International Journal of Business and Management Research, Volume 8, Number 2, 2018
ISSN: 2214 – 0125
© 2018 McEvans Publications

CONTACT SYNERGY AND MARKETING PERFORMANCE OF DOMESTIC AIRLINE OPERATORS IN NIGERIA

[1]Paul M. Nadube *PhD* **and [2]Ambrose B. Koroba**
[1&2]Department of Marketing, Faculty of Management Sciences
[1]Rivers State University, Port-Harcourt, Rivers State, Nigeria, [2]Faculty of Management Sciences. University of Nigeria, Nsukka, Enugu State, Nigeria
Email: pnadube@yahoo.com

ABSTRACT

Organisations used marketing communication mix to enhance brand awareness and customer loyalty. The marketing communication mix traditionally included advertising, sales promotion, personal selling, direct marketing and public relations. The focus of this study is to examine the association between contact synergy and marketing performance of domestic airline operators in Nigeria. The study administered 382 copies of structured questionnaire to obtain responses from both staff and customers of domestic airline operators, out of which 357 copies were retrieved. Thus 348 copies of research questionnaire were fit for use representing 97.48% response rate. Analyzed was done using both descriptive and inferential statistics aided by Statistical Package for Social Sciences version 17.0. Descriptive statistics were used to determine the mean and standard deviation of the distribution, while Spearman Rank Order Correlation Coefficient was used to ascertain the association between contact synergy and the measures of marketing performance of domestic airline operators in Nigeria. The result of the study shows that there is a significant association between contact synergy and the two measures of marketing performance namely: brand awareness and customer loyalty. It is recommended that efforts should be made by domestic airline operators in Nigeria to achieve contact synergy as the combined impacts of multiple communication activities are much greater than the impact of a single promotional tool as it provides clarity, consistency, and maximum communications impact.

Keywords: Contact synergy, brand awareness, customer loyalty

INTRODUCTION

The significance of this concept is the notion that a marketing communicator should manage contact between a company and the customers in such a manner that synergy is created. A whole array of tools can be used to communicate and persuade intended stakeholder groups. These tools are called the marketing communication mix and traditionally included advertising, sales promotion), personal selling, direct marketing and public relations. But increasingly marketers are coming to understand that integrated marketing communication is not just based on what the organisation sends out or delivers to customers and prospects, in other words planned messages. Communication also occurs through the brand contacts or experiences customers and prospects have with the brand and the organisation in the general marketplace (Schultz & Kitchen 2000). It is the total sum of the brand contacts a customer or prospect has over time that determines the consumer's response to planned and controlled communication programmes. Therefore, to plan effective programmes the communication manager must have some idea of the totality of contact points that currently exist in the marketplace. The goal of the IMC programme is not just to manage the contacts but also to manage the process (Schultz & Kitchen 2000). Understanding the venues in which customers and prospects come into contact with the brand is one of the key steps in IMC. The bottom line of contact synergy is the fact that many marketing communication techniques should be combined to present a unified message with a feedback mechanism built into the process to make the communication a two-way flow of information. Marketers and indeed airline operators should combine both online and offline communication techniques to enhance brand awareness, hence we formulated the following hypotheses:

LITERATURE REVIEW

Synergy is a phenomenon whereby the combined effect of multiple activities exceeds the sum of their individual effects (Belch & Belch 1998). Naik and Raman (2003) (1) note that the combined impact of multiple communication activities can be much greater than the sum total of their individual effects, and (2) use modelling to furnish empirical evidence of synergy between television and print advertising. Reid (2003) makes a similar claim, arguing that through IMC, firms can attain synergy among all of their marketing communications, which, in turn, leads to enhanced performance. Following the works of Duncan and Moriarty (1998), Eagle and Kitchen (2000), and Hines (1999), Reid notes that synergy ensures that the use of multiple communication tools is mutually reinforcing. Marketers and communicators frequently use multiple communication tools and/or channels within a single campaign. This is due, in a large part, to the fact that using multiple communication tools can be mutually reinforcing, or "synergistic" (Carlson *et al.* 1996, Duncan & Everett 1993, Eagle *et al.* 1999, Hutton 1996, Nowak & Phelps 1994, Pickton &Hartley 1998, Schultz 1996, Schultz & Kichen 1997 & Stewart 1996). Thus, the ultimate goal of employing multiple communication vehicles is to have them synergize in order to create the greatest persuasion effect (Caywood *et al.* 1991). Synergy is the fundamental concept of IMC (Chang & Thorson 2004). It is defined as

