



Effect Of Marketing Communication In Promoting Organizational Sales. A Case Study Of Lada Uzbekistan Company

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Journal Website:
<http://usajournalshub.com/index.php/tajas>

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ABSTRACT

The value of interaction cannot be overstated when analyzing variables that project a good relationship between companies and their future clients. A company's marketing contact mechanism must be regulated for both successful effectiveness and product promotion in order for it to survive in this fierce rivalry. In this paper, secondary data were used. The correlation coefficient was used to interpret the results, and the hypothesis was evaluated using the normal distribution. The review shows that the use of promotions as part of a blend has helped Lada Uzbekistan Company not only increase exposure but also sales; therefore, it is a worthy endeavor that should be made a central feature of the company's marketing policy. The recommendation for the Lada Uzbekistan Company is to review the various advertising mix components and choose those that can effectively produce product demand while still increasing sales in order to achieve corporate goals.

KEYWORDS

Outcome, advancing, sales, institution, marketing communication

INTRODUCTION

The pivotal instrument in any business institution is communication -which is the feature that is capable of enduring the surviving of all organizations. Moreover,

comprehending the variables and notions which face with the considering of informed group or person is as well done with the help of communication. Communication can be

described as a perfect way for two or more people to exchange the material and be apprehended by each other which is generally done for behavior to be impacted or stimulated. A flow of data which is took into account to be mutually comprehended by recipient and sender also be viewed as communication. Sannie (2006) describes communication as "the imparting, exchanging, or exchange of ideas, experience, skills, or other information, whether by expression, writing, or signs." Furthermore, he characterized communication as the exchange of messages, orders, and directives. Sannie (2006) described communication as "the process of transmitting and sharing thoughts, emotions, and knowledge between communicators and receivers through realization, sign, writing, and silence in order to establish mutual understanding." Communication can be viewed as the mechanism by which one individual or a group shares and imparts knowledge to another in such a way that all parties understand each other completely. It can also be described as two or more animated items exchanging information, thoughts, beliefs, feelings, or emotions. Communication may also be illustrated as any method of transferring or transmitting a thought from one individual to another.

The aim of this research is to demonstrate the connection between organizational revenue and marketing communications.

MARKETING COMMUNICATION

Given that communication is the lifeblood of every company and is also an integral part of marketing strategy, it is critical that this medium (marketing communication) be successfully guided so as to face marketing goals. The advertising instruments that

favorably relay information about the company and its goods to the target market are referred to as marketing communication. Marketing engagement frequently refers to the advertising methods that are used to communicate positively with the target market. After knowing and understanding the target market in the environment, it is important to choose suitable communication tools that can be utilized to communicate with the target market in order to meet the organization's marketing goals. The entirety of the different communicational methods used in communicating an organization's image and goods with the target market is known as integrated marketing communication. It is the sum of all advertising methods used to successfully communicate with the target audience.

Integrated marketing coordination, according to Belch and Belch (2004), entails coordinating numerous promotional elements and other marketing practices that depend on media advertising. As a result, it adds importance to a holistic strategy by assessing the strategic positions of various communication disciplines.

Marketing interaction, which is an essential aspect of marketing management, is often referred to as promotional components. Marketing interaction, as one of the most important marketing strategies, consists of four marketing variables that can be used to persuade potential audiences to buy corporate goods.

These tools are:

1. Advertising
2. Personal Selling
3. Public Relations
4. Sales Promotion

1. Advertising

This can be characterized as any paying non-personal contact to a target audience about a

company's product through mass media such as radio, television, magazines, newspapers, billboards, mail, and the internet. Advertising, as a versatile medium, can be used to engage with a wide range of prospective customers. It can also be used to interact with people living in the most remote (interior) areas of the world. It's the most widely used advertising tool. As opposed to other promotional elements, the expense of attracting a wide amount of people by advertising is very low. Besides, advertisements may be used to reach out to a specific target group. Advertising allows for a positive interaction to develop between the company and its future clients. In other words, it must project a positive picture of the company and encourage repeat purchases.

