mail (mailing list, brochures, catalogs, newsletters etc)								
2	Direct response (coupons, toll-free, hotpot link etc)								
3	Telemarketing (soliciting sales over the phone)								
4	Shopping channels(exclusive automotive channels)								
5	Internet sales (cheki ,olx, pigiame, web sites etc)								

**16.** Indicate the extent you use the following actions to enhance the brand equity of your showroom.

Des	scription	Resp	onse			
		1	2	3	4	5
A	Consistent feel and look across multiple media					
1	Products displays with the same color, look and feel					
2	Consistent use of company logo, symbols, designs, taglines, packaging etc on all media channels					
3	Executing marketing campaigns concurrently on both the online and offline media platforms					
В	Seamless brand communication cross channels		•		•	
1	The company brand identity maintained across all media channels					
2	Use branded emails, music on hold, t-shirts, caps etc					
3	Downloadable branded messages by publics (e.g Skiza tunes)					
С	Relevant brand messages at each customer contact		•			
1	Communicate warmth through our brand (sense of calmness, sentimental)					
2	Represent our brand as fun (amused, light- hearted, joyous, playful)					
3	Show our brand as secure (produce a feeling of safety, comfort, and self-assurance)					
4	Enhance customers' social approval (produce positive feelings about reactions of others)					

# Section C: The influence of Integrated Marketing Communication on the performance second hand motor vehicle dealers

Use the scale of 1-5 to indicate your level of agreement for questions below. 1 - Strongly disagree, 2 - Disagree, 3 - Neutral, 4 - Agree, and 5 - Strongly agree.

1. State the extent to which you agree or disagree the implementation of integrated marketing communications has positively influenced the marketing communication effects at your showroom.

Des	Description		Response						
		1	2	3	4	5			
1	Increased knowledge of our brands								
2	Caused favourable attitude towards our brands								
3	Improved ours consumers' purchase intention								
4	Increased our brand awareness								
5	Increased customer retention								

2. State the extent to which you agree or disagree the implementation of integrated marketing communications has positively influenced the operational efficiency of your showroom.

Des	Description		Response						
		1	2	3	4	5			
1	Increased our sales income								
2	Increased our market share								
3	Increased the ability to charge higher price								
4	Increased our profitability (reduced costs)								
5	Enabled us stay ahead of our competitors								

 State the extent to which you agree or disagree the implementation of integrated marketing communications has positively influenced customer response for your showroom.

Des	Description		Response						
		1	2	3	4	5			
1	Increased brand loyalty								
2	Increased customer satisfaction								
3	Enhanced brand extension								
4	Increased brand referrals								
5	Increased brand preference								

4. State the extent to which you agree or disagree the implementation of integrated marketing communications has positively influenced the brand exposure and channel support and cooperation for your showroom.

Des	Description		Response						
		1	2	3	4	5			
1	Increased personal contacts								
2	Increased mass media exposure								
3	Increased contact points exposure								
4	Increased level of channel cooperation (branches ,dealers, suppliers, importers etc)								

Thank you for your responses

Appendix 2: List of Showrooms in Nairobi

#	Name	Location
1	Agba Car Sales Ltd	Ngong Road
2	Alpha Automobile Ltd	Kiambu Road
3	Ameen Motors Ltd	Ngong Road
4	Autobarn Ltd	Ngong Road
5	Autofocus Ltd	Gitanga Road
6	Autopedia Enterprise Ltd	Gitanga Road
7	Autoweb Ltd	Ngong Road
8	Bottomline Motors Ltd	Langata Road
9	Capital Hill Motors Ltd	Ngong Road
10	Car Chief Ltd	Gitanga Road
11	Carland Ltd	Ngong Road
12	Carlocus ltd	Ngong Road
13	Carmaster (K) 2011 Ltd	Langata Road
14	CarMax E.A Ltd	Ngong Road
15	Carscope Ltd	Gitanga Road
16	Cliffton Motors Ltd	Karen Road
17	Clyde Motors Ltd	Kiambu Road
18	Daiga Autoworld	Ngong Road
19	Eagles Autoworld Ltd	Ngong Road
20	Ewago Motors Ltd	Ngong Road
21	Executive Superides Ltd	Ngong Road
22	Exotic Cars Ltd	Langata Road
23	Extreme Motors Ltd	Gitanga Road
24	Forward Cars Ltd	Karen Road
25	Galleria Auto Mart	Karen Road
26	Garden Motors Co Ltd	Kiambu Road
27	Gigi Motors Ltd	Ngong Road
28	Insignia Ltd	Karen Road
29	Ivory Motors Ltd	Langata Road
30	Jamcity Motors Ltd	Langata Road

#	Name	Location
31	Johneez Wheels Ltd	Karen Road
32	Karen Motor Mart	Karen Road
33	Ken Carz	Ngong Road
34	KenJap Ltd	Gitanga Road
35	Lystra Motors Ltd	Gitanga Road
36	Maridady Motors Ltd	Kiambu Road
37	Micronesia Motors ltd	Kiambu Road
38	Miles Motors Ltd	Ngong Road
39	Motor Market Ltd	Kiambu Road
40	Motorhub Ltd	Kiambu Road
41	Motorised Ltd	Ngong Road
42	MotorScope Garage Ltd	Ngong Road
43	Muthaiga North Motors ltd	Kiambu Road
44	Northern Shine Motors Ltd	Kiambu Road
45	Ocean Cross Autos Ltd	Gitanga Road
46	Planet Motors Ltd	Ngong Road
47	Prestige Automobile Ltd	Ngong Road
48	Rana Auto Selection Ltd	Ngong Road
49	Ridgeways Motors Ltd	Kiambu Road
50	Riri Motors Ltd	Kiambu Road
51	Runda Motors Ltd	Kiambu Road
52	Saadi Motors Ltd	Langata Road
53	Shapla Motors Ltd	Langata Road
54	Silverline Motors Ltd	Kiambu Road
55	Softude Motors Ltd	Karen Road
56	Transallied Ltd	Ngong Road
57	Tripple One Motors Ltd	Ngong Road
58	VIP Motors Ltd	Ngong Road
59	Windsor Motors Ltd	Kiambu Road
60	Zeeco Motors Ltd	Karen Road

**Appendix 3: Research Budget** 

	ACTIVITY	QUANTITY	UNIT PRICE	AMOUNT	
			(Ksh)	(Ksh)	
Proposal	Printing	30 Pages	40	1,200	
	Photocopying	8 Copies	150	630	
	Binding	8 Copies	80	640	
	Traveling Expenses			8,000	
	Miscellaneous			4,000	
		Sub Total		14,470	
Project	Traveling Expenses		10 ,000	10,000	
	Data Processing	56 Sheets	15,000	15,000	
	Turnitin Checks	2 Checks	1,000	2,000	
	DVD for Soft Copy	3 Disks	50	150	
		Sub Total		27,150	
Final	Printing	80 Pages	30	2,400	
Document	Developing	7 Copies	100	700	
	Binding	7 Copies	300	2,100	
		Sub Total		5,200	
		10% contingency		4,682	
		GRAND TOTAL		51,502	

# Appendix 4: Work Plan

DESCRIPTION	AUG	AUG	SEP	SEP	SEP	SEP	OCT	ОСТ	OCT	ОСТ
Chapter one										
Chapter two										
Chapter three										
Defence &										
Corrections										
<b>Data Collection</b>										
& Analysis										
Report and										
Defence										
Corrections &										
Submission										