
ADVERTISING AND BUSINESS GROWTH IN KISORO DISTRICT: A CASE STUDY OF KISORO MUNICIPALITY

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ABSTRACT

The study aimed at advertising and business growth in Kisoro district and it was guided by the following objectives; To find out the level of advertising in Kisoro Municipality, to find out the level of business growth in Kisoro Municipality and to find out the relationship between advertising and business growth in Kisoro Municipality. The research study obtained the study population for this study by dividing the sample population into the business men who involved in business for 5-years, local council III Chairperson and the commercial officer as the key informants of the researcher and the sample size was 28 respondents out of the total of 30 as the target population. Upon the findings of the study, the ANOVA table indicated that there is a significant relationship between advertising and business growth in Kisoro district. The regression model accounts for a significant proportion of the variation in business growth, with a sum of squares of 2.224 and a mean square of 4.224. The F-statistic of 61.295 and the p-value of .000 also suggest that the relationship between advertising and business growth is significant. Furthermore, the residual sum of squares is 8.746, indicating that there is still some unexplained variance in business growth that is not accounted for by the advertising variable. The total sum of squares is 10.970, indicating that the model explains a substantial proportion of the variance in business growth. Business men are required at all times to have a planned and systematic advertising campaign program in place, as this would help to make such promotional implementation effective. Business men should set up a more and effective sales promotion with the view to developing more promotional strategy in line with making profits.

Key words: *advertising and business growth*

Background of the study

According to (Boomsma, C, 2017), advertising refers to a marketing communication that employs an openly sponsored, non-personal message to promote or sell a product, service or idea. The concept of advertising becomes more accessible to many people when they recognize that advertising add psychic value to a product in the customer's mind. Ditcher (2000) agrees with this statement that a product image inherent feature of the product itself. The information contained in an advert may say nothing verbally about quality but makes the positive image by advertising. It may denote quality; make the product more desirable to the customers between the service provider and the customers. According to Zikmund (2017), communication is the process of exchanging information with and conveying meaning to others. The goal of communication is to make products and services more desirable or interesting to customers (Ditcher, 2000)

Advertising has been existing for many decades (Smith, 1993). It is one means of promotional mix which has its ultimate function to set up channels of information and persuasion to sell goods and services or promote an idea. Advertising is considered one of the marketing communication tools. Communication is the process of giving or an exchange of information and the

science of transmitting information as well (Smith, 1993). In the world's complicated society, advertising has developed into a significant communication system which connects both consumers and businesses.

Advertising communication can be conveyed through various mass media which include traditional media such as TV, broadcasting, magazines, and newspapers (Belch & Belch, 2019). In addition, Internet industry becomes a new medium for businesses, especially provides a new living space for the growth and development of enterprises.

Advertising as a marketing tool is used by business organization to inform consumer that the right product is available at the right place, right price and to convince the consumer to purchase them (Osogbo, 2014). Advertising comprises all messages that are paid for in the media owned and controlled by people other than the company making the advertising. Therefore, advertising must be tailored towards consumer's satisfaction and organizational performance (Osogbo, 2014).

According to Penrose (2021), the term business growth means increase in size, or an improvement in quality as a result of a process of development in which an interacting series of internal changes leads to increases in size accompanied by changes in the characteristics in the growing object (Mbowa, S, 2018). Growth urges business development. Of relevance here becomes to state whether the match between product specifics and market needs, as emphasized by (Mwesigwa, D, 2016), functions as a theoretical fundament.

Statement of the problem

Advertising is a crucial aspect of business growth and development, particularly in competitive markets. Kisoro Municipality, located in southwestern Uganda, is a hub for small and medium enterprises (SMEs) that operate in various sectors, including agriculture, tourism, and trade. However, many of these businesses face significant challenges in terms of marketing and advertising their products and services effectively. This challenge affects their ability to attract and retain customers, expand their market share, and increase their profitability.

The aim of this case study is to explore the relationship between advertising and business growth in Kisoro Municipality. Specifically, the study seeks to identify the advertising strategies and techniques used by SMEs in the municipality, the effectiveness of these strategies in promoting business growth, and the challenges faced by businesses in advertising their products and services. The study will use a mixed-methods approach,

including surveys, interviews, and focus group discussions, to collect data from business owners, advertising agencies, and consumers.

