# Advertising and Business Growth in Kisoro District: A Case Study of Kisoro Municipality 

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#### Abstract

A case study of the Kisoro municipality, the study focused on promotion and company expansion in the Kisoro District. Finding out when there is a correlation among advertisement and the expansion of businesses in the Kisoro district was the main goal of this study. Other goals included determining the extent to which companies are advertisements, the rate of business expansion, and the connection between promotion and business expansion in the Kisoro District, Kisoro Municipality. A simple random method of probability sampling was used to select fifty-two participants from the intended population of sixty participants using the Krejice and Morgan table of sample commitment. At 77.4\%, the percentage of organizations in Kisoro Municipality and Kisoro District that advertise is high. Substantial commercial growth is being experienced in Kisoro Municipality and Kisoro District. According to the study, out of the thirty-one participants, the greatest number (38.7\%) stated that there is a positive correlation between marketing and business development. This was followed by statements that advertising encourages company expansion ( $32.3 \%$ ), operations growth ( $19.4 \%$ ), failure to use advertising ( $6.4 \%$ ), and operations vegetation ( $3.2 \%$ ). The investigator advises Entrepreneurs to keep advertising their companies so that clients are aware of them and sales improve as a result.


## Keywords: ADVERTISING AND BUSINESS GROWTH

## Background of the study

The Promotion Organisation of the UK (2018) defines advertising as a channel for reaching out to customers of a good or service. Commercials are paid-for communications that are sent with the intention of informing or influencing the recipients.
According to Kotler and Armstrong (2010), advertising is any form of compensated non-personal presentation and promotion of concepts, products, or services by a reputable sponsorship. They go on to say that there are other types of advertisements, including compelling, instructive, comparative, and informational marketing, all of which are frequently utilized when something is new.
Dunn et al. (2008) described marketing as a paid, non-personal interaction through different platforms by commercial enterprises, charitable organizations, as well as people who are in some way associated with the promotional pitch and who hope to educate or encourage consumers. a particular demographic. They did this by looking at marketing from its functioning viewpoints.
Enterprise growth, as described by (Brush, C., 2009), is the phase in which a company achieves the point of development and looks for new ways to increase profits. Revenue growth is influenced by the lifecycle of the company, trends in growth in the sector, and the owner's intention to increase equity value. The growth of a business refers to the stage at which a company develops and needs more ways to make money.
The expansion of a company is not characterized by a single definition. First of all, a growing firm cannot be measured in a single parameter, rather, a wide variety of factors must be considered, include sales, revenue, value to the business, market share, the number of clients, number of staff, and more.
Business development resembles a biological thing in some ways, claims Wright (2012). It is analogous to youth, adolescence, adulthood, and maturation, where each phase is distinguished by successes, knowledge gained, and the realization of goals.
A company has a life cycle with particular growth stepping stones. A start-up experiences the five stages of a business' life cycle, which can include being alive, survival, achievement, expansion, and financial development.

Although radio, which reaches $97 \%$ of the general population, is the most commonly utilized mass media in Uganda, the television is a close second with an $85 \%$ permeation rate. According to the 2013 UBO survey, $65 \%$ of Ugandans read newspapers.

The first known recorded advertisement in the history of advertisements, according to James Playsted Wood's book The Story of Marketing, was discovered by archaeologists in the ruins of Thebes, also known as Waste to the ancient Egyptians. On behalf of a slaveowner who was attempting to locate one of his slaves, the papyrus was made about 3000 BC. Here is James Playsted Wood's transformation of the entire transcript from Kotler (2005).
Technology improvements and modifications, as reported by Cheong and Morrison (2008), have broadened the promotional phenomena.

## Statement of the problem

Small and medium-sized businesses (SMEs) are essential to the Kisoro district's economy because they help to create jobs, generate money, and fight poverty. Due to scarce resources and ineffective marketing techniques, many SMEs in the Kisoro municipality struggle to expand their operations and raise their share of the marketplace. The purpose of this study is to look into how advertising affects the expansion of businesses in the Kisoro district. The research will examine the various advertising strategies employed by SMEs in the Kisoro government the degree to which these tactics are successful in boosting sales, and the effect advertising has on company expansion.

## Specific objectives

1. To find out the extent of advertising of businesses in Kisoro Municipality, Kisoro District.
2. To find out the level of business growth in Kisoro District, Kisoro Municipality.
3. To find out the relationship between advertising and business growth in Kisoro District, Kisoro Municipality

## Research questions

1. What is the extent of advertising of businesses in Kisoro Municipality, Kisoro District.?
2. What is the level of business growth in Kisoro District, Kisoro Municipality?
3. What is the relationship between advertising and business growth in line with your business and the entire Kisoro Municipality?

