MARKETING CHANNELS AND THE SALES PERFORMANCE OF MONITOR PUBLICATIONS LIMITED, UGANDA

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DECLARATION

I, Timothy Ntale, declare that this study is original and has not been presented for any degree award before.

Signature

Date.....

Timothy Ntale

APPROVAL

This is to certify that this dissertation has been submitted in partial fulfilment of the requirements for the degree award with my approval as the supervisor.

Signature: Date.....

Dr. Dan Ayebale

DEDICATION

I dedicate this dissertation to my dear wife, Christine, for her constant invaluable support.

ACKNOWLEDGEMENTS

Firstly, I thank God for His grace and the gift of life, without which this study could not have been possible. All the glory and honour belongs to Him.

Special thanks go to my supervisor, Dr. Dan Ayebale, for his insightful advice and guidance.

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LIST OF ABBREVIATIONS

CPFR	-	Collaborative Planning Forecasting and Replenishment
EDI	-	Electronic Data Interchange
ICT	-	Information and Communications Technologies
MPL	-	Monitor Publications Limited
POS	-	Point of sales
SPSS	-	Statistical Package for Social Sciences
SST	-	Technologies Self-service Technologies
UTAMU	-	Uganda Technology and Management University
VMCM	-	Vendor Managed Category Management
VMI	-	Vendor Management Inventory

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ABSTRACT

Distributing a newspaper calls for creation of marketing channels through which it will move from the publishing house to the end-user (the reader). In this study, the researcher set out to assess the effect of channel design, channel administration and channel management technologies on the sales performance of the Daily Monitor Newspaper, a publication of Monitor Publications Limited. Quantitative data was collected from 226 respondents and analyzed to derive the following findings. Channel design, channel administration and channel management technologies were found to positively predict the sales performance of the Daily Monitor Newspaper by 10.5%, 7.6% and 14.7 % respectively. The study revealed that the design of marketing channels for the Daily Monitor Newspaper was generally good, and MPL had acceptable commission policies. It was also found that MPL had not fully utilized the internet and social media to support Daily Monitor Newspaper sales, yet a significant number of respondents were using the internet and social media. Utilizing qualitative data from 34 informants, however, some customers revealed that it was not easy to access the Daily Monitor Newspaper out of town, while others reported that some of the vendors lacked business etiquette and delivered the wrong consignment of Newspapers. Based on the above findings, the study recommends that MPL should devote more resources to channel management and preferably appoint at least one dedicated manager, whose sole responsibility is to manage customer relationships and to develop marketing programs meant to drive revenue through the channel. Dedicating more resources to channel management would enable MPL address issues like gathering or sharing Newspaper industry intelligence information, and organizing trainings for retailers / distributors to improve customer management. MPL should also develop measurement tools to track performance of vendors, and improve on communication with intermediaries and customers to build stronger relationships at each step of the channel.

CHAPTER ONE

INTRODUCTION

1.1 Introduction

Uganda today has got a vibrant media industry with a number of Newspapers. (Uganda Radio Network, 2011). New Vision is Uganda's oldest and leading English Newspaper. It is a stateowned Newspaper and has got the largest nationwide circulation. Daily Monitor is an independent Newspaper and second oldest after New Vision. The two papers dominate the print media in Uganda (Uganda Radio Network, 2011). In this study, the researcher wanted explore how Monitor Publications Limited, the publisher of Daily Monitor Newspaper, manages its marketing channels, and how these channels affect its sales performance.

This chapter is composed of the; background to the study, statement of the problem, purpose of the study, objectives of the study, research questions, conceptual framework, significance of the study, justification of the study, scope of the study, operational definitions of terms and concepts.

1.2 Background of the Study

Global Newspaper circulation revenues are larger than Newspaper advertising revenues for the first time this century, according to the annual World Press Trends survey released by the World Association of Newspapers and News Publishers (WAN-IFRA, 2015). In media, it is said that "if content is king, then distribution is queen" (Dignited, 2015). Distributing a Newspaper calls for creation of marketing channels through which it will move from the publishing house to the ultimate reader.

Indeed, Mehta, Rosenbloom & Anderson (2000) define a marketing channel as the route, path, or conduit through which products or things of value flow, as they move from the manufacturer to the ultimate user of the product. Much as there are various factors that determine the successful operation of the sales and distribution channels of Newspaper organizations, the reach and popularity of a Newspaper to a large extent depends on its distribution network (Sridhar et al., 2012). Therefore, it is up to the Newspaper agencies to communicate to the customer that their Newspaper can deliver all the values a customer may look for (Sridhar et al., 2012). In the Middle East and Africa, circulation rose by 3.7% over 5 years, indicating that the Newspaper industry is not one of doom and gloom (WAN-IFRA, 2015). However, there are some issues that can adversely affect the Newspaper. For example internet-enabled devices and online based companies such as Google, YouTube and Facebook have taken over information/news dissemination, to the extent that media industry hard copy production and circulation vibrancy has been threatened (Fenez et al., 2009; Rammile and Nel, 2012). In line with this, purchase of a hard copy has been affected because consumers are increasingly becoming sensitive on what they buy on daily or weekly basis, which has forced some to switch from buying hard copies to internet usage, radio listening and television watching (Tumwine, Omagor & Agaba, 2014).

Uganda's Newspaper agencies/companies are not immune to the effects of technological advancements. In a presentation, Mr. Justus Katungi, the circulation manager of Monitor Publications Limited, remarked that apart from; low readership culture, high inflation, political interference, arrival time and poor infrastructure, MPL Newspaper sales were affected by alternative media channels (Katungi, 2015).

In a separate report by MPL's circulation department, other factors that undermined MPL Newspaper sales were; inadequate facilitation for effective field operations e.g. transport for key accounts and regional sales representatives, lack of laptops to aid reporting, poor commission structure at vendor and agent level, limited market support thereby affecting awareness, negative attitude/culture among channel partners (since the Newspaper is viewed as a low profit product) and minimal point of sale materials (MPL report, 2010). According to Fenez et al. (2009), improved sales performance of a Newspaper is achieved by a consumer purchasing a copy, which is dependent on the readability, stimulated by the content of the Newspaper, plus its availability, navigability and visibility. Additionally, the successful operation of the sales and distribution channels of Newspaper organizations, the reach and popularity of a Newspaper, to a large extent, depends on its distribution network (Sridhar et al., 2012). Therefore, it is important to carry out an analysis on the delivery and sales management of the Monitor Newspaper in order to better understand its marketing channels, and also identify and provide possible solutions to any shortcomings, so as to optimize sales.

1.3 Problem Statement

In as much as the Newspaper industry is growing steadily in the Middle East and Africa (WAN-IFRA, 2015), recent circulation reports of Monitor Publications Limited indicate that sales of the Daily Monitor Newspaper have declined over the past five years. In April 2010, the average daily sales of the Daily Monitor Newspaper were 23,489 copies (Katungi, 2015). By April 2015, the average daily sales of the Daily Monitor Newspaper had reduced to 20,148 copies (Katungi, 2015).

The decline in the sales of the Daily Monitor Newspaper could be attributed to inadequacies in marketing channels of Monitor Publications Limited, which is evidenced by the readers' shift to alternative media sources, rather than buying hardcopies of the Daily Monitor. In this study, the researcher carried out an investigation on how marketing channel design, administration and the technologies used by channel intermediaries affect sales performance of Monitor Publications Limited.

1.4 Purpose of the Study

This study aimed at investigating how marketing channels affect sales performance of Monitor Publications Limited.

1.5 Objectives of the Study

Specific objectives of the study were;

- To examine the effect of channel design on the sales performance of Monitor Publications Limited.
- To determine the effect of channel administration on the sales performance of Monitor Publications Limited.
- iii) To evaluate the effect of channel management technologies on the sales performance of Monitor Publications Limited.

1.6 Research Questions

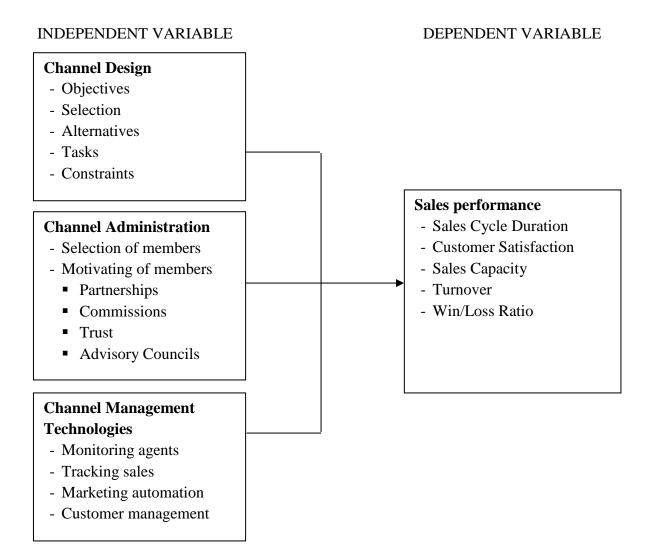
 What is the effect of channel design on the sales performance of Monitor Publications Limited?

- ii) What is the effect of channel administration on sales performance of Monitor Publications Limited?
- iii) What is the effect of channel management technologies on the sales performance of Monitor Publications Limited?

1.7 Hypotheses of the Study

- i) Channel design positively affects the sales performance of Monitor Publications Limited.
- ii) Channel administration positively affects the sales performance of Monitor Publications Limited.
- iii) Channel management technologies positively affect the sales performance of Monitor Publications Limited.

1.8 Conceptual Framework



Source: Variables adopted with modifications from Iyer & Villas-Boas, 2003.

1.9 Significance of the Study

The findings of this research will help Newspaper companies in Uganda, especially Monitor Publications Limited, to understand how effective marketing channels should be designed and administered, and how relevant technologies should be adopted by channel intermediaries to achieve optimal sales. The study findings will be a useful tool for managers of Newspaper companies in formulating marketing channels that offer the best buying experience for customers, for instance, little or no waiting time, convenience and flexibility of buying.

1.10 Justification of the study

From the literature reviewed, it is very clear that there is paucity of information about Newspaper marketing distribution channels and how they are managed, especially in Sub-Saharan Africa. In this study, the researcher provides baseline information, since marketing channels management and Newspaper sales performance is not a highly researched area in Uganda.

1.11 Scope of the Study

Subject Scope

The study concentrated on marketing channel designs, administration and the technologies used by channel intermediaries and the sales performance of Monitor Publications Limited.

Geographical Scope

The study was conducted in Kampala central business district, among staff and marketing channel partners of Monitor Publications Limited.

Time scope

This study considered marketing channels and the sales performance data of Monitor Publications Limited from 2010 to 2015.

1.12 Operational Definitions

Channel Design refers to the vertical and horizontal alignment of channel partners / intermediaries.

Channel Administration is the process of analyzing, planning, organizing and controlling a firm's marketing channels.

Channel Management Technologies are technological innovations that facilitate the integration of structures, physical flows and information within the same distribution channel.

Sales performance refers to the ability of a company's sales professionals to "win" at each stage of the customer's buying process, and the speed at which each task in the sales process is performed.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter will be divided into four sections, namely; theoretical review, conceptual review, actual literature review, and finally, summary of the literature review.

2.2 Theoretical Review

Understanding the theory behind creating and maintaining these marketing channels gives some control over how the marketplace can be approached, and how quickly products can move to customers (Vibhash & Lakshmi, 2008). The theory behind marketing channels also enables sellers to learn how to time their marketing so that they do not offer products that haven't arrived in the customers' areas yet (Bucklin, 1966; Gaski, 1984; da Silva, 2008). Marketing channels can be defined as the set of external organizations that a firm uses to achieve its distribution objectives (Mehta, Rosenbloom & Anderson, 2000). Essentially, a channel is the route, path, or conduit through which products or things of value flow, as they move from the manufacturer to the ultimate user of the product (Metha et al., 2000). Actors in the marketing channels include; agents, wholesalers, and retailers. By performing a variety of distribution tasks, marketing channels play a significant role in the flow of products from producers to consumers, and on company profitability (Coughlan et al., 2005). Like other areas of business, marketing channels require careful administration, as superior channel management policies and strategies help a firm attain a differential advantage. Marketing channel management refers to the process of analyzing, planning, organizing, and controlling a firm's marketing channels (Stern et al 1996).

