

EFFECT OF INTEGRATED MARKETING COMMUNICATIONS IN DRIVING NEW PRODUCT DIFFUSION AND ADOPTION: A CASE OF HYPO BLEACH IN ABA METROPOLIS OF ABIA STATE, NIGERIA.

Iheaka, Elekwa Egwuonwu

Department of Marketing
Michael Okpara University of Agriculture, Umudike
Abia State, Nigeria
E-mail: ipower010@gmail.com

Maria-Stella Etomchi Njoku

Department of Agribusiness & Management
Michael Okpara University of Agriculture, Umudike
Abia State, Nigeria

Ahaiwe, Emmanuel Onyedikachi

Department of Marketing
Michael Okpara University of Agriculture, Umudike
Abia State, Nigeria
E-mail: Trustedemma@yahoo.com

ABSTRACT

Most firms have failed to give priority to the role of IMC in initiating and reinforcing the adoption and repeated purchase of new products. Thus, this study examined the effect of Integrated Marketing Communication (IMC) in driving new product diffusion and adoption. It looked at the adoption and diffusion of Hypo Bleach in Aba metropolis of Abia State Nigeria. A total of 297 respondents comprising of Distributors and consumers of Hypo Bleach in the metropolis were used in the study. Data were obtained through the questionnaire and analyses of the collected data were done through descriptive statistics and tobit regression. Findings from the analyzed data showed a high level of awareness and adoption of the product (Hypo Bleach) by the consumers as a result of the awareness created by the firm through its extensive integrated Marketing Communication (IMC) strategies. Also, product affordability, price, quality, packaging size, promotion, brand name, and product availability were significant factors that strengthened the diffusion and adoption of the new product. Therefore, there is need for organizations to first conduct market research as a continuous exercise to find out buyers' adoption patterns, product needs, and direct communication messages towards shaping adoption patterns.
Keyword: Integrated Marketing Communication, Product adoption.

Introduction

The recent trends in the marketing environment has refuted the old business axiom "Build a better mousetrap and the world will beat a path to your door post". This concept no longer holds water nowadays, bushes are growing at the path and door post of the better and best mousetrap producer, so the best quality products have perished at the warehouse of producers who failed to communicate the existence, want satisfying attributes and benefits of their products and as well as where to obtain the products. The era of the Igbo parlance "Ahia oma n'ere onwe ya" - A good product sales itself is over. It is either you communicate or you perish. If you don't say here I am, no one knows where you are. Hence, the importance of marketing communication mix cannot be over emphasized.

The globalization and competitiveness of the marketing environment has given ascendancy and acceptance of marketing communication mix as veritable tools that are capable of driving new product diffusion and adoption. If a company must operate in this globalised marketing environment where consumers/customers are well informed and are bombarded with product and products information from local and international competitors, your marketing communication tools must be effective and present consistent image to the target market.

The increase in the size and number of business organizations, which has increased competition, has forced marketers to have a rethink on their communication strategies (Kotler and Keller, 2009). Competition has increased customers' complaints and their urge to know more. This is most manifested in the consumer's sensitive discriminating behaviour and high mental accounting ability in their purchase decisions. The ability exists because the new era consumers are more sophisticated, more skeptical, more educated, more critical and more demanding than ever before. Thus, companies should employ relevant communication mix and tailor the message appropriately, if the customer has to be persuaded to purchase the product.

Hence, marketing communication is a sinequanon to adoption of innovation/new product. Take away communication, it may take donkey years for new product to diffuse and be adopted by the society, for there is no way one can purchase a product he has no knowledge of its existence. The rate to which an innovation diffuses or adopted is dependent on the information available to the consumers. The more effective and persuasive the marketing communication is, the faster the adoption process. The effective communication mix should lead the customers through the adoption processes: awareness, interest, evaluation, trial and adoption.

The theory of innovation diffusion and customer adoption helps marketers identify early adopters and what makes them adopt a particular service instead of the other or not at all. Etzel et al (2006) stated that understanding the adoption and diffusion process for new product increase the likelihood of success with the product..

This study is prompted by the need to assess the effect of the integrated marketing communications mix on new products adoption of Hypo bleach by extension other consumer goods in Aba metropolis of Abia State, Nigeria.