2. Personal selling

This is a paid personal contact between the vendor and the buyers that aims to educate and convince prospective buyers to buy the goods. As a sales variable, personal marketing allows for one-on-one contact between the vendor and the customer in order to ensure that the product will be bought by the buyer at the end of the day. Personal sale is an important tool because it allows companies to get direct input from potential customers, helping them to change their controllable variables to enhance communication and, ultimately, achieve their goals. Personal sale as a tactic often allows organizations to adapt to shoppers' demands at the right time, having successfully collaborated in order to meet consumers' needs and accomplish corporate goals.

When debating personal advertising as a critical advertising instrument, the importance of salespeople in the distribution of products and services cannot be overstated. In personal selling, the sales force (an employee of the marketing department that represents the brand and sells the company's products) interacts directly with the target market. Personal selling, as a direct touch between a

salesperson and a prospective customer, is designed to have specific connection that other variables cannot.

Selling, which is one of the advertising features, entails identifying potential consumers and turning them into clients, as well as keeping up on the sale to ensure full satisfaction.

3. Public relation

There is another type of marketing contact. The representation that is generated in the public sphere is referred to as public relations. That is, the general perception of the company and its goods. Public relation is a non-paid means of contact that organizations employ to support and enhance their public image. As a result, public relations are seen as a medium for enhancing an organization's public profile. Public relations are a foundational method that all other advertising factors are built upon. It would be impossible for other advertising factors to thrive if an organization does not establish a positive public profile. Annual reviews, event promotion, social responsibilities, brochures, and funding of socially conscious environmental programs are examples of strategies that can be used to improve public relations. Organizations must provide effective public affairs officers that can manage events that will foster a positive interaction with the environment. The socially planned events that will promote good societal relationships are the responsibility of the public relations officer.

4. Sales Promotion

Sales promotion can be described as any action that serves as a direct inducement and reward to marketing intermediaries and end users. Marketers use these methods to stimulate demand (purchase). Sampling, discounts, and contests are also examples of sales promotions.

Three categories are aimed for sales promotion. As Bamiduro (2000) stated, the

sales force, intermediaries, and customers are the three classes.

1. The Sales Department

Sales marketing targeted at salespeople aids in moving products across the delivery chain and ensuring that they are available as customers want them.

2. Manufacturers use trade incentives to promote their products to intermediaries. Trade discounts and cooperative promotional allowances are two examples of this form of sales promotion. Trade discounts are intended to entice potential distributors to sell a manufacturer's brand while also encouraging current distributors to reorder.

3. Manufacturers provide consumer discounts to their final customers. To encourage purchases from both new and current buyers, a variety of offers are used. Consumer discounts benefit all members of the delivery chain when they clear inventory at different stages in the distribution pipeline, allowing new items to enter.

Tools for Promoting Organizational Sales, Marketing Communication

Because of the upcoming paragraphs, one cannot help but agree that marketing contact is an important method for encouraging corporate revenue.

1. Raise Public Awareness

A significant amount of marketing is focused on raising awareness. Having customers aware of a new product, brand, or brand expansion is critical to replicating the product acceptance process. It's also necessary to raise awareness for current brands. The aim of promotional activities may be to raise brand recognition, product features awareness, logo awareness, and so on.

2. Increase Desire

One of the purposes of marketing is to promote and raise product demand. By

pioneer marketing, promotion often stimulates primary demand – demand for a commodity segment rather than a single brand of product. A pioneer promotion is one that alerts customers to the existence of a new product.

3. Encourage Commodity Experimentation

Promotion invites prospective buyers to try out the offering. Trial inducing sales campaigns tend to make product trial easy and low risk for prospective consumers, regardless of whether a marketer's product is the first in a new product segment or a new brand in an established category.

4. Locate Potential Clients

Certain sales campaigns are aimed at finding consumers who are interested in the company's goods and are more likely to purchase them. A marketer could use a magazine ad with a direct answer information form, asking the reader to fill out and mail the form in order to get more information. Toll-free numbers are often used in advertisements to allow for immediate consumer reaction. Phone calls, follow-up emails, and, in some cases, personal contact by salespeople are all options for the company.