As discussed in numerous articles and textbooks, it comprises seven decision areas: (1) formulating channel strategy, (2) designing marketing channels, (3) selecting channel members, (4) motivating channel members, (5) coordinating channel strategy with channel members, (6) assessing channel member performance and (7) managing channel conflict (Rosenbloom 1987; Rosenbloom 1999). All seven areas are critical to superior market performance and long-term customer loyalty (Mehta et al 2000). Manufacturers differ on how they distribute their products to the consumer, with some preferring shorter channels and others longer ones, depending on the context of the buyers. Some of them distribute intensively (using a lot of intermediaries) or exclusively (directly to the consumer) (Vibhash & Lakshmi, 2008). Stern & El-Ansary (1982) and Pelton et al, (2001) affirm that a channel is not easily selected; there are some constraints such as the availability of good middlemen, traditional channel patterns, product characteristics, company finances, competitive strategies, and the customer dispersion question. It is the same idea of Mcvey (1960) who stated that channel networks were not necessarily designed under the control of one type of organization, and that an organization faces limited choices in designing the channels for its products. The author asserts that the choice of a channel is not open to any firm unless it has considerable freedom of action in matters of marketing policy. According to this approach, the producer has a variety of limitations, such as, limited choice of types of middlemen, customers and locations of trading areas. Some logistics authors say that the channel choice is a cost and financial decision (Lambert 1981; Bowersox 1969). Otherwise, Lilien et al. (1992) say that the channel selection decision is not only an economic decision but is also dependent on the control aspects of channels and their adaptability. Several theories have been advanced to explain / predict marketing channel dynamics and their management.

These include, but are not limited to; Coalition theory, Bargaining theory, Theory of power and conflict in marketing channels and Theory of distribution channels.

The Coalition theory explains that weaker (smaller) channel members are prone to dominance by more powerful channel entities (Harvey, 1975). Channel members may band together in an attempt to decrease conflict among themselves, or to protect themselves against more dominant power figures in the channel of distribution. This theory indicates that, with increased power, marketing flows are controlled and therefore goal attainment (sales performance in this case) is more likely to occur (Harvey, 1975). The Bargaining theory states that a critical factor in channel relationships between manufacturers and retailers is the relative bargaining power of both parties (Iyer & Villas-Boas, 2003). Bargaining the terms of trade in a marketing channel consists of a manufacturer that produces the product and a retail intermediary that takes a market action (e.g., setting the retail price) and sells the product to the consumer market. Relationships between manufacturers and their retailers often hinge on the importance of negotiation and its effects on each party's share of the pie, as well as on channel coordination parties (Iyer & Villas-Boas, 2003). Lastly, the theory of distribution channels states that each company in the channel must charge enough to pay expenses and leave a profit (Bucklin, 1966). According to this theory, knowing where you are in the channel helps you understand your costs and mark-up needs. If you are near the end of the channel, you will pay the most for a product, because it has been marked up on its way to you. If you're near the beginning, you may be expected to charge what are commonly called wholesale prices, because your buyers understand that you incur less expense at the start of a channel (Bucklin, 1966).

The dynamics within the marketing channels are dependent on the power of each intermediary; therefore the researcher used the Bargaining theory as the guiding theory for the study.

2.3 Conceptual Review

2.3.1 Channel Design

A firm can design any number of channels they require. Channels are classified by the number of intermediaries between producer and consumer (Kotler, Keller & Burton, 2009). Designing a marketing channel calls for analyzing customer needs, establishing channel objectives, and identifying and evaluating the major channel alternatives (Kotler, Keller & Burton, 2009). In designing the marketing channels, the marketer must understand the output levels desired by the target customers. Channels produce five service outputs, which include; *Lot size* - the number of units purchased on/in one occasion; *Waiting time* - the average time customers of that channel have to wait to receive the goods; *Spatial convenience* - the degree to which the marketing channel makes it easy for customers to purchase the product; *Product variety* - the assortment breadth provided by the marketing channel (normally customers prefer greater assortment because more choices increase the chance of finding what they need); and lastly, *Service backup* - the add-on services (e.g. credit, delivery, etc.) provided by the channel (da Silva, 2008).

According to da Silva (2008), channel objectives should be stated in terms of targeted service output levels. Channel objectives vary with product characteristics. The company's channel objectives are influenced by; nature of the product, company characteristics, characteristics of intermediaries, competitors' channel and environmental factors. *Nature of the product*: Perishable products for example, require more direct marketing to avoid delays and prolonged handling (Kotler, Keller & Burton, 2009). *Company characteristics*: The company's size and

financial situation for example, determine which functions it can handle, how many channels it can use, and which transportation can be used.

Characteristics of intermediaries: Intermediaries differ in their abilities to handle promotions, customer contact, storage and credit. For example, the company's own sales force is more intense in selling. *Competitors' channel*: Some companies may prefer to compete in or near the same outlets that carry competitors' products, yet some may not (e.g. Daily Monitor Newspaper wants to locate near the New Vision Newspaper). *Environmental factors*: Economic conditions and legal constraints affect channel design decisions. In a depressed economy for instance, producers want to distribute their goods in the most economical way, using shorter channels (Kotler, Keller & Burton, 2009).

After the channel objectives have been determined, the company should identify its major channel alternatives in terms of; (1) types of intermediaries, (2) the number of intermediaries needed, and (3) the terms and responsibilities of each channel member (Kansal, 2011). The firms need to identify the different types of available intermediaries to carry on their channel work. Intermediaries are individuals or businesses that make it possible for the product to make it from the manufacturer to the end user, essentially facilitating the sales process (Kumar & Venkatesan, 2005). There are four basic types of marketing intermediaries, which include: agents, wholesalers, distributors and retailers. An *Agent* is an independent individual or company whose main function is to act as the primary selling arm of the producer, and represent the producer to users. Agents take possession of products but do not actually own them (Kansal, 2011).

Agents usually make profits from commissions or fees paid for the services they provide to the producer and users. *Wholesalers* are independently owned firms that take title to the merchandise they handle. The wholesalers own the products they sell. Wholesalers purchase product in bulk and store it until they can resell it.

Wholesalers generally sell the products they have purchased to other intermediaries, usually retailers, for a profit. *Distributors* are similar to wholesalers, but with one key difference. Wholesalers will carry a variety of competing products, for instance Pepsi and Coke products, whereas distributors only carry complementary product lines, either Pepsi or Coke products. Distributors will take title to products and store them until they are sold. A *retailer* takes title to, or purchases products from other market intermediaries. Retailers can be independently owned and operated on a small scale, or they can be part of a large chain. The retailer will sell the products it has purchased directly to the end user for a profit (Kansal, 2011).

After major intermediaries have been identified, the company should decide on the number of intermediaries to use. Three strategies available are; Exclusive distribution, Intensive distribution and Selective distribution (Kotler, Keller & Burton, 2009). *Exclusive distribution* involves a limited number of intermediaries with an exclusive dealing arrangement, where the resellers agree not to carry competing brands. This strategy is appropriate for specialty products which are expensive, infrequently bought and require service or information to fit them to buyers' needs, such as Rolex watches, Mercedes-Benz and Rolls Royce vehicles (Kotler, Keller & Burton, 2009). In *Selective distribution*, only selected available outlets in an area are chosen to distribute a product. The company does not have to dissipate its efforts over too many outlets, enabling the

producer to gain adequate market coverage, with more control and less cost than intensive distribution (Kotler, Keller & Burton, 2009). Kotler, Keller & Burton (2009) add that it is appropriate for shopping of products, which consumers are willing to spend more time visiting in several retail outlets to compare prices, designs, styles, and other features of these products.

Intensive distribution is the use of all available outlets to distribute a product. It is suitable for convenience products such as soft drinks, bread, candy, Newspapers, etc., because they have high replacement rate and require almost no service (Kotler, Keller & Burton, 2009). Multiple channels (i.e. convenience stores, service stations, supermarkets, discount stores) are used to sell these products. Each channel alternative needs to be evaluated against; Economic, Control and Adaptive criteria. Vibhash & Lakshmi (2008) explain that under; a) Economic criteria, a company compares the likely sales, costs and profitability of different channel alternatives; b) Control criteria, the company must also consider control issues, since using intermediaries usually means giving them some control over the marketing of the product, and some intermediaries take more control than others; and finally, c) Adaptive criteria, the company must apply adaptive criteria because channels often involve long term commitments, yet the company wants to keep the channel flexible so that it can adapt to environmental changes. A channel involving long term commitments should be greatly superior on economic and control grounds (Vibhash & Lakshmi, 2008).

After the number of intermediaries needed has been identified, the terms and responsibilities of each channel member should be set (Kansal, 2011). Each channel member must be treated respectfully and given the opportunity to be profitable.

The main elements are; 1) Price policy – price list, schedule of discount and allowances; 2) Conditions of sale – payment terms and producers' guarantees; 3) Distributors' territorial rights – distributors' territories and the terms under which the producer will enfranchise other distributors; and 4) Mutual services and responsibilities - particularly in franchised and exclusively-agency channels. The franchiser provides promotional support, training, record-keeping system, etc. (Kansal, 2011). This study was carried out to determine how Monitor Publications Limited has designed a marketing channel in terms of channel objectives, selection of agents / distributors and retailers, allocation of tasks to channel actors and how the constraints encountered are addressed in the course of distributing / selling the Daily Monitor Newspaper.

2.3.2 Channel Administration

Like other areas of business, marketing channels require careful administration, as superior channel management policies and strategies help a firm attain a differential advantage, but concomitantly, are difficult to duplicate (Shusterman, 2013). Marketing channel management refers to the process of analyzing, planning, organizing, and controlling a firm's marketing channels (Coughlan et al., 2005). As discussed in numerous articles and textbooks, it comprises seven decision areas: (1) formulating channel strategy, (2) designing marketing channels, (3) selecting channel members, (4) motivating channel members, (5) coordinating channel strategy with channel members, (6) assessing channel member performance, and (7) managing channel conflict (Mehta et al 2000). Hutt & Speh (2013) emphasize that the primary roles of channel administration are; selection of channel members and motivating channel members.

The process of selecting channel members / intermediaries is an ongoing process due to the fact that they tend to leave the channel from time to time, basing on different circumstances: market's changes, problem within their businesses, etc. (Hutt & Speh, 2013). Thus the process of choosing intermediaries should be very well managed in order to reduce the cost of identifying them to the minimum (Coughlan et al., 2005). The most important step to be made in order to fulfill the goal is to secure good intermediaries.

The list of probable intermediaries can be reduced to a few, by getting the information about the candidates from different sources: current partners, sales people, potential and actual clients or through databases and professional communities (Coughlan et al., 2005). Nevertheless, it should be remembered that the process of choosing the intermediaries is not a one-way street at all, thus the company should bother about its reputation if it wants to have the opportunity to choose the best intermediaries (Kumar & Venkatesan, 2005). After the channel members / intermediaries have been selected, they should be maintained through motivation. According to Hutt & Speh (2013), if the company wants to build strong and beneficial relationships within its marketing channels, the company's strategies should be tied up to the capabilities and aims of its distributors, representatives and suppliers. The company's managers should constantly remind themselves that the intermediaries are independent and profit-oriented and thus as soon as they are not satisfied with the current state of affairs they will leave the marketing channel (Hutt & Speh, 2013).