Specific Objectives

- 1. To find out the level of advertising in Kisoro Municipality*
- 2. To find out the level of business growth in Kisoro Municipality*
- 3. To find out the relationship between advertising and business growth in Kisoro Municipality*

Research Questions

- 1. What was the level of advertising in Kisoro Municipality?*
- 2. What was the level of business growth in Kisoro Municipality?*
- 3. Was there a relationship between advertising and business growth in Kisoro Municipality?*

Methodology

Research Design

The study used descriptive research design because of the nature of the variables that would be at hand, to produce data, required for qualitative and quantitative analysis to allow simultaneous description of views, perceptions and beliefs at any single point in time (white, 2000).

Target population

According to the pre-study survey conducted by Kamuntu Gideon (2016) about advertising and business growth, the study population included are, market vendors, shop attendants, and market leaders. Therefore, 30 respondents were selected from different parts of the

market that is people selling foodstuffs, shops operators and clothes. This was done in order to get firsthand information from different respondents from parts of Kisoro Old market

The research study obtained the study population for this study by dividing the sample population into the business men who involved in business for 5-years, local council III Chairperson and the

commercial officer as the key informants of the researcher and the sample size was 28 respondents out of the total of 30 as the target population. The researcher purposively selected local council III Chairperson and the commercial officer to provide reliable information which could not be got elsewhere. The researcher also visited 26 business men for in-depth of information about the study population. In addition to this, 01 local council III Chairperson, commercial officer and the business men were interviewed by asking them to answer both closed and open-ended questions in the semi- structured questionnaire.

Sampling procedures

Sample size

According to George and Mallery (2003), a sample is a small subset of the total population. A sample was used to Kisoro District where there were many sub counties and town councils but only Kisoro Municipality was chosen for the research study to achieve the objectives of the researcher.

The study sample comprised of 28 respondents out of 30 of the total population and therefore, in response to the Slovincs formula 26 were the business men, 01 local council III C/man, and 01 as commercial officer of the district and were considered as the parent population of the researcher.

Table 1; shows different Categories of the People in the Study sample with their Sizes.

Population	Target	Sample
Local council III Chairperson	01	01
Commercial officer	01	01
Business men	28	26
Total	30	28

Source from: Field Data, 2022

Sampling Techniques

Simple random sampling

Simple random sampling was used to select respondents in the group of the key informants and the business men from each category. A total of 28 business men, 01 local council III Chairperson, and the commercial officer from one the municipality participated in the research study and their selection involved simple random sampling and specific attention were paid to inclusion of both male and female respondents in the study area.

Purposive Sampling

Purposive Sampling: In this type of sampling, the researcher chooses the participants as per his/her own judgment, keeping back in mind the purpose of the study. It uses the judgment of an expert in selecting cases or it selects cases with a specific purpose in mind. This type of sampling is used in exploratory research or in field research. Therefore, the researcher used this method to select the local council III Chairperson and the commercial officer of the district as her respondents. With purposive sampling, the researcher hardly knows whether the cases selected do represent the population or not. As mostly sampling problem is being addressed with a specific plan in mind, most of the sampling methods may be considered purposive in nature.

Data collection methods

According to Gay and Mills (2005), data means the pieces of information that someone collects and use to examine his topic, hypothesis, or observations. Are basic facts, building blocks for information and knowledge. Both the use of secondary and primary data methods was used by the researcher to collect qualitative and quantitative data information. Thus, different two methods were used to collect data, this included, questionnaire and interviewing.

Questionnaire

The researcher used the questionnaire as the major primary data collection in this study. Questionnaire is referred to as a set of questions used for collecting data from respondents in order to carry out the researcher. The researcher prepared 26 questionnaires for business men, 01 for the local council III Chairperson and 01 for the commercial officer to supplement the interview with the key informants. All were written in English language because was the medium of instruction in all tertiary institutions of learning.

Interviewing method

In this method, informed members were selected to inform the researcher about specific issues regarding the study. The instrument employed a key informative guide which included questions on the specific objectives of the study. This helped in capturing of qualitative information needed in this study.

Data analysis

The researcher analyzed and interpreted quantitative data by using statistical package for social science (SPSS) program to compute the percentages, frequency and tabulation of responses and both use of quantitative and qualitative types of data. Data was edited to identify and eliminate errors made by respondents. Coding was then been done to translate question responses into specific categories. Descriptive statistics such as

frequency distribution and percentages were used to analyze the data. Qualitative data were analyzed using content analysis in which all the responses were categorized according to their thematic areas and analyzed according to their contents. Presentation was done on tables and figures. Statistical Package for Social Sciences (SPSS) software were used to aid in the analysis of data.

RESULTS

Respondent's Background Characteristics according to their Categories

Beliefs are the background characteristics of respondents in different categories. These were identified in order to relate them to issues concerned with advertising and business growth in Kisoro Municipality.