> *the interaction of two or more agents of forces so that their combined effect is greater than the sum of their individual effect* (American Heritage College Dictionary 1997). *synergy today means how various marketing and communication activities interact with each other in the marketplace and how the various brand 'touch-points' come together to impact and influence consumers, customers, employees, channels, the financial community and the host of other stakeholders that are involved in today's marketplace success* (Shultz, 2005:7).

Prior research has examined synergies resulting from the use of multiple media in a campaign (Bhargava & Donthu 1999, Chang and Thorson 2004, Naik & Raman 2003, Edell & Keller 1989, Confer 1992, Confer & McGlathery 1991), but hardly any studies have empirically examined the interplay of advertising, sales promotion, publicity, direct marketing and personal selling to see whether using multiple promotional tools results in synergy – a positive response to a campaign that is greater than the sum of separate expected responses based on the use of each communication tool (Jin 2004 & Fitzpatrick 2005). Overall, a number of studies have directly and indirectly suggested that people would be more motivated to pay attention to and process multiple-source messages than repetitive messages (Brock *et al.* 1970, Edell & Keller 1999, Grass & Wallace 1969, Harkins and Petty 1981, 1987, McCullough & Ostrom 1974).

Integrated marketing communications (IMC) emphasize the benefits of harnessing synergy across multiple media to build brand equity of products and services. Theoreticians and practitioners have embraced the concept and it is firmly entrenched in marketing. The American Association of Advertising Agencies defines IMC as follows:

> *A concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines – for example, general advertising, direct response, sales promotion, and public relations– and combines these disciplines to provide clarity, consistency, and maximum communications impact (*Schultz, 1993 *p. 4).*

This definition recognizes the added value aspect of IMC, created by the joint impact of multiple activities in the promotion mix, It does not, however, provide a comprehensive articulation of the variety of promotion mix elements that comprise IMC. IMC is a powerful tool in reaching target audiences with persuasive messages. Over time, though, academics have debated its nature and scope (Gould, 2000). Throughout its lifetime, marketers have been able to select the correct combination of promotion mix elements to be effective in a specific competitive situation. Marketers may choose to employ any combination of advertising, personal selling, word of mouth, publicity, sales promotion or any other tool that gains attention, awareness and creates an image. Moreover, there are variations of the main promotion mix elements to help refine the promotional effort. One of the great strengths of IMC is its flexibility. A finely crafted IMC effort can influence target audiences that would otherwise be unreachable.

Successful marketing communication relies on a combination of options called the promotional mix. These options include advertising, sales promotion, public relations, direct marketing, and personal selling. The Internet has also become a powerful tool for reaching certain important audiences. The role each element takes in a marketing communication program relies in part on whether a company employs a push strategy or a pull strategy. A pull strategy relies more on consumer demand than personal selling for the product to travel from the manufacturer to the end user. The demand generated by advertising, public relations, and sales promotion "pulls" the good or service through the channels of distribution. A push strategy, on the other hand, emphasizes personal selling to push the product through these channels.

For marketing communication to be successful, however, sound management decisions must be made in the other three areas of the marketing mix: the product, service or idea itself; the price at which the brand will be offered; and the places at or through which customers may purchase the brand. The best promotion cannot overcome poor product quality, inordinately high prices, or insufficient retail distribution. Likewise, successful marketing communication relies on sound management decisions regarding the ***coordination*** of the various elements of the promotional mix.