Specifically, the study aims to:

1. ascertain the level of adoption of Hypo Bleach by the consumers.
2. determine the factors that influences new product adoption

Literature Review

The efficient and effective practice of marketing in this twenty first century requires a holistic approach. Kotler and Keller (2009) stated that the traditional marketing mix concept and the notion of *four Ps* do not adequately describe modern marketing programmes. Nwabuko(1998) summarized that any marketing strategy that is no longer successful in penetrating the market should be discarded and replaced with new ones. Accordingly, marketing communications mix has been extended beyond the five old promo tools which were advertising, sales promotion, personal selling, public relations and publicity (Stanton and Spiro, 1999). Currently, eight mix elements of the marketing communications mix have been introduced in order to improve on the synergistic effects of communication. Kotler and Keller,(2009) categorized the new elements as advertising, sales promotion, event and experiences, public relations and publicity, direct marketing, interactive marketing, word of mouth marketing, and personal selling.

Diffusion of innovation theory predicts that media as well as interpersonal contacts provide information and influence opinion and judgment. Studying how innovation occurs, Rogers, (1995) argued that it consists of four stages: Invention, diffusion (or communication) through social system, time and consequences. The information flows through networks. The nature of the networks and the role opinion leaders' play in them determine the likelihood that the innovation will be adopted.

Kotler and Keller (2009) asserted that creative marketers in market driving firms use anticipative marketing strategies to discover what the consumers need in the near future and then offer solutions to which the consumers will enthusiastically respond. Even the critics of marketing communication have sarcastically observed that marketing communications create needs which the consumers never knew they had (Belch and Belch 2007). Nwabuko (1998) advises that in today's marketing, it is not sufficient to produce technically perfect products and then wait for the customers to come in as in the saying that "if a man makes a better mouse-trap, the world will beat a path to his door". The benefits of these products must be communicated to the buyers this is the role of marketing communication that is; communicating with the market to stimulate demand for the company's goods and services. So marketing communication is like war and has to do with winning the battle. For this study the battle is that of adoption of new product.

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The era of product concept is dwindling. During that era, there was not much forum for promotions and consumers' research, as there was usually a single product item in a product family. This means that there were supplies of products to which, the consumer had little or no choice. The focus then was on finding ways of producing large quantities, because people queued up to buy all the products. There was more than enough demand to keep the early production going.

With the growth in industrialization, there is monopolistic competition in almost every industry. As such the consumer has a lot of alternatives to choose from. It follows that the producer/seller should be tactful in choosing their product message. The right message for new product should be one which is capable of catching the attention of the customers and induce initial trial. All marketing communication mix should emphasize the uniqueness and benefits of the products over that of the competitors.

Smith and Taylor (2010) posited that Marketing and the Marketing communications mix are changing. New insights, new tools, new opportunities and new challenges are emerging as the 21st century progresses. The world's 6 ¼ billion consumers and almost 400 million business customers are becoming increasingly accessible. And so too are customers ... ready targets for new global competitors.

For many years, the promotional function in most organization was dominated by mass-media advertising. Companies relied primarily on their advertising agencies for guidance in nearly all areas of marketing communications. Most marketers often use additional promotional and marketing communication tools, but sales promotion and direct marketing agencies as well as packaging design firms were generally viewed as auxiliary services and often used on a per project basis.

Public relations agencies were used to manage the organization's publicity, image and affairs with relevant publics on an on-going basis but were not viewed as integral participants in the marketing communication process.

Many marketers build strong barriers around the various marketing and promotional functions and planned and managed them as separate practices with different budgets, different views of the market and different goals and objectives. This company failed to recognize that the wide range of marketing and promotional tools must be coordinated to communicate effectively and present a consistent image to target markets.

In Nigeria however, scholars asserted that IMC has not been given due attention. Companies see either Advertising, public relations and sales promotion as the major promotional tool available to them and from which they could just pick any one depending on the situations. The result has often been instances of confusion in the market place, when Advertising says a message and Sales Promotion comes later to say the contrary (Thomas, 2001; and Achumba, 2000).