The motivation of the channel members starts with the realization that every relationship within the channel is a partnership (Kumar & Venkatesan, 2005). The communication can be improved

by product training, recognition programs, consultations with the manufacturer's representatives and informational meetings, where the plans and strategies will be discussed in detail. The goal of joining the plans and strategy should be prioritized (Kumar & Venkatesan, 2005). Additionally, in order to enhance the performance of the channel, the manufacturer has to improve the information flow among channel's participants. This can be made by setting periodical council's meetings among the representatives whose aim will be to review distribution policies, provide advice on marketing strategy and supply industry intelligence (Hutt & Speh, 2013).

Motivation of channel intermediaries can also be enhanced by setting good commission policies, since the main aim of the marketing channel's participants is to get profits (Coughlan et al., 2005). Lastly, manufacturers have to build trust between and among intermediaries. To be competitive, business marketers have to build effective networks and collaborations within channels, and successful cooperation exists only when the partners trust each other (Hutt & Speh, 2013).

2.3.3 Channel Management Technologies

Technological innovations facilitate the integration of structures, physical flows, and information within the same distribution channel (Tummala et al., 2006). Information and Communications Technologies (ICTs) are the main platforms on which inter and intra-firm channel management processes have been built (Closs & Xu 2000; Porter 2001). ICTs refer to technologies that people use to share, distribute and gather information, and to communicate, through computers and computer networks (ESCAP, 2001). Technological innovations improve the productivity of physical and information flows by improving the transportation network and logistics

management. Some of the technologies used in marketing channels include; Electronic Data Interchange (EDI), Vendor Management Inventory (VMI), Collaborative Planning Forecasting and Replenishment (CPFR), Vendor Managed Category Management (VMCM) and Self-Service Technologies (SSTs)/ Point Of Sales (POS) technologies (Kaipia & Tanskanen, 2003; Musso, 2012). The EDI is the basic infrastructure for coordinating logistic processes among channel partners that has been defined as "tools which permit the automatic exchange of data between remote applications in situations where these belong to different organisations" (Martinez & Polo-Redondo, 2001).

The principal attraction that EDI has amongst companies in marketing channels lies in the large number of references that are exchanged. For large retailers, as well as wholesalers, EDI means a big saving, because they work with a large number of suppliers (and/or customers) with a great quantity of references, and this means having to handle a vast amount of documents of different types. The EDI has been promoted because it eliminates the extremely burdensome task of reentering, collation and storing of all this data. Four groups of variables have influence in the spread of EDI: Network Factors, Innovation Factors, Intra-Organizational Factors, and Inter-Organizational Factors (Martinez & Polo-Redondo 2001). Channel management technologies are also very important in joint management of supplying activities, through techniques such as Vendor Management Inventory (VMI) (Kaipia & Tanskanen 2003). Supplying activities include; assortment decisions, activities for reducing stock-outs, and the use of indicators to control and improve joint processes. In VMI, the supplier is able to smooth the peaks and valleys in the flow of goods, and therefore to keep smaller buffers of capacity and inventory (Kaipia & Tanskanen 2003). Buyers need not monitor the supplier performance by the service level provided by the

supplier to the buyer. Successful VMI implementations in retailing can be found in the apparel industry. However, VMI has not gained large acceptance in the grocery supply chain.

The Collaborative Planning Forecasting and Replenishment (CPFR) and Vendor Managed Category Management (VMCM) technologies are used at a higher level of collaboration in marketing channels. The CPFR is used for jointly making sales forecasts and procurement schemes, and includes all activities that pertain to the management of assortments, such as promotions and the introduction of new products.

VMCM technologies are used for retail demand fulfilment. They combine the ideas of VMI, Category Management and Outsourcing (Kaipia & Tanskanen 2003). Electronic business technological innovations impact the operational design of a channel system by increasing the degree to which the tasks and resources of members need to be integrated. In particular, the proper utilization of software requires the integration of channel operations in terms of greater formalization, standardization, and centralization (Bello et. al. 2002). The most important fronts of technological innovation in the relationships with the final consumer are checkout technologies, electronic and mobile payment systems, distance selling (mainly on-line sales), and Self-Service Technologies (SSTs), such as, vending machines and multimedia kiosks. Checkout or Point of sales (POS) technologies are applied to locations where a retail transaction occurs. The benefits of POS technology are in the possibility to better manage inventory by combining sales data with the amount and cost of the purchases. This enables the firm to analyze the profitability of individual products and manage inventory more accurately and quickly (Bergen et al. 2008). Related to POS-scanner technologies are electronic and mobile payment systems. Mobile payment systems are suitable for proximity and micro-payments hence are a great opportunity for mobile payments to reduce the number of small purchases paid with cash (Ondrus & Pigneur 2006).

Other forms of innovation in relationships with final customers are detectable in telephone and on-line selling. The main innovation potential in distance selling, however, comes from online sales, as part of e-commerce. Online shopping remains a small fraction of retail sales, despite the well-known benefits of electronic commerce to consumers, including lower prices (Brynjolfsson and Smith 2000), greater selection and availability (Ghose et al. 2006), and greater convenience by eliminating travel costs and enabling purchases irrespective of geographic location.

There are many reasons for consumers' slow adoption of online shopping habits, such as: inspecting non-digital products is often difficult, shipping can be slow and expensive, and returning of products can be challenging (Forman, Ghose and Goldfarb 2009). That is, there appears to be a set of fixed disutility costs of buying online. These costs vary across products and retailers, and in some markets have created significant hurdles to the continued diffusion of electronic commerce. The last face of technological innovation in dealing with the final consumer is that of Self-service technologies (SSTs), based on interacting technologies, like vending machines and multimedia kiosks. With consumers wanting quick and convenient access to competitively priced products, the vending industry has seen a great deal of growth over the last twenty years. Vending machines are continually updating with the latest technologies, as well as the variety of products that are being sold. One of the newest vending innovations is telemetry. Machines equipped with telemetry can transmit sales and inventory data to a route truck so that the driver knows exactly what products to bring in for restocking. The data can also be transmitted to remote headquarters for use in scheduling a route stop, detecting component failure or verifying collection information (Courty and Pagliero 2008). In retailing and other business environments such as travel, entertainment, advertising, property marketing and building, information kiosks are being used to provide information and services directly to customers. Kiosks are typically located in a store, or in a shopping centre or mall, or in other public environments such as railway stations, motorway service stations and airports (Rowley and Slack 2003). In this study, the researcher assessed the adequacy of technologies used in the marketing channels of Monitor Publications Limited.

2.3.4 Sales Performance

The term *sales* refers to transactions between two parties where the buyer receives goods (tangible or intangible), services and/or assets in exchange for money (Hutt & Speh, 2013). According to Dean (2015), no matter what industry, every manufacturer / supplier must improve sales performance, reduce the cost of selling, and ensure their survival. By analyzing sales performance, managers can make changes so as to optimize sales going forward (Farris et al., 2010). According to literature, sales performance is a combination of *sales effectiveness* - the ability of a company's sales professionals to "win" at each stage of the customer's buying process, and ultimately earn the business on the right terms and in the right timeframe and *sales efficiency* - the speed at which each task in the sales process is performed (Farris et al., 2010; Treace, 2012; Rogers, 2014; Dean, 2015).

Farris et al (2010) posits that sales effectiveness is not just a sales function issue; it's a company issue, as it requires deep collaboration between sales and marketing to understand what's working and not working, and continuous improvement of the knowledge, messages, skills, and strategies that sales people apply as they work sales opportunities. On the side of sales efficiency, companies need to examine their sales process for weaknesses, so as to maintain favourable speeds at which each task in the sales process is performed (Treace, 2012). For example, if intermediaries are spending too much time on some tasks, the company might automate those tasks so as to allow sales representatives to spend more time selling (Treace, 2012). According to Cournoyer (2014), marketing channels put partner representatives in the best possible position to sell.

Cournoyer suggests tips to consider to in optimizing sales performance (Cournoyer, 2014); 1) Provide resources that communicate your message, create a common sales toolkit for partners so that you're doing everything possible to enable them to communicate your value proposition and accelerate sales growth; 2) Modularize your packaging for each stage of the buying process. Packaging stock into smaller, more manageable 'chunks' or 'bits' makes moving of stock more practical for channel partners at the time and place they choose; 3) Keep the lines of communication frequent and open. Alexander (2013) advises that the producer should call each of channel partners on a regular basis so as to offer any assistance that may be needed; 4) Get on board with social media. According to Offenberger (2011) it is important to network with channel partners through social networks like Facebook, LinkedIn, Twitter and others. Social networks enable more authentic, personal and regular interactions, leading to positive partner interactions and more partner sales (Offenberger, 2011); and 5) Measure the relationship early. James (2011) explains that there are two reasons to measure. First, the key to the channel relationship is trust, which means that you need to be flexible in making adjustments that improve performance. That's only possible if you know what's happening. Second, when a channel partner is not performing (i.e. consuming more resources than the revenue they create), you need to know quickly so that you can either fix the problem or cut the partner from your programs.

2.4 Effect of Channel Design on Sales Performance

For companies focused on growth, one of the biggest opportunities is making sales more productive (Palmatier et al., 2008). When a company's sales channels realize their full potential, they not only boost revenue and share, but also create a high performance organization, pulling together for breakthrough financial results (Palmatier et al., 2008).

Kotler et al (2009) opine that for a company to design channels that can guarantee good sales, the company must analyze customer needs, establish channel objectives, and identify and evaluate the major channel alternatives (Kotler, Keller & Burton, 2009). Excellent progress has been made in our understanding of how firms may effectively design and manage their channels of distribution (Frazier and Lassar 1996; Vinhas et al., 2010). Literature has also indicated that producers have to develop strong, long-term relationships with their channel partners, since these affect firm performance in general, and sales performance in particular (e.g., Anderson and Weitz 1992; Heide and John 1992; Morgan and Hunt 1994). Moreover the channel partners provide the route, path, or conduit through which products or things of value flow, as they move from the producer to the end-user of the product (Metha et al., 2000). Today's distribution channel systems are increasingly complex.

Producers often serve end-user markets through multichannel systems where diverse channel types (e.g., telemarketing, sales force, and e-commerce operations) and/or diverse entities (e.g., the manufacturer and different independent firms) are involved in the performance of the main distribution functions to optimize sales (Vinhas et al., 2010). The complexities in the marketing channels (especially for Newspapers in Uganda) provides a research opportunity on how to design marketing channels that can enable the producer to utilize different channel types to create customer value and optimize sales.

2.5 Relationship between Channel Administration and Sales Performance

For most manufacturers, success or failure is determined by how effectively and efficiently their products are sold through their marketing channel members (Behan & Lamoureux, 2015). In an era of increased emphasis on customer relationship management and hybrid marketing channels, there has been growing concern regarding how channel relationships are managed (Mehta, Dubinsky & Anderson, 2002). The prominence of channel management is premised on the fact that marketing channel partners play a significant role in the flow of products from producers to consumers, and on company profitability (Kotler et al., 2009). According to Behan & Lamoureux (2015), channel management affects sales performance by helping to protect brand value, allowing vendors to sell their products at a premium, while enabling the channel to up-sell the proper services and support offerings that meet the customer's needs. Channel management can also control price reductions, which can slow price erosion. In addition, it can extend a vendor's visibility over products are leaked or diverted outside of the authorized channel.

Strong channel management helps create and maintain customer loyalty, while strengthening the channel partner relationship, by protecting the investment in the vendors' products and the partners' post-sales service and support (Behan & Lamoureux, 2015). Behan & Lamoureux (2015) mention the KPMG's proprietary Channel Management Model that outlines the steps in the channel life cycle that vendors can use to strengthen channel relationships, enhance value, reduce gray and counterfeit marketing, and ultimately enhance sales revenues and margins. Four key steps to effective channel management include: a) Channel strategies and programs, b) Partner onboarding, 3) Transactions reporting and incentives and 4) monitoring (Behan & Lamoureux, 2015).