The evolution of this new perspective has two origins. Marketers began to realize that advertising, public relations, and sales were often at odds regarding responsibilities, budgets, management input and myriad other decisions affecting the successful marketing of a brand. Executives in each area competed with the others for resources and a voice in decision making. The outcome was inconsistent promotional efforts, wasted money, counterproductive management decisions, and, perhaps worst of all, confusion among consumers. Secondly, the marketing perspective itself began to shift from being market oriented to market driven. Marketing communication was traditionally viewed as an inside-out way of presenting the company's messages. Advertising was the dominant element in the promotional mix because the mass media could effectively deliver a sales message to a mass audience. But then the mass market began to fragment. Consumers became better educated and more sceptical about advertising. A variety of sources, both controlled by the marketer and uncontrolled, became important to consumers. News reports, word-of-mouth, experts' opinions, and financial reports were just some of the "brand contacts" consumers began to use to learn about and form attitudes and opinions about a brand or company, or make purchase decisions. Advertising began to lose some of its lustre in terms of its ability to deliver huge homogeneous audiences. Companies began to seek new ways to coordinate the multiplicity of product and company messages being issued and used by consumers and others.

Thus, two ideas permeate integrated marketing communication: relationship building and synergy. Rather than the traditional inside-out view, IMC is seen as an outside-in perspective. Customers are viewed not as targets but as partners in an ongoing relationship. By knowing the media habits and lifestyles of important consumer segments, marketers can tailor messages through media that are most likely to reach these segments at times when these segments are most likely to be receptive to these messages, thus optimizing the marketing communication effort.

Ideally, IMC is implemented by developing comprehensive databases on customers and prospects, segmenting these current and potential customers into groups with certain common awareness levels, predispositions, and behaviours, and developing messages and media strategies that guide the communication tactics to meet marketing objectives. In doing this, IMC builds and reinforces mutually profitable relationships with customers and other important stakeholders and generates synergy by coordinating all elements in the promotional mix into a program that possesses clarity, consistency, and maximum impact.

A company's total marketing communications mix, or promotion mix, consists of the specific blend of advertising, personal selling, sales promotion, and public relations tools that the company uses to pursue its advertising and marketing objectives. The five major types of promotion are:

• Advertising: Any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor.

• Personal selling: Personal presentation by the firm's sales force to make sales and build customer relationships.

• Sales promotion: Short-term incentives to encourage the purchase or sale of a product or service.

• Public relations: Building good relations with the company's publics by obtaining favourable publicity, building up a good "corporate image," and handling or heading off unfavourable rumours, stories, and events.

• Direct marketing: Direct communications with carefully targeted individual consumers to obtain an immediate response—the use of mail, telephone, fax, e-mail, and other non-personal tools to communicate directly with specific consumers or to solicit a direct response.

At the same time, communication goes beyond these specific promotion tools. The product's design, its price, the shape and colour of its package, and the stores that sell it—*all* communicate something to buyers. Thus, although the promotion mix is the company's primary communication activity, the entire marketing mix— promotion *and* product, price, and place—must be coordinated for greatest communication impact.

The concept of marketing performance

Marketing performance is the dependent variable of this study which is predicted by contact synergy. Marketing performance measurement is part of business performance measurement, a field that aims to support strategy execution by creating insights into company performance. Marketing performance measurement aims to assess "the relationship between marketing activities and business performance" (Clark & Ambler, 2001). Herein marketing relates to all activities conducted to stimulate, facilitate, and accelerate sales or service (Lee et al., 2000 & Alsem, 2007). Effective marketing practices result in success with winning and retaining customer preferences, which supports the achievement of long-term goals (Ambler & Kokkinaki, 2002). In this process marketing should not be conceived as a separate function within firms, but as shared responsibility of the business as a whole (Drucker, 1954 & Grönroos, 2007). Marketing performance measurement focuses on assessing (1) how well customer preferences are won and retained, (2) to which extent that contributed to the stimulation, facilitation, and acceleration of sales, and (3) how that impacted overall firm performance. Marketing performance evaluations can in these processes contribute to the following four functions: (1) annual-plan control, (2) profitability control, (3) efficiency control, and (4) strategic control. The first and last function differ from each other in the sense that annual-plan control attempts to evaluate if planned results are realized, while strategic control strives to assess if the best market, product, and channel opportunities are pursued (Kotler & Keller, 2006).