Many companies have not embraced the concept of integrated marketing communication; rather they embarked on disjointed communication, which presented inconsistent product image to the target audience as a result, some well researched new products launched into the market died at the introductory stage.

Research Methodology

The research design for this study took the form of a descriptive survey. Survey method allowed for generalizations of findings and suited the purpose of the study. The survey method for this study involved the use of structured questionnaire, which was designed to obtain information from respondents on their purchase of Hypo Bleach and was distributed to the respondents by hand.

The study was carried out in Aba metropolis of Abia State, Nigeria. Aba is the commercial nerve of Abia State and is fondly called "the Japan of Africa". Aba houses several well-known markets including Ariaria International market. Aba has an estimated population of 1,277,300 according to Wikipedia. The product considered in the study was Hypo Bleach. Bleach is a household commodity used in virtually every home in Aba, Nigeria.

The Population of this study was made up of the major distributors (sales Reps) of Hypo Bleach and the consumers of Hypo Bleach in Aba Metropolis. Hypo Bleach is sold at every retail outlet in Aba metropolis. The random sampling method was used in picking the sample from among the dealers, while purposive (judgmental) sampling was used to pick sample of Hypo Bleach consumers.

The sampling unit for the first strata was consumers of Hypo Bleach in Aba Metropolis of Abia State, Nigeria; the second strata were dealers and sales representatives of Hypo Bleach in Aba Metropolis.

The sample on consumers was drawn from all the major markets in Aba metropolis and was as follows;

Table 1: Markets in Aba by Local Government Areas

Aba north	Ariaria Int'l Mkt	50
Aba south	New Market	40
	Cemetary Mkt	50
Obingwa	Ehere Market	30
Osisioma	Eke-akpara Mkt	30
Dealers/Distributors		97
Total		297

Source: Survey data, 2015

Thus, 200 consumers and 97 distributors were interviewed for the study.

Model Specification

The tobit regression model used in ascertaining the determinants of new product adoption is given as;

$$y^* = \beta x_i + u_i \dots\dots\dots(i)$$

$$y = f(x_1, x_2, x_3, x_4, x_5, x_6, x_7, x_8, e) \dots\dots\dots(ii)$$

Where:

Y= Product adoption (1=adoption, 0=No adoption)

X1 = Affordability (1=Affordable, 2=Not affordable)

X2 = Product quality (1=High, 2=Low)

X3=Friends/family influence (1=Yes, 2=No)

X4=Packaging size (1=Attractive, 2=Not attractive)

X5 =Product Price (1=High, 2=Low)

X6=Promotion (1=Yes, 2=No)

X7=Brand name (1=Known, 2=Unknown)

X8 = Availability (1= Available, 2=Unavailable)

e = Stochastic error term

Results and Discussions

LEVEL OF ADOPTION OF HYPO BLEACH BY THE CONSUMERS

Table 2: Simple percentages; on level of adoption of hypo bleach by the consumers in Aba Metropolis

Option	Value (A)	Frequency (B)	Total (AxB)
Always	5	80	400
Very Often	4	47	188
Often	3	38	114
Occasionally	2	30	60
Not at all	1	-	-
Total	15	195	762

Source: Field Survey, 2015

Value judgment = 5+4+3+2+1=15

$$\frac{15}{5} = 3.05$$

762/195

=3.9 Approximately 4 (Very often)

Based on the constructed index for measuring the level of adoption/usage of Hypo Bleach by the consumers studied. Responses were rated as follows: Always (5), Very often (4), Often (3), Occasionally (2), and Never (1).

Then the responses are multiplied with the values to get the variables being measured.

Here the result shows 3.9 (approximately 4.0) which falls under rating '4' (very often). This shows a high level of adoption of the product (Hypo Bleach) by the consumers. This high adoption may be as a result of the awareness created by the firm through its integrated Marketing Communication (IMC) strategies.

DETERMINANTS OF NEW PRODUCT ADOPTION

Table 3: Tobit regression showing the determinants of new product adoption.