2.6 Effect of Channel Management Technologies on Sales Performance

In the last ten years, ICT has become an important element in company processes, in products and services distributed to the market, in enabling strategic and organizational change projects and in the re-definition of business models (Balocco, Ghezzi, Rangone & Toletti, 2012). Professionals who have contact with customers are now "touching" with technology. With each passing day, sales, marketing, and even customer service positions are becoming increasingly focused on technology (Vilaseca-Requena, Torrent-Sellens & Jiménez-Zarco, 2007). Technological innovations facilitate the integration of structures, physical flows, and information within the same distribution channel (Tummala et al., 2006). Information technology and telecommunications technologies are the main platforms on which inter and intra-firm channel management processes have been built (Closs & Xu 2000; Porter, 2001). ICT use has brought about a fundamental transformation in the marketing function, and distribution channels have been one of the main beneficiaries. Some of the technologies used in marketing channels include; Electronic Data Interchange (EDI), Vendor Management Inventory (VMI), Collaborative Planning Forecasting and Replenishment (CPFR), Vendor Managed Category Management (VMCM) and Self-Service Technologies (SSTs)/ Point Of Sales (POS) technologies (Kaipia & Tanskanen, 2003; Musso, 2012). These results suggest that ICT could offer companies a competitive advantage, allowing them to differentiate themselves in the marketplace. In addition, as Pine et al. (1995) and Prasad et al. (2001) suggest that ICT endows marketing with an extraordinary capability to target specific groups of individuals with precision, and enable mass customization and one-to-one strategies by adapting communications and other elements of the marketing mix to consumer segments.

2.7 Empirical studies

A number of empirical studies, which are related to this research, were reviewed. Information on where the studies were conducted, the sampling issues, the key findings and observed weaknesses in the studies are also discussed. The relevance of empirical studies reviewed was based on the research objectives and variables within.

Most of the literature review on channel design was from studies in a context of industrial or consumer products (Kumar & Venkatesan, 2005; da Silva, 2008; Kumar & Venkatesan, 2005 Kotler; Keller & Burton, 2009; Kansal, 2011). In all the studies reviewed, it was clear that companies differ in how they distribute their products to the consumer. Some of them distribute intensively (using a lot of intermediaries) or exclusively (directly to the consumer), as exemplified in a study by Adriano Maniçoba da Silva, on determinants of the distribution

channel structure. Much as there was some literature available, most of it was dating more than ten years ago, implying that channel design had received little attention by marketing researchers in recent years. With limited field studies on channel design, it is not easy to know if a firm can freely choose a channel or only adapt to it, and the consequences of a given channel design on sales performance.

Literature on channel administration was sourced from articles authored by scholars such as, Mehta et al (2002), Coughlan et al. (2005), Kumar & Venkatesan (2005), Hutt & Speh, (2013) and Shusterman (2013). All the reviewed literature emphasized that marketing channels require careful administration, as superior channel management policies and strategies help a firm attain a differential advantage. The challenge encountered when reviewing literature on channel administration was that there were every few recent empirical studies that had been done. One of the most recent relevant empirical studies was done by Mehta et al (2002) on the role of the sales manager on marketing channel management. Results indicated that sales managers at all hierarchical levels participate in administering various aspects of marketing channel management. However, this particular study was carried out in USA, covering sales personnel from various sectors, and the findings could not be wholesomely extrapolated to explain how channel administration affects sale performance in Africa or Uganda's newspaper industry specifically.

The researcher also reviewed literature from empirical studies done on technologies used in management of marketing channels. From the empirical studies reviewed, there was consensus that technological innovations facilitate the physical flows, and information within the same distribution channel (Martinez & Polo-Redondo 2001; Kaipia & Tanskanen 2003 and Musso, 2012).

In the existing literature, innovation in marketing channels has been treated in reference to specific areas of innovation, or to single categories of subjects within channels. Fewer studies have been conducted with a perspective of the effect of channel management technologies on sales performance. The most relevant of all the empirical studies on channel management technologies reviewed was authored by Fabio Musso of the University of Urbino, Italy. In this study, Musso analysed the contribution of technological innovations in improving the relations and interactions among all members of marketing channels and those with the end consumer (Musso, 2012). The analysis focused on the marketing channel as a whole, aiming at providing a conceptual framework for future investigations and insights that can be conducted to capture the extent and effects of the changes in technology. According to this study, the main fronts of innovation in vertical relations between firms are: logistics, the joint management of supplying activities, and those joint activities with a high level of integration among partners, such as Vendor-Managed Category Management. With regard to relationships with final demand, the main innovation fields are: checkout technologies, electronic and mobile payments, distance and on-line selling, and self-service technologies. The only limitation of Musso's (2012) study was that it did not assess the adequacy of technologies used in the marketing channels for media products like the Daily Monitor Newspaper.

The above review and analysis of the fore mentioned empirical studies augments the researcher's earlier remark that few studies have been done on how marketing channels interface with sales performance in the African and Ugandan contexts. The researcher believes that this current work

spawned the needed knowledge on marketing channels interface with sales performance, especially in Uganda's media industry.

2.8 Synthesis of the Literature Review

The reviewed literature has shown that essentially, marketing channels are routes, paths, or conduits through which products or things of value flow, as they move from the manufacturer to the end-user (Metha et al., 2000). Marketing channels are mainly comprised of four basic types of marketing intermediaries, which include: agents, wholesalers, distributors and retailers (Vibhash & Lakshmi, 2008).

When designing channels, producers should consider five service outputs, these include; the number of units purchased on/in one occasion, the average time customers of that channel wait to receive the goods, the degree to which the marketing channel makes it easy for customers to purchase the product, product variety, and the add-on services (e.g. credit, delivery, etc) provided by the channel (da Silva, 2008). Like other areas of business, marketing channels require careful administration, as superior channel management policies and strategies help a firm attain a differential advantage (Shusterman, 2013). When administering effective marketing channels, producers should consider a) Channel strategies and programs, b) Partner onboarding, 3) Transactions reporting and incentives and 4) monitoring (Behan & Lamoureux, 2015). Lastly, the other aspect of marketing channels reviewed is technological innovations which facilitate the integration of structures, physical flows, and information within the same distribution channel (Tummala et al., 2006). From the literature reviewed, it is very clear that there is insufficient information about Newspaper marketing distribution channels and how they are managed, especially in the Ugandan context. In this study the researcher set out to investigate how marketing channel design, administration and the technologies used by channel intermediaries affect sales performance of Monitor Publications Limited.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter presents the research design, study population, sample size and selection, data collection methods, data collection instruments, validity and reliability, procedure of data collection, data management and analysis and measurement of variables.

3.2 Research Design

A cross-sectional co-relational survey design was adopted. A cross-sectional study (also known as a cross-sectional analysis, transversal study, prevalence study) is a type of observational study that involves the analysis of data collected from a population, or a representative subset at one specific point in time (Amin, 2005). This design enabled the researcher to capture data and information from the staff, agents, distributors and retailers of Monitor Publications Limited in Kampala district.

3.3 Study Population

The study population was composed of field sales supervisors, agents, distributors, retailers/vendors and customers of Monitor Publications Limited. Table 1 below shows the numbers of potential respondents in each population category.

3.4 Determination of Sample Size

The researcher used multiple sampling techniques to scientifically arrive at an appropriate sample size to be used in the study (Mugenda and Mugenda, 2003).

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The sample size of the Retailers/Vendors was determined using Krejcie and Morgan (1970)'s formula to select respondents. From a population of 22,547, a sample size of 412 was selected as shown in table below:

Population category	Population	Sample Size	Sampling technique
Field sales supervisors	10	10	Purposive
Agents	35	35	Purposive
Distributors	2	2	Purposive
Retailers/Vendors	2,500	335	Simple random
Customers	20,000	30	Convenience
Total	22,547	412	

Table 1: Population and Sample Size

3.5 Sampling Techniques and Procedure

3.5.1 Sampling Techniques

Purposive sampling was used to select staff of MPL, as well as agents and distributors of the Daily Monitor Newspaper. Purposive is a non-probability sampling technique that enabled the researcher to select respondents based on who has the required information; that is Key Informants (Sekaran, 2003). Simple random sampling technique was used to collect information from vendors of the Daily Monitor Newspaper. This technique has high generalizability of findings, hence, is suitable for a large study population (Mugenda and Mugenda, 2003). The researcher allocated a number to every agent of the accessible population, placed the numbers in a container and then picked numbers at random. The subjects corresponding to the numbers picked were included in the sample (Mugenda and Mugenda, 2003).

3.5.2 Procedure

The researcher sought authorization from Monitor Publications Limited and presented an introduction letter from the University indicating that the study was purely for academic purposes, before collecting data.

3.6 Data Collection Methods

3.6.1 Questionnaire

The researcher used a questionnaire survey method to collect primary data from staff of Monitor Publications Limited, agents, distributors and retailers. The questionnaire was used because respondents can read and write the answers. The respondents possessed the information required to answer the questions and were willing to answer the questions honestly. This method was also less expensive for data collection (Amin, 2005). The respondents recorded their answers within closely defined alternatives on a Likert scale. In this study, the questionnaires were hand-delivered to the respondents.

3.6.2 Interviews

Face-to-face interviews were conducted with customers of the Daily Monitor Newspaper in Kampala. The researcher believed that these individuals could provide rich information with regard to the study. Interviews were also used because they are appropriate in providing in-depth data, which is required to meet specific objectives and to provide clarity and also to allow for flexible questioning, as compared to questionnaires.

3.7 Data Collection Instruments

3.7.1 Questionnaire

A questionnaire was used to collect quantitative data from the respondents. A questionnaire is a written set of questions that is used to obtain information about the study objectives from the selected respondents (Amin, 2005). A questionnaire was used because it helps to investigate motives and feelings in Likert scaling (Creswell, 1994). The questionnaire had closed-ended questions divided into sections that represented the different variables of the study.

3.7.2 Interview Guide

An interview guide was used to guide the researcher in discussions with the customers of the Daily Monitor Newspaper. The interview guide was designed according to the objectives of the study to facilitate in-depth investigation on the effect of channel design, channel administration and channel management technologies on the sales performance of Daily Monitor Newspaper.

3.8 Measurement of Variables

The variables were measured by operationally defining concepts. For instance, the questionnaire was designed to get responses about how marketing channel design, administration and the technologies used by channel intermediaries affect the sales performance of Monitor Publications Limited. The variables were operationalized into measureable elements to enable the development of an index of the concept. A five point Likert scale {(5) strongly agree, (4) agree, (3) neutral (2) disagree, (1) strongly disagree} was used to measure both the independent and dependent variables.

3.9 Validity and Reliability

Validity refers to the extent to which questions in an instrument accurately measure the variables therein (Hair et al., 2003). In other words, validity is the accuracy and meaningfulness of inferences, which are based on the research results (Mugenda and Mugenda, 1999). The questionnaire was subjected to expert face validity and theoretical content validity tests. A Content Validity Index (CVI) is an indication of the degree to which the instrument corresponds to the concept it is designed to measure. Amin's (2005) recommended minimum CVI of 0.7 was employed. Expert review of the questionnaire was done by the supervisor, and after his comments were incorporated, the questionnaire was pretested among selected staff of Monitor Publications Limited who were not participating in the study. For all the original items in the questionnaire, pretesting results were rated as clear and appropriate giving a content validity index of 100%. An index of 100% for the research questionnaire was fit for purpose.

Reliability refers to the degree to which a set of variables is consistent with what they are intended to measure (Amin, 2005). When the items on an instrument are not scored right versus wrong, Cronbach's alpha is often used to measure the internal consistency, which is often the case with attitude instruments that use Likert scale (Barifaijo, Basheka & Oonyu, 2010). Mugenda & Mugenda, (2003) stresses that a coefficient of 0.80 or more implies that there is a high degree of reliability of the data and that's what the researcher adopted.

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Variable	No. of items	Alpha coefficients
Channel Design	10	0.78
Channel Administration	10	0.75
Channel Management Technologies	10	0.79
Sales performance	20	0.81

Table 2: Cronbach's alpha coefficients of the variables

3.10 Data Analysis

Quantitative data was compiled, sorted, classified, and entered into the computer for analysis, using the Statistical Package for Social Scientists (SPSS). The data was analyzed using SPSS version 17. Descriptive, Factor analysis, Correlational and Regressional analyses were performed to understand the how marketing channels affect sales performance of Monitor Publications Limited.