Given the fact that a firm's survival depends on its capacity to create value, and value is defined by customers (Day, 1990), marketing makes a fundamental contribution to long-term business success. In spite of the importance of measuring marketing performance, there is little research on the measures used to evaluate marketing performance and effectiveness till now (Paulo et al, 2003). Ambler and Kokkinaki (1997) examined seven marketing magazines and surprisingly found that only 11.5 per cent of the articles analysed in their research dealt in one way or another with the evaluation of marketing results. Hence, the Marketing Science Institute made this question one of its research priorities since the year 2000 (Eusebio, et. al., 2006). When considering marketing performance and success measures it is noticed that there are many measures. Clark (1999) identifies about 20 measures, Ambler and Riley (2000) tested a total of 38 measures, Davidson (1999) considers ten important measures of marketing effectiveness. However, Clark (1999) suggests that we should make a better use of the existing measures rather than formulating new ones. Recently, in an attempt to organize performance measures, Kokkinaki and Ambler (1999) have summarized and established six categories for marketing performance and success measures which are:- (1) Financial measures (turnover, contribution margin and profit), (2) Competitive market measures (market share, advertising and promotional share), (3) Consumer behaviour measures (consumer penetration, loyalty and customer gained). (4) Consumer intermediate measures (brand recognition, satisfaction and purchase intention). (5) Direct customer measures (distribution level, profitability of intermediaries and service quality). (6) Innovativeness measures (products launched and their revenue).

The evaluation of marketing performance is recognized as a key task for management. However, measuring the impact and the value of marketing has been a long standing problem for senior marketing managers (Clark, 1999; Kokkinaki & Ambler, 1999; Marketing Week, 2001). In response to this pressure the Marketing Science Institute (MSI) placed accountability and return on investment of marketing expenditure at the top of its research priorities for 2008–10 (MSI 2008). Financial measures such as sales and profit provide only partial indicators of marketing performance due to their historical orientation and typically short term horizon (Mizik & Jacobson 2008). Intangible, market-based assets (nonfinancial measures), on the other hand, provide a richer understanding of marketing performance, reconciling short-and long-term performance (Ambler 2003) as well as bridging marketing and shareholder value (Srivastava et al. 1998). It is necessary to pay special attention to the consumer metrics, which is, regularly measuring the customer satisfaction level, consumer loyalty, new customer gained, customer retained or customer lost. For that managers have to give these consumer metrics priority in the way they assess their marketing performance. In line with this understanding, brand awareness and customer loyalty are used as measures of marketing performance.

Brand awareness

Awareness measures are used extensively in research as a gauge of brand performance and marketing effectiveness. The most commonly used are those relating to brand and advertising awareness. Brand awareness is considered one of the key pillars of a brand's consumer-based brand equity (Aaker, 1991). Keller and Davey (2001) describe building brand awareness as the way of ensuring potential customers know the categories in which the brand competes. Rossiter and Percy (1991) claim that brand awareness is the essential first step in building a brand. Rossiter and Percy (1987) describe brand awareness as being essential for the communications process to occur as it precedes all other steps in the process. Brand awareness measures the accessibility of the brand in memory. Without brand awareness occurring, no other communication effects can occur. For a consumer to buy a brand they must first be made aware of it. Brand attitude cannot be formed, and intention to buy cannot occur unless brand awareness has occurred (Rossiter & Percy 1987). In memory theory, brand awareness is positioned as a vital first step in building the "bundle" of associations which are attached to the brand in memory (Stokes 1985). The brand is conceptualised as a node in memory which allows other information about the brand to be "anchored" to it (Aaker 1991b).