5. Retain Customer Loyalty

Obviously, most advertisers strive to preserve long-term client relationships. Since the costs of maintaining customers are typically smaller than those of adding new ones, promotional campaigns aimed at customer retention may help a company control costs.

6. Defend Against Competitor Promotional Efforts

A marketer's goal of using promotion is often to counteract or mitigate the impact of a competitor's promotional campaign. This form of advertising campaign does not always result in an improvement in revenue or market share for the company, but it does help avoid a loss in sales or market share.

7. Sales Fluctuation Should Be Reduced

Because of variables such as the weather, holidays, and seasons, commodity demand varies from time to time. When sales fluctuate exponentially, however, a company cannot run at full performance. During sales slumps, promotional tactics are often used to boost sales. For instance, during sales slumps, advertisements may be used to boost sales.

METHODOLOGY OF RESEARCH

Data specification: This refers to the data that was utilized to conduct this study. This includes information derived from the company's accounts, publications, and sales records.

Hypothesis

Hypothesis will be checked and evaluated in order to accomplish the aim of this research. The Lada Uzbekistan's advertising budgets and revenues have a direct relationship with each other.

H₀: There is no connection between advertising costs and revenues of Lada Uzbekistan.

H₁: There is a strong connection between advertising costs and revenues of Lada Uzbekistan.

METHODS FOR ANALYZING DATA

Statistical data analysis techniques were used to complete this research project. The correlation coefficient is used in the mathematical framework of study to describe the association between advertising expenditures and sunshine business revenues. One of the mathematical methods used in data analysis is the correlation coefficient. It's a metric for determining how strong a relationship between two variables is. Since we have a contingent variable, sales, and an independent variable, advertising expenditures, it is relevant in this study.

DATA PRESENTATION AND ANALYSIS

Table 1: Records of sales and promotional expenses from 2015 to 2020

1 USD=10,450 UZS

Year	Sales (Y)	Promotional expenses (x)
2015	230	\$17,000
2016	300	\$24,000
2017	606	\$36,500
2018	3006	\$170,000
2019	6791	\$350,000
2020	4630	\$500,000

Year	Y	X	X ²	Y ²	XY
2015	230	\$19,000	361000000	52900	\$4,370,000
2016	300	\$24,010	576480100	90000	\$7,203,000
2017	606	\$36,500	1332250000	367236	\$22,119,000
2018	3006	\$58,500	3422250000	9036036	\$175,851,000
2019	6791	\$98,000	9604000000	46117681	\$665,518,000
2020	4630	\$106,000	11236000000	21436900	\$490,780,000
	15563 $\sum Y$	342010 $\sum X$	26531980100 $\sum X^2$	77100753 $\sum Y^2$	\$1,365,841,000 $\sum XY$

Correlation coefficient = r

$$r = \frac{n\sum xy - \sum x \sum y}{\sqrt{[n\sum x^2 - (\sum x)^2][n\sum y^2 - (\sum y)^2]}}$$

$$\begin{aligned} r &= \frac{6*(1,365,841,000) - (342010)(15563)}{\sqrt{[6*26531980100 - (342010)^2][6*77100753 - (15563)^2]}} = \\ &= \frac{8,195,046,000 - 5322701630}{\sqrt{(42221040500)(220397549 - (205478)(14846))}} = \\ &= \frac{2872344370}{\dots} \\ r &= 0.94 \end{aligned}$$

The association between advertising expenditures and profits of the Lada company is not only favorable, but also has a correlation coefficient of 0.94, according to the above estimate. In the table above, the correlation coefficient has a value of 0.94, so the measure for importance of this coefficient is as follows:

Hypothesis (two tail test)