Qualitative data from interviews was analysed using content analysis, which involves identification and transcribing the qualitative findings into different themes (Mugenda and Mugenda, 1999). The themes were then arranged in different categories to generate useful conclusions and interpretations on the research objectives. Qualitative data from interviews enabled triangulation of quantitative data, by providing important clues and key insights on how marketing channels affect sales performance of Monitor Publications Limited.

CHAPTER FOUR

ANALYSIS AND PRESENTATION OF FINDINGS

4.1 Introduction

In this chapter, the researcher presents results from the questionnaire survey and interviews. The first part of the chapter shows the survey responses, characteristics of the respondents, such as gender, age and level of education, profession and working experience. The other sections of the chapter show correlations and regressions statistics of the variables. The specific objectives of this study included the following;

- To examine the effect of channel design on the sales performance of Monitor Publications Limited.
- ii) To determine the effect of channel administration on the sales performance of Monitor Publications Limited.
- iii) To evaluate the effect of channel management technologies on the sales performance of Monitor Publications Limited.

4.2 Response Rate

In total, 412 respondents were targeted for study and 30 respondents for the qualitative study. For the qualitative study, 34 respondents were successfully interviewed and 226 filled in the questionnaire. Overall, out of 412 respondents initially targeted, 260 respondents participated in the study representing a response rate of 63.4%. This response rate generally indicates good participation in the study, since majority of the target respondents were accessed and participated in the study (Amin, 2005).

4.3 Characteristics of Respondents

This part of the chapter contains the background characteristics of the respondents included in the study.

4.3.1 Gender of the Respondents

In this section, the gender distribution of respondents is given. This information is presented in Table 3 below.

Gender	Frequency	Percent	
Male	154	68.1	
Female	72	31.9	
Total	226	100.0	

Table 3: Gender of the respondents

Source: Primary data

Most of the respondents who participated in the study were males (68.1%). Females were 72 out of the 226 respondents (31.9%). This gender bias is consistent with the data available at Monitor Publications Limited, where majority of the workers in the marketing and circulation departments are male.

4.3.2 Age of the Respondents

This section entails the age distribution of respondents as presented in Table 4 below.

Age	Frequency	Percent
20-25 years	45	19.9
26-30 years	90	39.8
31-35 years	53	23.5

36-40 years	17	7.5
41 years and above	21	9.2
Total	226	100

Source: Primary data

As shown in Table 4 above, the most dominant age category for the respondents was 26-30 years with 39.8% followed by 31-35 years with 23.5% and 20-25 years with 19.9%. The least dominant category for respondents was 41 years and above with 9.2% and 36-40 years with 7.5% respectively.

4.3.3 Education Levels of the Respondents

In this section, the education levels of respondents are presented. This information is presented in Table 5 below.

Table 5: Education levels of the respondents

Education	Frequency	Percent	
None	5	2.2	
Primary	30	13.3	
Secondary	133	58.8	
Tertiary	58	25.7	
Total	226	100.0	

Source: Primary data

As can be seen from Table 5, most of the respondents in the study had attained secondary level of education (58.8%) followed by those who had tertiary level (25.7%). Those with primary level of education were 13.3%. And only 5 % of the respondents were illiterate.

4.3.4 Occupations of the Respondents

Information on occupations of the respondents is presented in this section. Table 6 below shows how many vendors, agents, distributors and sales supervisors participated in the study.

Occupation	Frequency	Percent	
Vendors	181	80.1	
Agents	34	15.0	
Distributors	2	.9	
Sales supervisors	9	4.0	
Total	226	100.0	

 Table 6: Occupations of the respondents

Source: Primary data

Most of the respondents in the study were vendors (80.1%) followed by the agents (15.0%). Categories of Sales supervisors (4.0%) and Distributors were only 0.9%.

4.3.5 Years working for MPL

Respondents were asked how long they had been involved in selling / supporting sales of the

Daily Monitor Newspaper. Findings are presented in Table 7 below.

Working at MPL	Frequency	Percent	
Less than 1 year	22	9.7	
1-5 years	113	50.0	
6-10 years	46	20.4	
11-15 years	15	6.6	
Above 15 years	30	13.3	
Total	226	100.0	

Source: Primary data

Most of the respondents in this study had a working experience of 1-5 years (50.0%) followed by 6-10 years (20.4%). Categories of working experience of less than 1 year (9.7%), 11-15 years (6.6%) and above 15 years had the least number of respondents.

4.4 Empirical Findings

This section entails descriptive statistics, correlation, regression and content analysis. To measure channel design, channel administration and channel management technologies, respondents were offered a Likert type scale (1-Strongly disagree, 2-Disagree, 3-Neutral, 4-Agree and 5-Strongly agree) to express their opinions. The means of the ratings were ordered from the highest to the lowest, to show the best and worst rated aspects of each variable. The average of the means is also presented to show overall rating of each variable.

Pearson's correlation coefficients were used to establish relationships between variables as per the objectives of the study. Pearson's correlation coefficients gave an indication on how relationships between constructs vary (i.e. positive or negative), and determines the statistical significance of the relationship.

Following the study objectives, the researcher used Hierarchical Regression Analysis to ascertain the percentage of variance of the dependent variable explained by the independent variables. Independent variables consisting of; channel design, channel administration and channel management technologies were examined to ascertain how they predict the sales performance of Monitor Publications Limited.

Customers were asked to provide any remarks, comments and challenges encountered when accessing the Daily Monitor Newspaper. From the interviews, many answers were given by the various respondents and content analysis was done to enable the researcher group the remarks, comments and challenges into themes in relation to the objectives of the study. Qualitative data captured from the 34 interviews was summarized and grouped under answer themes, and are presented under findings for each objective.

4.4.1 Effect of Channel Design on the Sales Performance of Monitor Publications Limited

Table 8 below presents a descriptive summary of responses from vendors, agents, distributors and sales supervisors on the design of the marketing channel of Monitor Publications Limited.

Channel Design	Ν	Min	Max	Mean	SD
There are various ways in which customers can access the	226	1	5	4.3	0.7
Newspaper					
MPL prefers to locate Daily Monitor Newspaper near other	226	1	5	4.3	0.8
Newspapers (like the New Vision Newspaper).					
MPL is flexible on methods of delivering the Newspaper	226	2	5	4.2	0.7
It is easy to transport the Daily Monitor Newspaper	226	1	5	4.2	0.8
The Newspaper is easy for customers to purchase	226	1	5	4.1	0.9
MPL has made good progress in understanding how to	226	1	5	4.1	0.8
effectively design channels for distributing the Daily Monitor					
Newspaper					
MPL deals with agents / retailers / distributors respectfully and	226	1	5	4.1	0.9
treats them well					
MPL's payment terms give an opportunity to agents / retailers /	226	1	5	4.1	0.7
distributors of the Daily Monitor Newspaper to do business					
profitably					
MPL is flexible on methods of paying for the Newspaper	226	1	5	4	0.8
MPL first analyzes customer needs before deciding distributing	226	1	5	3.7	1.1
the Daily Monitor Newspaper					
Average				4.1	

Table 8: Descriptive Statistics for Channel Design

Source: Primary data

Most of the respondents agreed that the channel design was good with a grand mean of 4.1 on a scale of 1 to 5. Respondents confirmed that the Daily Monitor Newspaper was located in close proximity to other Newspapers like the New Vision Newspaper, which made it easy for customers to purchase it. Respondents added that MPL analyzed customer needs and understood how to effectively design channels for distributing the Daily Monitor Newspaper, same as in the above. Lastly, that Monitor Publications Limited appreciated the role of agents, retailers, and distributors and treated them well.

After ascertaining how effectively the channels for distributing the Daily Monitor Newspaper were designed, the researcher went ahead to measure the effect of channel design and sales performance. The results are presented in Table 9 below.

Table 9: Pearson's Correlation Coefficients for Channel Design and Sales Performance

		Channel Design	
Sales Performance	Pearson Correlation	0.33**	
	Sig. (2-tailed)	0.01	
	N	214	

** Correlation is significant at the 0.01 level (2-tailed).

Results indicated that there was a significant positive relationship between channel design and sales performance given by r = 0.33 (p < 0.01). This finding means that the design of marketing channel is positively associated with sales performance of Monitor Publications Limited.

Additionally, the researcher used Hierarchical Regression Analysis to ascertain the percentage of variance of the sales performance of Monitor Publications Limited, explained by channel design. Results are presented in Table 10 below.

Table 10: Showing the Hierarchical Multiple Regression of channel design and Sales Performance

Variables	Model 1
Channel Design	0.330**
R Square	0.109
Adjusted R Square	0.105
Dependent Variable: Sales Performance	

** Correlation is significant at the 0.01 level (2-tailed)

Source: Primary data

The first objective of the study was tested by model 1, by assessing the predictive power of channel design on the sales performance of Monitor Publications Limited. The effect of channel design and sales performance was found to be significantly and positively associated with $\beta = 0.330$ (p < 0.01). This essentially meant that a unit improvement in channel design would result into 0.33 units of increase in sales performance. The variable of channel design on its own was found to contribute to the change in sales performance by 10.5%, as given by the adjusted R statistic.

After ascertaining how the marketing channels for daily monitor were designed, and how channel design affected sales performance, customers were interviewed to get their thoughts on the design of the marketing channel of Monitor Publications Limited. The customers gave additional in-depth information on channel-design related issues such as accessibility of the newspaper, which affect the sales performance of MPL. Results for channel design from the interviews are presented in Tables 11 below.

Table 11: Experience of accessing the Daily Monitor Newspaper

Answer Themes	
Accessing the paper in town is easy	
Accessing the Newspaper out of town is difficult	
MPL and its vendors take long to adjust to customers' needs	
Online versions of the Newspaper are not available for a long time	

Source: Primary data

Most respondents revealed that accessing the Daily Monitor Newspaper in town was easier than accessing it out of town. One of the respondents for instance, with regard to this issue noted that:

"I think vendors are doing well but most of them are concentrated in town. Newspapers carry information and we ought to be informed everywhere we are, both in town and outside town. They should contract more vendors to work in areas outside Kampala town."

Another issue raised about the experience of accessing the Daily Monitor Newspaper was that vendors were taking long to adjust to customers' needs. A customer from AAR revealed that sometimes vendors continued supplying the Daily Monitor Newspaper even after being told by the customer that he never wanted more delivery.

4.4.2 Relationship between Channel Administration and the Sales Performance of Monitor Publications Limited

A descriptive analysis of responses from vendors, agents, distributors and sales supervisors was done to find out how the marketing channel of Monitor Publications Limited was managed. The results are presented in Table 12.

Channel Administration	Ν	Min	Max	Mean	SD
MPL has the best commission policies in Uganda's	226	1	5	3.9	1
Newspaper industry					
There is good communication between the retailers /	226	1	5	3.9	1
distributors and MPL					
The way MPL manages the distribution channel of the Daily	226	1	5	3.9	1
Monitor Newspaper has played a significant role in meeting					
the customer's needs					
The way MPL manages the distribution channel of the Daily	226	1	5	3.9	0.9
Monitor Newspaper has had a significant impact on its sale					
performance					
MPL has made good progress in understanding how to	226	1	5	3.7	1.1
manage the process of distributing the Daily Monitor					
Newspaper					
MPL organizes periodical meetings with retailers and	226	1	5	3.6	1
distributors to review its distribution policies to protect					
distributors and retailers					
MPL offers sales support to strengthen the channel partner	226	1	5	3.5	1.1
relationship with retailers and distributors					
MPL shares Newspaper industry intelligence information	226	1	5	3.3	1.1
with retailers / distributors to boost Daily Monitor Newspaper					
sales					

I am satisfied with the recognition programs for retailers and	226	1	5	3.1	1.2
distributors who meet or exceed their sales targets					
MPL frequently trains retailers / distributors on customer	226	1	5	3	1.2
management					
Average				3.6	

Source: Primary data

The study found out that Monitor Publications Limited had acceptable commission policies in Uganda's Newspaper industry and communicated with its retailers / distributors well (Mean of means, 3.6). It was found that Monitor Publications Limited well managed the process of distributing the Daily Monitor Newspaper and organized periodic meetings with retailers and distributors, to review its distribution policies and strengthen the channel partner relationship. However, Monitor Publications Limited was not rated well on a number of channel administration aspects. A significant number of respondents expressed dissatisfaction (Mean 3.5 and below) with MPL's efforts in sharing Newspaper industry intelligence information with retailers / distributors, recognition programs for retailers and distributors who meet or exceed their sales targets and trainings for retailers / distributors on customer management.