Brand awareness has been hypothesised to play a crucial role in determining the consideration set: the small set of brands which a consumer gives serious attention when making a purchase (Narayana & Markin 1975). A brand that is not considered cannot be chosen (Baker et al. 1986), and further, the probability of the brand being chosen is a function of the number of other brands in the consideration set. A brand that has some level of brand awareness is far more likely to be considered, and therefore chosen, than brands which the consumer is unaware of. Additionally, the strength of awareness of the brands within the consideration set can also be significant. Woodside & Wilson (1985) confirmed the importance of top-of-mind awareness in a study which found that the higher the position of the brand in the consumer's mind measured by unaided recall, the higher the purchase intention and the higher the relative purchase of the brand. In another study, increases in brand awareness were shown to increase the probability of choice even without any accompanying

change in attitude or perceptions (Nedungadi 1990). Brand awareness can also affect decisions about brands within the consideration set (Hoyer & Brown 1990; Keller 1993). Consumers may employ a heuristic (decision rule) to buy only familiar, well-established brands (Roselius 1971). Consumers do not always spend a great deal of time making purchase decisions. A further way brand awareness may affect choice within the consideration set is by influencing perceived quality.

Brand awareness "relates to the likelihood that a brand name will come to mind and the ease with which it does so" (Keller, 1993,). It is based on both brand recognition and recall (Aaker, 1991 & Keller, 1993). There are three widely used measures of brand awareness: top of mind, spontaneous and aided. Top of mind, or the first brand recalled in response to the product category cue, was one of the first brand awareness measures to receive attention, emerging as one of the best 'predictors' of choice in Axelrod's (1968) longitudinal study comparing different measures. Spontaneous awareness (i.e., unprompted recall of the brand name) and aided awareness (i.e., recognition of the brand name when prompted) are the other two commonly used measures. Some researchers have argued that particular measures are more appropriate in different situations. Rossiter and Percy (1991) argued that when options are present at the time of purchase (e.g., brands on a supermarket shelf) then aided awareness is relevant, when they are not, spontaneous awareness should be used. Likewise Lynch and Srull (1982) distinguish between memory based, stimulus based and mixed (both) situations where the ability to spontaneously recall or recognize something have differing importance. Dickson and Sawyer (1990) suggested top of mind awareness is more relevant when a choice between competing brands is made quickly; they argued this measure should be applied to low involvement impulse purchases such as most products in supermarket settings (Franzen, 1999).

Customer Loyalty

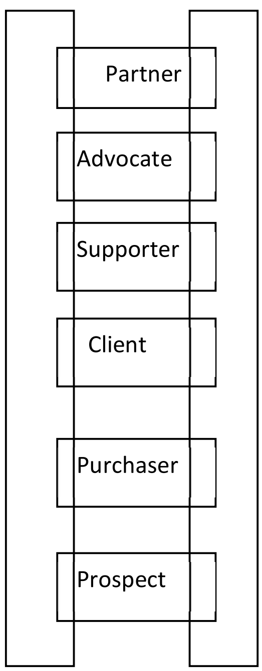
Customer loyalty is one of the most frequently addressed subjects in the marketing and service literature (Kerr, 1999; Patterson & Smith, 2003; Eshghi et al 2007; Heskett & Sasser, 2010). The subject has gained attention of service companies because of its importance to the successful running of any business. Issues involving customer loyalty in service organisations have drawn the attention of various researchers concerned with finding the determinants of customer loyalty and their implications in service industries. Customer loyalty is a crucial factor in companies' growth and their performance. Loyalty is linked with the repeat business. Thus, a customer is loyal when he is frequently repurchasing a product or service from a particular provider. Oliver defines loyalty as "A deeply held commitment to re-buy or re-patronize a preferred product or service in the future despite situational influences and marketing efforts having the potential to cause switching behaviour" (Kotler, 2000). The perceived value from the product and the service affects customer judgement about his/her satisfaction or loyalty with the product or the service. The significance of customer loyalty is that it is closely related to the company's continued survival and to strong future growth (Fornell, 1992 & Nadube, 2010).). According to www.dictionary.com, loyalty is defined as the act of binding yourself intellectually or emotionally to a course of action. The customers with the greatest life time value are generally those who are not only loyal to your products, but also loyal to your company. They are the ones who are willing to promote your firm and act as references to other prospects. They run user groups and fan clubs. They tattoo your company logo on their bodies. You know you have a strong brand when a significant portion of your customer base tattoos your logo on their chests and forearms. Loyal customers come back frequently, buy often, recommend your company to others, and readily try out new things. They may even come looking for products or services that you do not offer.