H₀: r=0

H₁: r≠0

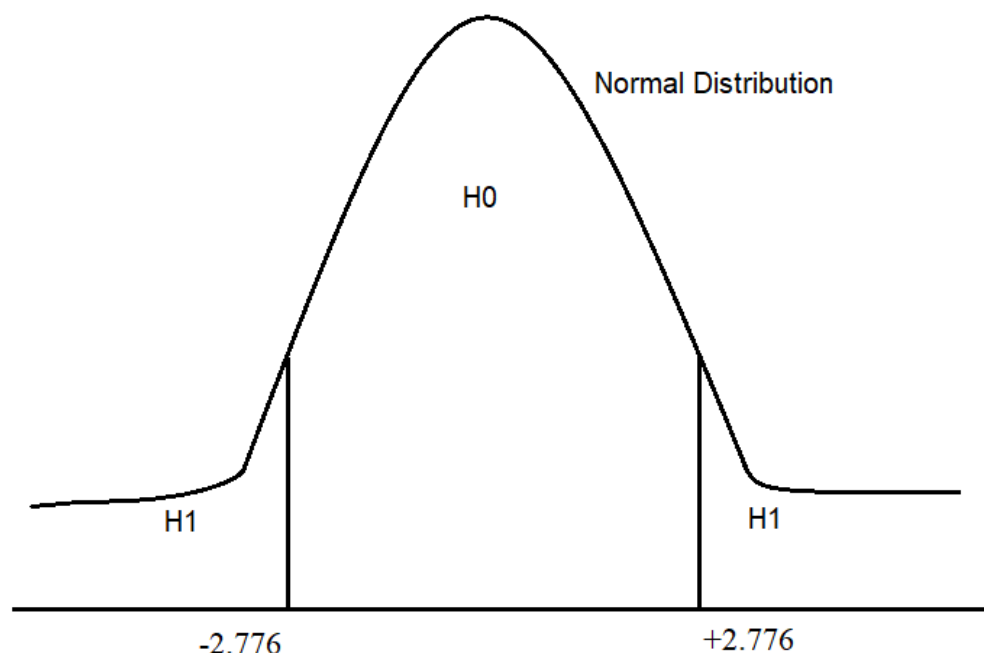
$$r * \sqrt{\frac{n-2}{1-r^2}}; \quad (0.94) * \sqrt{\frac{6-2}{1-0.8836}}; \quad (0.94) * \sqrt{\frac{6-2}{1-0.8836}}; \quad (0.94) * \sqrt{\frac{4}{0.1164}}$$

$$(0.94) * (5.86) = 5.51$$

Using two tail test of 0.05

Degree of freedom = n-2 = 6-2 = 4

4 under 0.05 = 2.776¹



¹ <https://www.statisticshowto.com/tables/t-distribution-table/>

As a result of the above, we will dismiss the null hypothesis H_0 and consider the alternate hypothesis H_1 , which indicates that there is a substantial association between advertising expenditures and Lada Company car sales.

SUMMARY OF FINDINGS

It can be concluded that promotional expenses and profits are positively correlated based on the effects of the correlation coefficient conducted on the sales figure and promotional expense acknowledged from Lada Company. This implies that increasing advertising spending would result in higher revenue.

CONCLUSION

An organization's ability to compete efficiently in this dynamic world depends on its ability to effectively use marketing messaging as a medium for promoting sales of the company's goods. Promotion as a blend has not only helped Lada Company boost recognition, but it has also helped the company generate revenues, making it a valuable endeavor that can be made a central part of the company's marketing scheme. Without a question, there is a favorable relationship between advertising costs and Lada Company revenues, implying that an improvement in marketing communications contributes to an increase in sales.

RECOMMENDATION

Since completing their report on the impact of marketing contact on consumer products purchases, the current research has come up with the following recommendations. Because of its ongoing effect on customers, particularly in the field of awareness creation, marketing communication should be a daily program. Furthermore, in order for Lada Company to retain its current market share or perhaps raise it further, it must continue to engage in marketing communication activities. The organization should take a proactive approach

to make its media communications more engaging.

During the sale process, this will make for more dialogue between the firm and its clients. Following the findings, it is suggested that future studies on marketing communication efficacy, particularly in relation to sales, include other elements of the promotional mix such as sales advertising, personal selling, public relations, and so on. This is due to the fact that each of these factors have a fair impact on the company's overall revenue volume.

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