## Methodology

Research Design

The study used a method based on description in an effort to address an issue under investigation on the interactions between different variables. It also provided descriptions of situations and events in the sense that an observer watched an event or a scenario and attempted to convey it as accurately as possible in light of how it played out. When gathering data for the study, both qualitative and quantitative methods were used. The quantitative method allowed the researcher to build mathematical frameworks in an effort to explain the data, but the qualitative approach allowed the investigator to give a thorough, comprehensive account of the occurrence. Comparative analysis and data from statistics gathering are provided by a quantitative technique.

## Study Population

Using the Krejcie and Morgan table of sample size determination from 1970, a sample size of fifty-two participants was obtained from the investigator's intended sample of 60 inhabitants in the Kisoro Municipality. The investigator also conducted a presurvey/pilot study in the study area to examine the demographics of the population in question that was chosen, including their employment, sex, marital status, and the companies they operate there. This was useful to the researcher when she created surveys and interview schedules for the participants she had selected.

## Table 1: Target Population

| Population category | Target Population (N) |
| :--- | :--- |
| LC1 Kamonyi Village | 1 |
| District Planning Officer | 1 |
| Traders | 40 |
| Radio Presenters | 18 |
| Total | 60 |

Source: Primary Data (2022)

## Sampling Procedures

Sampling procedures refer to steps followed in choosing part of a population to use to test the hypotheses about the entire population (Jowin 2003). The researcher employed purposive and simple random sampling procedures to select respondents in the study.

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## Sample Size

A sample is a constrained portion of a quantitative population, and its characteristics are investigated to learn more about the subject (Webster, 1985). A total of 52 participants were chosen at random from a group of sixty participants from the Kisoro Municipality, Kisoro District and the business sector. For the purpose of calculating the sample size, I used the Krejcie and Morgan table.
Sampling methods
Ahuja Ram (2010) defines choosing as the act or procedure of choosing an appropriate sample of the general population in order to determine the features and features of the whole population. These sampling approaches can be probability-based or non-
probability-based.

## Simple random sampling

The simple random sample means that every case of the population has an equal probability of inclusion in sample (Gauri and Gronhaug, 2005).
Therefore, I gave an equal chance to each member of my target population of 60 respondents to be selected in a sample of 52 respondents.

## Purposive sampling

Purposive sampling, described by Max Webber (1997), is a sort of sampling in which specific locations, people, or events are purposefully chosen for the significant data they can supply that couldn't be obtained as well from other options. Since they were thought to be the ones with the most reliable data for this study particularly, in this instance I purposefully selected the participants from the residents of a single company a commonality in Kisoro Municipality.

## Data collection methods and instruments

Kumar, (2007), defines data collection methods as any means employed to gather data in any research study. The data for this study was collected using interviews and questionnaires for respondents.

## Questionnaire method

Information from participants was collected for the study using questionnaires. Three sections made up the survey responses: The participant's socioeconomic and individual information will be gathered in Section A. These details included the sex, age, and academic standing. Section B asked for details regarding marketing, and Section C inquired about the expansion and development of businesses in Kisoro Municipality. These objectives were in line with the study's goals.

## Interview method

According to Gill et al. (2008), it is essential to ask questions that will be able to tackle the primary objectives and objectives for the investigation while also being likely to provide as much knowledge on the subject of the research as feasible while developing a timetable for interviews. The interviewee has the ability that no other equipment has to follow up on concepts, provide appropriate responses, and look into motivations and emotions. When performed by a skilled interviewer, the way the answer is delivered can reveal details that a reply in writing would conceal (Borg \& Gall, 1989: 415). Open-ended questions from the interview guide were utilized in the semi-structured interviews that made up the study.

## Data analysis

According to the study's topics and goals, the data collected through surveys was arranged, coded, divided, categorized and labeled. The topics were then linked by significant linkages that were associated with the study's goals. Microsoft Excel and the Statistical Package for the Social Sciences (SPSS) application were used for examining the data. Frequencies and percentages were determined as statistical information, and the findings were displayed in tabular and graphical representations. Descriptive statistics were used to arrange, code, and present the information collected from participants' interviews and survey responses. The study objectives' numerous themes were used to organize their analysis and discussion.

## RESULTS

## Response Rate

Out of the 40 questionnaires administered to respondents, 31 questionnaires were filled and returned. This gives an approximate response rate of 77.5 per cent. According to Mugenda (2003), 50 percent response rate is adequate, 60 percent good and above 70 percent rate very good. This means the response rate of $77.5 \%$ is satisfactory for the purpose of making conclusions for the study.

## Bio-data of the Respondents

Bio-data is pertaining to respondents' gender, age, level of education and marital status. The issues relating to the demographic data are discussed below;

## Respondents' Gender

The respondents were asked to indicate their gender, this aimed at establishing whether both genders participated in the study. The gender distribution of respondents was as indicated in Table 2

| Gender | Frequency | Percentage (\%) |
| :--- | :--- | :--- |

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| Male | 19 | 61.3 |
| :--- | :--- | :--- |
| Female | 12 | 38.7 |
| Total | $\mathbf{3 1}$ | $\mathbf{1 0 0 . 0 0}$ |

Table 2: Respondents' gender
The data in Table 2 above show that $61.3 \%$ of the respondents were male while $38.7 \%$ were female which confirms that both genders participated in this study as shown on the table above.