But loyalty is more than just behaviour. It is a fallacy to assume that a customer is loyal just because they continue to buy from you. There are many reasons why a customer repeats purchasing which have little to do with being really loyal. Consider the following: (1) there is a contractual arrangement with your company (2) It takes too much effort or money to change suppliers (3) You are low cost (4) Relationship is with an employee and not with your company (5) Habits are hard to break (6)

May actually be in the process of finding an alternative supplier. If any of the above is the case, what do you think is likely to happen should a desirable competitor come around and seek out your customer's business? Loyalty is far more than repeat business…

*Loyalty can be defined as customers continuing to believe that one organization's products/services offer remains their best option. It meets their value proposition whatever that may be. They take that offer whenever faced with that purchasing decision. Moreover, loyalty means hanging in there even when there may be a problem because the organization has been good to them in the past and addresses issues when they arise. It means that they do not seek out competitors and, when approached by competitors, are not interested. It also means being willing to spend the time and effort to communicate with the organization so as to build on past successes and overcome any weaknesses. In a nutshell, loyalty means a customer wants to do business with you and does (*Patterson & Smith, 2003 p.9*).*

Ladder of Loyalty: A prospect becomes a purchaser, completed through a market or discrete exchange. Clients emerge from several completed transactions but remain ambivalent (undecided) towards the seller's organisation. Supporters, despite what is being passive about an organisation, are willing and able to enter into regular transactions. Advocates represent the next and penultimate step. They not only support an organisation and its products but actively recommend it to others by positive, word-of-mouth communications. Partners, who represent the top rung of the ladder, trust and support an organization just as it trusts and supports them.



Partner: someone who has the relationship of a partner with you

Advocate: someone who actively recommends you to others, who does your marketing for you

Supporter: someone who like your organization, but only supports you passively

Client: someone who has done business with you on a repeat basis but may be negative, or at best neutral, towards your organization

Purchaser: someone who has done business just once with your organization

Prospect: someone whom you believe may be persuaded to do business with you

Figure1: Relationship Marketing Ladder of Loyalty (Christopher et al, 2002).

The simplicity of the loyalty ladder concept illustrates the important point that customers represent different values to other organisations. That perceived value (or worth) may or may not be reciprocated, thus establishing the basis for a variety and complexity of different relationships. The next section discusses the methods and findings of this study.

METHODS

This study adopted the questionnaire and the interview techniques for purposes of primary data generation. Accordingly, documentary sources constitute secondary data for this study. While adopting the interview technique in collecting data, we also had a face-to-face interaction with some of the respondents (staff and customers of the five domestic airlines) to obtain first level information as well as an in-depth knowledge of the problem to be investigated. Respondents include 'front line' customer service staff (desk officers), supervisors, station managers, air travellers and any other staff of the organisations that indicated willingness to participate. Variables were measured on a 5-point Likert scale developed for the purpose of this research. The scale range shall be 1= strongly disagreed to 5= strongly agreed. The analysis of data was done at three distinct levels namely: primary, secondary and tertiary levels of analysis. Primary level of data analysis deals with descriptive statistics to ascertain normality in distribution. The secondary level of data analysis involved test for validity and reliability. The tertiary stage involved hypotheses testing. For a more reliable analysis of data, the Statistical Package for Social Sciences (SPSS) version 17.0 was used. The statistics used were frequency tables, percentages, and the Spearman Rank Order Correlation. The Spearman Rank Order Correlation was used to test the association between variables.