Variables	Coefficient	Std. Error	Z-value
Intercept	209.566	32.771	6.395
Affordability	0.373	0.080	4.663***
Quality	1.719	0.527	3.261**
Friends/Family Influence	0.732	0.345	2.123*
Packaging Size	2.697	0.618	4.364***
Price	-0.486	0.184	-2.639**
Promotion	5.914	0.709	8.341***
Brand Name	0.705	0.318	2.218*
Availability	1.838	0.493	3.729***
No of Observations	290		
Chi-square	398.97		
Prob<0.005	0.0000		
DF	278		

Source: Survey data, 2015

Note: ***= Significant at 1% level; **= Significant at 5% level; * = Significant at 10% level

Product affordability, quality, friends and family influence, packaging size, promotion, brand name, and product availability from the table above were all positive and significant factors affecting the adoption of new products. Price was negative but also a significant factor influencing new product adoption.

Product affordability was significant at 1% probability level and positively related to the adoption of new product. Thus, this indicates that adoption of new products increases when affordability increases. From the regression result above, if 1 unit of product affordability increases, there will be a 0.373 unit increase in product adoption. Consumers will always adopt any affordable product.

Product quality was found to be statistically significant at the 5% probability level and positively related to new product adoption. From the regression result above, if 1 unit of quality is observed by consumers in the new product, it will bring about 1.719 unit increase in the rate of adoption of the product. This implies that adoption for new products increases with perceived increase in quality.

The influence of friends and family members were statistically significant at 10% probability level and positively related to product adoption. This means that the adoption of products increases as one's buying decision is influenced by friends and family members. Based on the regression result, it can be observed that a unit increase in the influence of friends and family members will lead to 0.732 units in product adoption. Packaging size was found to be statistically significant at the 1% probability level and positively related to product adoption. This implies that the packaging size of the product will lead to its adoption when it is attractive and convenient to use. Thus, 1 unit increase in the design of packaging size of a product can lead to about 2.697 units increase in product adoption.

Price was statistically significant at 5% probability level but negatively related to product adoption. Thus, adoption of a product is dependent on the price charged. The negative relationship between product adoption and price implies that where price is high, adoption tends to be low, and vice versa. From the regression table above, a unit perceived increase or high price will bring about -0.486 unit decrease in the rate of adoption of the product.

Promotion was found to be statistically significant at the 1% probability level and positively related to the adoption of a product. This means that product adoption increase with an increase in promotional activities. Consumers will always adopt products that enjoy consistent promotions. This is also revealed in the tobit regression above as a unit increase in promotional activities will bring about 5.914 units increase in the rate of adoption of the product.

Brand name was significant at 10% probability level and positively related to product adoption. From the regression equation, a unit increase in brand name will cause 0.705 units increase product adoption.

Product availability was significant at 1% probability level and positively related to the adoption of a product. This indicates that as products are made more available and accessible to consumers, adoption of such products increases. Thus, 1 unit increase in product availability will bring about 1.838 units increase in such product's adoption.

The value of R Square from the regression result is 0.8515 which implies that 85% of the variability in the dependent variable (product adoption) is brought about by the variability in all the explanatory variables.

Conclusion

This study analyzed the role Integrated Marketing Communication (IMC) plays in new product diffusion and adoption. The result from the study showed a high level of adoption of the product (Hypo Bleach) by the consumers. This high adoption was found to be as a result of the high awareness created by the firm through its integrated Marketing Communication (IMC) strategies. Success in the market place can only be achieved when IMC is applied effectively. Such success is further dependent on certain features which a product must possess. Product affordability, price, quality, packaging size, promotion, brand name, and product availability were all significant factors affecting the diffusion and adoption of new products. These product features must be effectively present to be able to attract and retain customers. The 21st century consumer is sophisticated in their choice of products. Before they make purchases, they have certain expectations from the product and when these expectations are not met, they experience dissonance and would never purchase again.

Therefore, there is need for organizations to first conduct market research as a continuous exercise to find out buyers' adoption patterns, product needs, and direct communication messages towards shaping adoption patterns. There is also the need for an organization to be consistent and not conflicting about its marketing communication because consistency in message creates better awareness, reinforces the message and helps in building a solid brand while conflicting messages confuses and could even scare away customers. Additionally, messages about products must not be exaggerated. Product features claimed in messages must not be misleading as this can discourage consumers and affect product sales.

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