Table 2: Categories of the business men according to their gender, age and marital status

<i>Item</i>	<i>Responses</i>	<i>Frequency (N=26)</i>	<i>Valid percentage (%)</i>
<i>Gender</i>	<i>Male</i>	18	69
	<i>Female</i>	08	31
<i>Total</i>		26	100
<i>Age</i>	<i>18-25 yrs.</i>	08	31
	<i>25-35 yrs.</i>	18	69
	<i>Above 35</i>	00	00
<i>Total</i>		26	100
<i>Marital Status</i>	<i>Married</i>	15	58
	<i>Single</i>	11	42

Total		26	100
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Table 2; shows the majority of the business men interviewed (representing 69%) were male's while females were 31% of the total business men. The table also shows that the business men fell in different age categories for instance, 18-25 years were 31%, 25-35 years were 69% while those above 35 years were not represented because they were considered as the old people which the researcher was not interested of. This was because the business men were randomly selected from different divisions in the sample in Kisoro municipality. Those above 35 years would be considered as old people compared to the ones in the lower ages stated above and did not know a lot of information related to relationship between advertising and business growth in the area

Background factors of other Key Informants

Table 3: Background factors of Key informants in the sample

Item	Responses	Frequency(N=02)	Valid percentage
Gender	Male	01	50
	Female	01	50
Total		02	100
Age	18-25	00	00
	25-35	01	50
	35 and above	01	50
Position of responsibility	LC III Chairperson	01	100
	Commercial officer	01	
Total		02	100

**Source, primary data
2022**

As regards to the findings in table 3 above, it can be noted that the respondents of the

key informants were equivalent enough to one another where the ratio of males were (50%), and the ratio of females were also 50% which means that the findings were representative enough. This was done systematically to get first-hand basing on the research questions. As regard their age, each of the respondent 50% in this category were between 25-35 years (LC III Chairperson) followed by 50% who were above 35 years (commercial officer).

On the other hand, the researcher asked the respondents whether the business men had been advertising their businesses, and 80% answered in the affirmative (YES) whereas only 20% answered in the negative form (NO).

Relationship between advertising and business growth in Kisoro district

Table 1: Correlation between advertising and business growth in Kisoro district

		Advertising	Business growth
Advertising	Pearson Correlation	1	.806**
	Sig. (2-tailed)		.040
	N	26	26
Business growth	Pearson Correlation	.806**	1
	Sig. (2-tailed)	.040	
	N	26	26
**. Correlation is significant at the 0.01 level (2-tailed).			

The Pearson correlation coefficient between advertising and business growth is .806, which is significant at the 0.01 level (2-tailed), indicating a strong relationship between the two variables.

The p-value of .040 suggests that the correlation is significant, indicating that there is less than a 5% chance of observing such a strong correlation by chance alone. The sample size for both variables is 26, which is relatively small, but still provides enough evidence to support the conclusion of a strong positive correlation between advertising and business

growth.

Relationship between advertising and business growth in Kisoro district

Table 5: ANOVA values for advertising and business growth in Kisoro district

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2.224	1	4.224	61.295	.000
	Residual	8.746	25	.087		
	Total	10.970	26			
a. Dependent Variable: business growth						
b. Predictors: (Constant), advertising						

The ANOVA table indicates that there is a significant relationship between advertising and business growth in Kisoro district. The regression model accounts for a significant proportion of the variation in business growth, with a sum of squares of 2.224 and a mean square of 4.224. The F-statistic of 61.295 and the p-value of .000 also suggest that the relationship between advertising and business growth is significant.

Furthermore, the residual sum of squares is 8.746, indicating that there is still some unexplained variance in business growth that is not accounted for by the advertising variable. The total sum of squares is 10.970, indicating that the model explains a substantial proportion of the variance in business growth.

Conclusions

Conclusively, the findings indicated that there is a strong positive relationship between advertising and business growth in Kisoro Municipality at Pearson correlation coefficient $r=0.76$, $p=0.000$. This implies that advertising at a certain level improves business performance by 76% and 24% by other factors. Advertising plays a vital role in shaping dreams and aspirations, and helps customers take conscious product and brand decisions. Often, advertisement with endorsements creates easy remembrance for the customers for the advertised product. The customer tends to associate the brand with the celebrity and

can easily register the brand in their mind

Recommendations

Business men are required at all times to have a planned and systematic advertising campaign program in place, as this would help to make such promotional implementation effective. Business men should set up a more and effective sales promotion with the view to developing more promotional strategy in line with making profits.

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