After ascertaining how the channels for distributing the Daily Monitor Newspaper were managed, the researcher went ahead to measure the relationship between of channel administration and sales performance. Results are presented in Table 13 below.

		Channel Administration
Sales Performance	Pearson Correlation	0.284**
	Sig. (2-tailed)	0.00
	N	214

Table 13: Pearson's Correlation Coefficients for Channel Administration and Sales Performance

** Correlation is significant at the 0.01 level (2-tailed).

There is a significant positive relationship between channel administration and sales performance r = 0.284 (Sig < 0.01). This means that the channel administration of Monitor Publications Limited significantly positively associated with its sales performance.

After confirming the relationship between channel administration and sales performance, the researcher used hierarchical regression analysis to ascertain the percentage of variance of the sales performance of Monitor Publications Limited explained by channel administration. Results are presented in Table 14 below.

Table 14: Showing the Hierarchical Multiple Regression of Channel Administration and Sales Performance

Model 2				
0.284**				
0.080				
0.076				
Dependent Variable: Sales Performance				
	0.284** 0.080			

** Correlation is significant at the 0.01 level (2-tailed)

Source: Primary data

The second objective of the study was tested by regression model 2, by assessing the predictive power of channel administration on the sales performance of Monitor Publications Limited. Channel administration was found to significantly and positively predict the sales performance of Monitor Publications Limited with $\beta = 0.284$ (p < 0.01). Channel administration was found to contribute to the change in sales performance by 7.6% as given by the adjusted R statistic.

After confirming the relationship between channel administration and channel performance (Table 13), and how channel administration was done at Monitor Publications Limited (Table 14), the researcher developed keen interest in how the distribution process of Monitor Publications Limited can be improved through channel administration. Findings from interviews conducted among customers are presented in table 15 below.

Table 15: How to improve the distribution process of Monitor Publications Limited

Answer Themes
Hire more staff to ease delivery to the many customers
Always confirm the copies delivered
Motorcycles should have box bodies so that even when it rains it doesn't inconvenience
delivery
Train their delivery personnel on customer care
Provide client location data (e.g. GPS systems) to their personnel who deliver the Newspaper

Source: Primary data

Majority of the customers interviewed revealed that there was need for Monitor Publications Limited to increase the number of vendors to ease delivery to the several customers. One respondent from Computer Facilities Ltd said,

"Apart from these offices which receive the papers delivered to them, in certain areas you have to walk up to town to access the paper especially over the weekend. If MPL would have more vendors on key stages that would be better."

Increasing the number of vendors would also address the issue of late deliveries, a challenge that was attributed to having one delivery personnel tasked with delivering to a big number of clients in a given area. Some customers also revealed that the vendors sometimes deliver the wrong consignment of Newspapers. For instance, one subscriber from JW Services Ltd said,

"Monitor is good but their customer profiling is sometimes lacking. We have had incidences where they deliver to us papers of another client."

Therefore, vendors were advised to always confirm the copies delivered, to avoid scenarios of customers missing the needed Newspapers.

Another customer from Ernst & Young emphasized;

"The vendors should always confirm the copies delivered, because sometimes we miss a paper or two. MPL should also put in place a separate person to check whether papers were actually delivered to clients".

Customers advised that Monitor Publications Limited and its vendors should improve on the means used to transport the Newspaper to customers. Most customers (subscribers) revealed that most vendors used motorcycles while others carried them by hand. As a result, some customers were receiving torn and untidy Newspapers, especially when it rains or when the roads are dusty.

Monitor Publications Limited and its distribution team were advised that if motorcycles must be utilized, they should have box bodies so that even when it rains, it doesn't hamper delivery.

Another suggestion made by customers to make access of the Daily Monitor Newspaper more convenient was to train the vendors in good customer care practices. Two unsatisfied customers from CPA Uganda and TILDA Uganda respectively revealed that most vendors were illiterate motorcyclists who lacked business etiquette. These customers emphasized that Monitor Publications Limited should train vendors on how to approach of clients, dress code, greetings and formal language. Lastly, customers suggested that Monitor Publications Limited should provide client location data (e.g. GPS systems) to their vendors who deliver the Newspaper. A customer from Infocom Uganda Limited lamented:

"I don't know what MPL uses to inform their agents on the correct location of the clients. Since we moved into this place, we missed papers for some good days, so I think it would be better for them to provide GPS location systems to their personnel who do the delivery, it saves time and it may be one of the ways to avoid inconsistence."

4.4.3 Effect of Channel Management Technologies on the Sales Performance of Monitor Publications Limited

A descriptive analysis of responses from vendors, agents, distributors and sales supervisors was done to find out how Monitor Publications Limited was using modern technologies to market the Daily Monitor Newspaper. The results are presented in Table 16 below.

Channel Management Technologies	Ν	Min	Max	Mean	SD
MPL uses Newspaper racks on sidewalks to sell its	226	1	5	3.8	1.1
Newspapers					
Technologies have improved information flow among MPL	226	1	5	3.6	1
staff, retailers and distributors					
Technologies have improved the physical movement of the	226	1	5	3.5	1
Daily Monitor Newspaper among retailers and distributors,					
and to customers					
Technologies have helped to manage inventory more	226	1	5	3.5	1.1
accurately and quickly reducing stock-outs at retailers and					
distributors hence improving sales					
Some staff, retailers and distributors have not fully embraced	226	1	5	3.4	1
use of communication technologies to sell the Daily Monitor					
MPL optimizes sales by using social media (Twitter,	226	1	5	3.4	1.4
Facebook, YouTube, etc.) to show stories and news that is					
published in the Daily Monitor Newspaper					
The staff of MPL have been provided with technologies to	226	1	5	3.3	1.2
enable them share, distribute and gather sales information					
with retailers and distributors					
The electronic business technological innovations have	226	1	5	3.2	1.2
increased integration of retailers' and distributors' tasks which					
has improved the cost of selling the Daily Monitor Newspaper					

Table 16: Descriptive	statistics for Channel	Management Technologies	S

The sales technologies used by MPL enable it to analyze the	226	1	5	3.2	1.2
profitability of the Daily Monitor Newspaper					
MPL uses Newspaper vending machines to distribute its	226	1	5	3	1.2
Newspapers					
Average				3.4	

Source: Primary data

The study revealed that Monitor Publications Limited was utilizing limited electronic business innovations and was not using vending machines to distribute its Newspapers. Much as Monitor Publications Limited had improved on the information flow among its staff, retailers and distributors, the company was still using Newspaper racks on sidewalks to sell its Newspapers (Means 3.6 and 3.8). A significant number of respondents were not satisfied with the technology used in distributing the Daily Monitor Newspaper among retailers, distributors and customers. Monitor Publications Limited had not fully embraced the use of modern technology in inventory management, optimizing sales by using social media (Twitter, Facebook, YouTube, etc.) as well as communicating among staff, retailers and distributors.(Means 3.5 and 3.4)

After ascertaining how effectively the channels for distributing the Daily Monitor Newspaper were designed, the researcher measured the effect of channel management technologies on sales performance of the Daily Monitor Newspaper. Results are presented in Table 18 below.

Table 17: Pearson's Correlation Coefficients for Channel Management Technologies and Sales Performance

		Channel Management Technologies
Sales Performance	Pearson Correlation	0.389**
	Sig. (2-tailed)	0.01
	Ν	214

** Correlation is significant at the 0.01 level (2-tailed).

There was a significant positive relationship between the channel management technologies and sales performance $r = 389^{**}$ (P< 0.01). The finding means that the channel management technologies of Monitor Publications Limited significantly positively associated with its sales performance.

The researcher used hierarchical regression analysis to ascertain the percentage of variance of the sales performance of Monitor Publications Limited explained by channel management technologies. Results are presented in Table 19 below.

Table 18: Showing the Hierarchical Multiple Regression of Channel management technologies and Sales Performance

Variables	Model 3	
Channel Management Technologies	0.389**	
R Square	0.151	
Adjusted R Square	0.147	
Dependent Variable: Sales Performance	1	

** Correlation is significant at the 0.01 level (2-tailed)

Source: Primary data

The third objective of the study was tested in model 3 by assessing the predictive power of channel management technologies on the sales performance of Monitor Publications Limited. The effect of channel management technologies on sales performance was found to be significant and positive with $\beta = 0.389$ (p < 0.01). This finding meant that a unit improvement in channel management technologies would result into a 0.389 increase in sales performance. The variable of channel management technologies alone was found to contribute to the change in the sales performance of Monitor Publications Limited by 14.7%, as given by the adjusted R statistic. This finding confirmed that technologies used to monitor agents, track sales and customer management could singularly predict the sales performance of Monitor Publications Limited by 14.7% holding other factors / variables constant.

The researcher went beyond confirming the relationship between channel management technologies and the sales performance of Monitor Publications Limited, to ascertaining how channel management technologies were being used to promoted access to the Daily Monitor Newspaper. Results from these interviews are presented in Table 19 below.

Table 19: Modern technologies facilitating access to the Daily Monitor Newspaper

Answer themes
Use internet to access the Daily Monitor website and social media sites
Social media gives a hint on what will be in the paper, you buy to read details
Able to get news even when in areas where the hard copies are available
MPL should package their online paper in a way that it is similar to the hard copy of the Daily
Monitor news paper

MPL must improve on their server storage or on-line archives to accommodate data for a long time

Source: Primary data

Customers interviewed revealed that they were using internet to access the Daily Monitor website and social media sites. A customer from the Auditor General's office said that social media would normally give them a hint on what will be in the Newspaper, so that they only access it to read specific details. A customer from AAR said,

"I normally use the internet to access their site, but the reason why people insist on the hardcopy, it is blended well, the online thing is lacking"

A customer from Bin-It Services Limited urged Monitor Publications Limited to increase its online presence so as to cater for employees who were always in the field and are in most cases and not able access the hard copy.

Some customers advised that Monitor Publications Limited should make the on-line paper more comprehensive and appealing. This recommendation was made from a realization by some customers that the on-line paper misses some details that are in the hard copy, which makes it less appealing. A customer from Orient Bank also reiterated that social media provides news as it happens during the day which provides a clue on what to expect in the next day's paper.

"MPL should make their e-paper more appealing, it tends to be different from the hard copy. They should try as much as possible to create similarity, for example, there certain adverts which are only in the hard copy like Friday jobs and tenders. It should be that when someone clicks on the e-paper they are able to have everything."

CHAPTER FIVE

DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The study focused on the effect of channel design, channel administration and channel management technologies on the sales performance of Monitor Publications Limited. This chapter is divided into five sections; discussion of the findings, conclusion, recommendations, limitations of the study and areas for further research. These sections are guided by study objectives.

5.2 Summary of the Study Findings

Below is a summary of the findings aggregated per objective.