## Respondents' age

The Respondents were asked to indicate their age and results were as follows.

| Age | Frequency | Percentage (\%) |
| :--- | :--- | :--- |
| $18-25$ | 3 | 9.7 |
| $26-35$ | 5 | 16.1 |
| $36-45$ | 8 | 25.8 |
| $46-55$ | 5 | 16.1 |
| $56-65$ | 6 | 19.4 |
| 65 and above | 4 | 12.9 |
| Total | $\mathbf{3 1}$ | $\mathbf{1 0 0 . 0 0}$ |

Table 4: Respondents' levels of education
The respondents were of different education backgrounds where by most of them $9(29.0 \%)$ had attained secondary education, however, none of them had attained a master's degree and above.

## Respondents' marital status

| Marital status | Frequency | Percentage (\%) |
| :--- | :--- | :--- |
| Single | 4 | 12.9 |
| Married | 17 | 54.8 |
| Separated/ divorced | 6 | 19.4 |
| Widowed | 4 | 12.9 |
| Total | $\mathbf{3 1}$ | $\mathbf{1 0 0 . 0 0}$ |

Table 5: Respondents according to the marital status
The highest percentage of respondents were married ( $54.8 \%$ ) followed by those who are separated with a percentage of about $19.4 \%$ and the least number of respondents were single and widowed respectively ( $6.4 \%$ ).

## Findings of the study

## To find out the extent of advertising of businesses in Kisoro Municipality, Kisoro District

The respondents were asked to tell whether they advertise their businesses and the goods they sell or not. This was aimed at establishing the extent of advertising businesses in Kisoro municipality. The responses were tabulated as follows.

| Response | Frequency | Percentage (\%) |
| :--- | :--- | :--- |
| Yes | 24 | 77.4 |
| No | 7 | 22.6 |
| Total | $\mathbf{3 1}$ | $\mathbf{1 0 0 . 0}$ |

Table 6: The extent of advertising of businesses in Kisoro Municipality, Kisoro District
From table 1, Respondents were asked whether they advertise their businesses and goods they sell or not. $24(77.4 \%)$ of the respondents said "YES" they advertise their businesses while 7(22.6\%) said "NO", they do not advertise their businesses.

## To find out the level of business growth in Kisoro District, Kisoro Municipality

Respondents were asked to show the level of growth of their businesses. Different business people rated their business' growth differently as shown in table 7 below.

| RATE | Frequency | Percentage (\%) |
| :--- | :--- | :--- |
| Very high | 1 | 3.2 |
| High | 9 | 29 |
| Moderate | 15 | 48.4 |
| Low | 6 | 19.4 |
| Very low | 0 | 0 |
| Do not know | 0 | 0 |

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|  | Total | $\mathbf{3 1}$ | $\mathbf{1 0 0}$ |
| :--- | :--- | :--- | :--- |

Table 7: The level of business growth in Kisoro District, Kisoro Municipality
From table 7, Respondents were to show the level of growth of their businesses. The highest number of respondents 15(48.4\%) rated the level of growth of their businesses as moderate, $9(29 \%)$ of the business people said it was high, $6(19.4 \%)$ said it was low and $1(3.2 \%)$ said the level of growth of his business was very high while nobody rated the level of growth of their business as very low.

| Relationship | Frequency | Percentage (\%) |
| :--- | :--- | :--- |
| Advertising promotes sales and business growth at large | 10 | 32.3 |
| Business growth promotes advertising | 6 | 19.4 |
| Failure to advertise limits business growth | 2 | 6.4 |
| Business undergrowth reduces advertising | 1 | 3.2 |
| Advertising creates customer's awareness of the business | $\mathbf{3 1}$ | $\mathbf{1 0 0}$ |
| Total |  |  |

To find out the relationship between advertising and business growth in Kisoro District, Kisoro Municipality Table 8: The relationship between advertising and business growth in Kisoro Municipality, Kisoro District
From table 8, out of the 31 respondents, the highest percentage ( $38.7 \%$ ) said that the relationship between advertising and business growth is that Advertising creates customer's awareness of the business, $32.3 \%$ said advertising promotes business growth, $19.4 \%$ said that business growth promotes advertising, $6.4 \%$ said Failure to advertise limits business growth and $3.2 \%$ said Business undergrowth reduces advertising.

## Conclusions

The researcher confirmed that the relationship between advertising and business growth in Kisoro Municipality, Kisoro District is that advertising creates customers' awareness about the business and it also promotes business growth.

## Recommendations

The researcher recommends that Respondents should continue to advertise their businesses such that they can make them known to the customers and this can increase sales.

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