5.2.1 Effect of Channel Design on the Sales Performance of Monitor Publications Limited

Channel design was found to significantly and positively predict the sales performance of Monitor Publications Limited by 10.5%. This finding confirmed that aspects such as channel objectives, channel selection, channel alternatives, tasks of channel members and constraints could singularly predict the sales performance of Monitor Publications Limited by 10.5% holding other factors / variables constant. Most of the respondents agreed that the channel design of Monitor Publications Limited was good (mean of the means, 4.1). Respondents confirmed Daily Monitor Newspaper was located in close proximity to other Newspapers (like the New Vision Newspaper), which made it easy for customers to purchase it. Respondents added that Monitor Publications Limited analyzed customer needs and understood how to effectively design channels for distributing the Daily Monitor Newspaper.

Most respondents revealed that accessing the Daily Monitor Newspaper in town was easier than accessing it out of town. Another issue raised about the experience of accessing the Daily Monitor Newspaper was that vendors were taking long to adjust to customers' needs. A customer from AAR revealed that sometimes vendors continued supplying the Newspaper even after being told by the customer that he never wanted more delivery. Some customers told the researcher that online versions of the Daily Monitor Newspaper did not remain available for an extended period time.

5.2.2 Relationship between Channel Administration and the Sales Performance of Monitor Publications Limited

Channel administration was found to significantly positively predict sales performance of Monitor Publications Limited by 7.6%, when all other variables were controlled. The study found out that Monitor Publications Limited had acceptable commission policies in Uganda's Newspaper industry and communicated to its retailers / distributors well. Monitor Publications Limited also managed well the process of distributing the Daily Monitor Newspaper and organized periodic meetings with retailers and distributors to review its distribution policies and to strengthen the channel partner relationship. However, Monitor Publications Limited was not rated well on a number of channel administration aspects. A significant number of respondents expressed dissatisfaction with its efforts in sharing Newspaper industry intelligence information with retailers / distributors, recognition programs for retailers and distributors, who meet or exceed their sales targets and trainings for retailers/distributors on customer management.

Majority of the customers interviewed revealed that there was need for Monitor Publications

Limited to increase the number of its vendors to ease delivery to the many customers. Some customers also revealed that the vendors sometimes would deliver the wrong consignment of Newspapers. Therefore, vendors were advised to always confirm the copies delivered so as to avoid instances of customers missing the needed Newspapers. Customers also advised that Monitor Publications Limited and its vendors should improve on the means used to transport the Newspaper to customers. Another suggestion made by customers to render access of the Daily Monitor Newspaper more convenient was to train the vendors in good customer care practices, dress code, greetings and formal language. Lastly, some customers also suggested that Monitor Publications Limited should provide client location data e.g. GPS systems to their vendors who deliver Newspapers so as to save time wasted by vendors while looking for new customers locations.

5.2.3 Effect of Channel Management Technologies on the Sales Performance of Monitor Publications Limited

There was a significant positive relationship between the channel management technologies and sales performance of Monitor Publications Limited. The finding means that the channel management technologies have a significant effect on MPL's sales performance. Channel management technologies were found to affect the sales performance of Monitor Publications Limited by 14.7%. The study revealed that Monitor Publications Limited was utilizing limited electronic business innovations, and was not using vending machines to distribute its Newspapers.

Much as Monitor Publications Limited had improved on the information flow among its staff, retailers and distributors, the company was still using Newspaper racks on sidewalks to sell its Newspapers. It had not fully embraced the use of modern technology in inventory management, optimization of sales by using social media (Twitter, Facebook, YouTube, etc.) as well as communication among staff, retailers and distributors. Some customers advised that Monitor Publications Limited should make the on-line paper more comprehensive and appealing.

5.3 Discussion of the Research Findings

5.3.1 Effect of Channel Design on the Sales Performance of Monitor Publications Limited

Firms, such as Monitor Publications Limited need to design marketing channels (identify intermediaries) to facilitate the sales process of carrying their products from the manufacturer to the end-user. There are four basic types of marketing intermediaries, which include: agents, wholesalers, distributors and retailers. In this study, the first objective was to look at how Monitor Publications Limited had designed marketing channel(s) in terms of channel objectives, selection of agents / distributors and retailers, allocation of tasks to channel actors in order to facilitate the distribution/sale of the Daily Monitor Newspaper. Most of the respondents agreed that the channel design was good (Table 8, Page 37). Respondents confirmed that the Daily Monitor Newspaper was located in close proximity to other Newspapers (like the New Vision Newspaper), which made it easy for customers to purchase it. Respondents added that Monitor Publications Limited analyzed customer needs and understood how to effectively design channels for the distribution of the Daily Monitor Newspaper.

The study further measured the empirical significance of channel design on sales performance of Monitor Publications Limited. The motivation for this in-depth analysis was an observation made by Palmatier et al (2008), that when a company's sales channels realize their full potential, they not only boost revenue and share but also create a high performance organization, pulling together for breakthrough financial results. Correlational results for channel design and sales performance indicated that actually, there was a significant positive relationship between channel design and the sales performance of Daily Monitor Newspaper.

A significant positive relationship was also confirmed by regression model 1, showing that channel design positively predicted the sales performance of Monitor Publications Limited by 10.5%. This finding confirmed that aspects such as channel objectives, channel selection, channel alternatives, tasks of channel members and constraints, could singularly predict the sales performance of Monitor Publications Limited by 10.5%, holding other factors / variables constant. This finding confirmed Metha et al (2000)'s postulation that channel partners provide the route, path, or conduit through which products or things of value flow, as they move from the producer to the end-user, and Kotler et al (2009)'s supposition that for a company to guarantee good sales, it must design good marketing channels.

Most of the customers, 24 out of the 34 that were interviewed, were subscribers of the Daily Monitor Newspaper, implying that vendors were directly delivering the Newspapers to customers' work places or homes. Only 10 of the customers interviewed were buying the daily monitor Newspaper from roadside vendors, kiosks or supermarkets.

Most customers revealed that accessing the Daily Monitor paper in town was easier than accessing it out of town. Regarding the experience of accessing the Daily Monitor Newspaper, it was found that vendors were taking long to adjust to customers' needs. Some customers told the researcher that online versions of the Daily Monitor Newspaper did not remain available for a long period of time. These discoveries showed that Monitor Publications Limited needed to re-examine the design of the marketing channel for Daily Monitor Newspaper, so as to improve customers' buying experience. This is important because good, strong and long-term relationships of the channel partners with customers affect the firm's performance, and sales performance in particular, as earlier highlighted by Morgan and Hunt (1994).

5.3.2 Relationship between Channel Administration and the Sales Performance of Monitor Publications Limited

As Shusterman (2013) stated, marketing channels require careful administration, since superior channel management policies and strategies help a firm attain a differential advantage. In this study, the researcher investigated the relationship between channel administration and the sales performance of Monitor Publications Limited. Findings revealed that there was a significant positive relationship between channel administration and the sales performance of Monitor Publications Limited. Additionally, channel administration predicts sales performance by 7.6% when all other variables were controlled; confirming indeed that the sales performance of Monitor Publications Limited are affected depending on how channel intermediaries are selected and/or motivated. This finding is in agreement with Behan & Lamoureux (2015), who stated that channel administration affects sales performance by helping to protect brand value, allowing vendors to sell their products at a premium, while enabling the channel to up-sell the proper services and support offerings that meet the customer's needs. The study found out that Monitor

Publications Limited had acceptable commission policies in Uganda's Newspaper industry, and communicated with its retailers / distributors well. MPL also managed well the process of distributing the Daily Monitor Newspaper and organized periodic meetings with retailers and distributors to review its distribution policies and strengthen its channel partner relationships.

Channel administration is particularly important to the sales performance of Monitor Publications Limited, because channel administration is responsible for creating and maintaining customer loyalty, while strengthening the channel partner relationship, as revealed by Behan & Lamoureux (2015). Unfortunately, Monitor Publications Limited was not rated well on a number of channel administration aspects.

A significant number of respondents expressed dissatisfaction with MPL's efforts in sharing Newspaper industry intelligence information with its retailers / distributors Its recognition programs for retailers and distributors who meet or exceed their sales targets and trainings for retailers / distributors on customer management also scored poorly. In certain areas, some customers had to walk up to town to access the paper especially over the weekend. Some customers also revealed that the vendors sometimes would deliver the wrong consignment of Newspapers, while some Newspapers were delivered torn and/or untidy, especially when it rains or when the roads are dusty. Some customers also revealed that most vendors were illiterate motorcyclists who lacked business etiquette.

Coughlan et al (2005) posits that the most important step to be made in order to fulfill the marketing goal is to secure good intermediaries. Additionally, once good intermediaries have

been identified, they should be motivated and empowered to optimize sales. Stemming from the challenges concerning administration of marketing channels for the Daily Monitor Newspaper, customers advised that MPL ought to increase the number of vendors so as to ease delivery to the many customers. Vendors were advised to always confirm the copies delivered, to avoid instances of customers missing the needed Newspapers. MPL and its vendors were advised to improve on the means used to transport the Newspaper to customers. Monitor Publications Limited and its distribution team were advised that if motorcycles must be maintained, they should have box bodies so that even when it rains, it doesn't inconvenience delivery. Customers emphasized that MPL should train vendors on how to approach of clients, proper dress code, greetings and formal language.

5.3.3 Effect of Channel Management Technologies on the Sales Performance of Monitor Publications Limited

Channel management technologies are the main platforms on which inter and intra-firm channel management processes are built. In the case of distributing the Daily Monitor Newspaper, channel management technologies are used to share, distribute and gather information, and for communication, through computers and computer networks. In the third objective of the study, the researcher set out to examine the effect of channel management technologies on the sales performance of Monitor Publications Limited. Findings from a correlational analysis revealed that there was a significant positive relationship between the channel management technologies and the sales performance of Monitor Publications Limited.

Furthermore, channel management technologies were found to affect the sales performance of Monitor Publications Limited. This finding also indicated that technologies used to monitor sales agents, track sales, and automate marketing of the Newspaper and customer management were able to affect sales. This finding further confirms Balocco et al (2012)'s argument that channel management technologies are an important element in distributing company products and services to the market.

Much as channel management technologies were important in determining the sales performance of Monitor Publications Limited, the study revealed that MPL was utilizing limited channel management technologies such as Newspaper racks on sidewalks to sell its Newspapers and not vending machines. Some of the technologies that Monitor Publications Limited could use in marketing channels include; Electronic Data Interchange (EDI), Vendor Management Inventory (VMI), Collaborative Planning Forecasting and Replenishment (CPFR), Vendor Managed Category Management (VMCM) and Self-Service Technologies (SSTs) / Point Of Sales (POS) technologies, as suggested by Kaipia & Tanskanen (2003) and Musso, (2012).

Monitor Publications Limited had not fully optimized Daily Monitor Newspaper sales through use of the internet and social media (Twitter, Facebook, YouTube, etc.), yet a significant number respondents were accessing the Daily Monitor Newspaper through the website and social media sites. Some customers interviewed revealed that they were using the internet to access the Daily Monitor website and social media sites. In fact, a customer from the Auditor General's office said that he was using social media to get a hint of what would appear in the hard copy of the Daily Monitor Newspaper, and only buy the hard copy Newspaper to read the details. This finding suggests that ICT could offer Monitor Publications Limited a competitive advantage, differentiating it from other media companies. Additionally, Prasad et al (2001) suggests that ICT endows marketing with an extraordinary capability to target specific groups of individuals with precision, and enables mass customization and one-to-one strategies by adapting communications and other elements of the marketing mix to consumer segments.

Despite the fact that ICT could offer Monitor Publications Limited a competitive advantage by differentiating it from other media companies, some customers revealed that its online version was less comprehensive. For example, a customer from AAR said that he normally used the internet to access Daily Monitor website and the reason he insisted on the hardcopy was because it was more comprehensive. To address this challenge, customers advised that Monitor Publications Limited should make the on-line paper more comprehensive and appealing. Another customer from Orient Bank suggested that MPL should use the website and social media to give the news briefs as they happen so that they could have a clue of what to expect in the next day's paper.

5.4 Conclusion

The study revealed a significant positive relationship between channel design and the sales performance of Monitor Publications Limited. Channel design was able to positively predict the sales performance of Monitor Publications Limited. Most of the respondents agreed that MPL's channel design was good. The Daily Monitor Newspaper was located in close proximity to other Newspapers (like the New Vision Newspaper) which made it easy for customers to purchase it. However, some customers revealed that accessing the Daily Monitor paper in town was easier than accessing it out of town. Some online versions of the Daily Monitor Newspaper were not available for a long time.

These discoveries showed that MPL needed to re-examine the design of the marketing channel for Daily Monitor Newspaper so as to improve the customers' buying experience and to optimize sales.

Findings revealed that there was a significant positive relationship between channel administration and sales performance of Monitor Publications Limited. Channel administration was able to predict the sales performance of Monitor Publications Limited, holding other variables / factors were controlled; confirming indeed that the sales performance of Monitor Publications Limited were affected depending on how the channel intermediaries are selected and/or motivated. The study also found out that Monitor Publications Limited had acceptable commission policies in Uganda's Newspaper industry, and communicated well with its retailers / distributors. Monitor Publications Limited also managed well the process of distributing the Daily Monitor Newspaper and organized periodic meetings with retailers and distributors to review its distribution policies and to strengthen the channel partner relationship.

However, some respondents said that Monitor Publications Limited did not often share Newspaper industry intelligence information and organized limited trainings for retailers / distributors on customer management. Some customers had to walk up to town to access the Daily Monitor Newspaper, especially over the weekend. Some vendors lacked business etiquette and delivered the wrong consignment of Newspapers. Some Newspapers were delivered torn and/or untidy. Monitor Publications Limited ought to increase the number of vendors so as to ease delivery to its many customers. Vendors should always confirm the copies delivered, improve on the means used to transport the Newspapers to customers, and learn how to approach clients in terms of having a decent dress code, greeting and formal language. Channel management technologies had a significant positive relationship on the sales performance of Monitor Publications Limited. Furthermore, findings indicated that the technologies used by Monitor Publications Limited to monitor sales agents, track sales, automate marketing of the Newspaper and customer management were able to affect sales. This finding confirms Balocco et al (2012)'s argument that channel management technologies are an important element in distributing company products and services to the market. However, Monitor Publications Limited had not fully optimized Daily Monitor Newspaper sales through use of the internet and social media (Twitter, Facebook, YouTube, etc), yet a significant number respondents were accessing the Daily Monitor Newspaper via the website and social media sites. Customers advised that MPL should make its on-line paper more comprehensive and appealing. MPL was also advised to use the website and social media to provide news briefs as they happen during the day, since they provide a clue on what to expect in the next day's paper.

5.5 **Recommendations**

Based on the above findings, Monitor Publications Limited should consider adopting the following recommendations so as to improve its marketing channels and sales performance.

Monitor Publications Limited should devote more resources to channel management and preferably appoint at least one dedicated manager whose sole responsibility is to manage customer relationships and to build marketing programs that drive revenue through the channel. Dedicating more resources to channel management will allow MPL to address issues like gathering/sharing Newspaper industry intelligence information, and organizing trainings for retailers/distributors so as to improve customer management.

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Monitor Publications Limited should develop measurements and track performance of vendors to know who its best sales performers are at each point in the channel. By tracking orders, volume and total revenue at each point, MPL can identify and improve on under-performing partners and motivate the top performing vendors to even perform better. Tracking the performance of vendors will enable MPL to address challenges such as vendors who lack business etiquette and/or those who deliver the wrong consignment of Newspapers, thus improving sales performance.

Monitor Publications Limited should improve on its communication with intermediaries and customers in order to build relationships at each step of the channel. Talking with channel intermediaries and customers regularly will enable MPL to identify problems pertaining to distribution of the Daily Monitor Newspaper, so that they can be resolved appropriately. Moreover, good, strong and long-term relationships with intermediaries and customers affects sales performance.

5.6 Areas for further research

Further research should be carried out on the following areas:

The research was carried out on only Daily Monitor Newspaper. This study should be replicated to collect data for other Newspapers in Uganda and other countries. This will ascertain whether marketing channels for all the Newspapers, especially in Uganda, operate the same way and if they can benefit from the same findings.

A longitudinal study should be conducted on the role of channel design, channel administration and channel management technologies on the sales performance of Monitor Publications Limited. A longitudinal study will allow analysis of trends of what has been happening over the years, findings of which will be more appropriate for use in regression analysis and modeling. This could not be achieved in this cross sectional study because only a snap shot of the current situation of the Daily Monitor Newspaper was captured.

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APPENDICES

Appendix 1: Questionnaire

Dear Respondent,

My name is Timothy Ntale. I am conducting research on the effect of marketing channels on the sales performance of Monitor Publications Limited in Uganda. There are different aspects regarding the marketing channels of the Daily Monitor Newspaper, in respect of which I would like to get your opinion. I kindly request you to spare some time and fill this questionnaire so that I can accomplish this task. I will keep this data confidential and use it strictly for academic purposes only. The questions require filling in short answers or ticking (\checkmark) the most appropriate options. I am grateful for your assistance.

PART I: BACKGROUND INFORMATION
Gender of respondent
Male Female
Age of respondent
20-25 years 26-30 years 31-35 years 36-40 years 41 years and above
Level of education
None Primary Secondary Tertiary Others Others
Occupation
Workplace Location
How long have you been involved in selling / supporting sales of the Daily Monitor Newspaper?
Less than 1 year 1-5 years 6-10 years 11-15 years Above 15 years

PART II: VARIABLES

Channel Design	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The Newspaper is easy for customers to purchase					
There are various ways in which customers can access the Newspaper					
MPL is flexible on methods of paying for the Newspaper					
MPL is flexible on methods of delivering the Newspaper					
MPL prefers to locate Daily Monitor Newspaper near other Newspapers (like					
the New Vision Newspaper).					
It is easy to transport the Daily Monitor Newspaper					
MPL has made good progress in understanding how to effectively design					
channels for distributing the Daily Monitor Newspaper					
MPL first analyzes customer needs before deciding distributing the Daily					
Monitor Newspaper					
MPL deals with agents / retailers / distributors respectfully and treats them					
well					
MPL's payment terms give an opportunity to agents / retailers / distributors of					
the Daily Monitor Newspaper to do business profitably					

Channel Administration	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
MPL has the best commission policies in Uganda's Newspaper industry					
There is good communication between the retailers / distributors and MPL					
MPL frequently trains retailers / distributors on customer management					

I are acticfied with the need with an anomalian material and distribute as and		I	
I am satisfied with the recognition programs for retailers and distributors who			
meet or exceed their sales targets			
MPL has made good progress in understanding how to manage the process of			
distributing the Daily Monitor Newspaper			
distributing the Dairy Monitor Newspaper			
MPL organizes periodical meetings with retailers and distributors to review			
its distribution policies to protect distributors and retailers			
its distribution policies to protect distributors and retailers			
MPL shares Newspaper industry intelligence information with retailers /			
l'ateileatens te le set Deile Maniten Nammen en les			
distributors to boost Daily Monitor Newspaper sales			
MPL offers sales support to strengthen the channel partner relationship with			
retailers and distributors			
The way MPL manages the distribution channel of the Daily Monitor			
Newspaper has played a significant role in meeting the customer's needs			
The way MPL manages the distribution channel of the Daily Monitor			
Newspaper has had a significant impact on its sale performance			

Channel Management Technologies	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The staff of MPL have been provided with technologies to enable them					
share, distribute and gather sales information with retailers and distributors					
Technologies have improved the physical movement of the Daily Monitor					
Newspaper among retailers and distributors, and to customers					
Some staff, retailers and distributors have not fully embraced use of					
communication technologies to sell the Daily Monitor					
Technologies have improved information flow among MPL staff, retailers					
and distributors					
Technologies have helped to manage inventory more accurately and quickly					
reducing stock-outs at retailers and distributors hence improving sales					

The electronic business technological innovations have increased			
integration of retailers' and distributors' tasks which has improved the cost			
of selling the Daily Monitor Newspaper			
MPL uses Newspaper racks on sidewalks to sell its Newspapers			
MPL uses Newspaper vending machines to distribute its Newspapers			
The sales technologies used by MPL enable it to analyze the profitability of			
the Daily Monitor Newspaper			
MPL optimizes sales by using social media (Twitter, Facebook, YouTube,			
etc.) to show stories and news that is published in the Daily Monitor			
Newspaper			

PART III: Performance implications

For the sections that follow indicate your opinion on how each of the following characteristics in the marketing of the Daily Monitor Newspaper is related to its performance. Indicate 5 for the highest extent and 1 for the lowest extent.

Relationship with different performance attributes In					
	importance of this				s
	rela	tions	hip o	on th	e
	Sales cycle timeliness Customer satisfaction Volume of sales Cost of sales Total profit generated				
					Total profit generated
Channel Design					
The current level of easiness which the customers purchase the paper affects					
The various ways in which customers can access the Newspaper promote					
MPL's flexibility on methods of paying for the Newspaper improves					
MPL's flexibility on methods of delivering the Newspaper improves					
The location of Daily Monitor Newspaper near other Newspapers (like the					

New Vision Newspaper) affects			
The means used to transport the Daily Monitor Newspaper affect			
Dealing respectfully with the Daily Monitor agents / retailers / distributors			
determines			
Payment terms for agents / retailers / distributors of the Daily Monitor			
Newspaper play role on			
Channel Administration			
MPL's commission policies have led to high			
The good communication between the retailers / distributors and MPL affect			
MPL frequently trains retailers / distributors on customer management to			
improve on			

Relationship with different performance attributes			Indicate the						
	importance of this				s				
	rela	ntion	ship	on th	ie				
	scale of 1 to 5.								
	Sales cycle timeliness	Customer satisfaction	Volume of sales	Cost of sales	Total profit generated				
Recognizing retailers and distributors who meet or exceed their sales targets affects									
MPL's understanding of how to manage the process of distributing the Daily									
Monitor Newspaper has led to increase in									
MPL sharing Newspaper industry intelligence information with retailers / distributors boosts									
Sales support offered by MPL to strengthen the channel partner relationship									
with retailers and distributors has led to improvements in									

Channel Management Technologies			
Technologies used by staff of MPL to share, distribute and gather sales			
information with retailers and distributors have improved			
Technologies have enabled MPL staff, retailers and distributors to easily			
reach customers which has improved			
Technologies have helped to manage inventory more accurately and quickly			
reducing stock-outs at retailers and distributors hence improving			
The electronic business technological innovations have increased integration			
of retailers' and distributors' tasks which has improved			
Using social media (Twitter, Facebook, YouTube, etc.) to show stories and			
news published in the Daily Monitor Newspaper MPL has optimized			

Thank you for your cooperation!

Student: Timothy Ntale

Telephone: 0782104504

Appendix 2: Interview Guide

EFFECT OF MARKETING CHANNELS ON THE SALES PERFORMANCE OF MONITOR PUBLICATIONS LIMITED

i) How do you access the Daily Monitor Newspaper?

ii) How do you find the experience of accessing the Daily Monitor Newspaper?

iii) How can MPL make access of its Newspaper more convenient?

iv) What should MPL do to improve the distribution process of the Daily Monitor Newspaper?

V) How have modern technologies facilitated your access to the Daily Monitor Newspaper?

Thank you for your cooperation!

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

Appendix 3: Table for determining sample size from a given population

Source: Krejcie and Morgan (1970)

MUKOTANI RUGYENDO P.O. BOX 31178 KAMPALA TEL: 0701707093 26 September 2016

CERTIFICATE OF PROOF THAT DISSERTATION HAS BEEN EDITED

This is to certify that the Master's Degree dissertation entitled, **Marketing Channels and the Sales Performance of Monitor Publications Limited by Timothy Ntale,** has been reviewed and corrected in order to ensure clarity of expression and consistency regarding key style aspects like general grammar, sentence structure to ensure logical flow and effectiveness of meaning, all-round punctuation, consistency in citation and referencing.

medo

Mukotani Rugyendo Professional Editor