RESULT

In this section of the study, contact synergy designated as CONSYN. The analytical outcomes are herein presented beginning from questionnaire administration and collection details in table 1:

Table 1: Questionnaire Response Rate

Total copies of Questionnaire Distributed	382	100
Total number Retrieved	357	93.45
Uncompleted copies of Questionnaire	9	2.35
Total number of copies of Questionnaire used	348	91.1

Source: Research Data

As shown in table 1, a total of 382 copies of the research questionnaire were administered out of which 357 copies were returned representing 93.45% of total copies of questionnaire distributed. Nine (9) copies or 2.35% of the distributed questionnaire were uncompleted. Thus the actual response rate was 91.1% which pertains to the 348 copies of research questionnaire fit for use. Again, the process of analysis also involved checking for cleaning (editing) and coding the data received from the fieldwork.

Findings with Descriptive Statistics

Table2: Descriptive Statistics on Contact Synergy

	N	Minimum	Maximum	Mean	Std. Deviation
CUSCON	174	1.25	5.00	4.1193	.85667
Valid N (listwise)	174				

Source: SPSS Output Version 17.0

Synergy is the fundamental concept of IMC. It is the interaction of two or more agents of forces so that their combined effect is greater than the sum of their individual effect. Synergy today means how various marketing and communication activities interact with each other in the marketplace and how the various brand 'touch-points' come together to impact and influence consumers, customers, employees, channels, the financial community and the host of other stakeholders that are involved in today's marketplace success. The extent to which this exit among domestic airline operators in Nigeria is seen with the high mean (x) of 4.1 which is far above the base mean value (x) of 2.50. We

find in this study that communication directors of domestic airlines operators understands the importance of contact synergy, hence they are they are committed to its enforcement

Table 3: Contact Synergy Statistics

		CONSYN1	CONSYN2	CONSYN3
N	Valid	174	174	174
	Missing	0	0	0
Mean		4.1092	4.0862	4.2011
Std. Deviation		.98229	.93025	.94337
Skewness		-1.776	-1.742	-1.667
Std. Error of Skewness		.184	.184	.184
Minimum		1.00	1.00	1.00
Maximum		5.00	5.00	5.00

Source: SPSS Output Version 17.0

Association between Contact Synergy and Marketing Performance

The result of The Spearman Rank Order Coefficient for the association between contact synergy and Marketing Performance is presented in Table 4.36. In addition to the correlation matrix obtained for the fourth research question, the Table also gives the result of the statistical test of significance (p-value), which enables us to answer the question and generalize our finding to the population of the study.

Table 4.: Correlations for Contact Synergy and Marketing Performance

			CONSYN	BRDAWR	CUSLOYAL
Spearman's rho	CONSYN	Correlation Coefficient	1.000	.552**	.681**
		Sig. (2-tailed)	.	.000	.000
		N	174	174	174

Source: Research Data

The result of the correlation in Table 4 shows that there is a significant association between contact synergy and brand awareness and customer loyalty. Contact synergy is significantly correlated to brand awareness ($r = 0.552$, $p = 0.000 < 0.01$). Similarly, contact synergy is significantly correlated with customer loyalty ($r = 0.681$, $p = 0.000 < 0.01$). The association that exists between contact synergy and measures of Marketing Performance is thus significant at the 0.01 significance level.

The result of the correlation in Table 4 shows that there is a significant association between contact synergy and the two measures of Marketing Performance namely: brand awareness and customer loyalty. The result shows that there is a significant association between contact synergy and brand awareness, ($r = 0.552$, $p = 0.000 < 0.01$). The correlation coefficient represents a moderate correlation indicating substantial relationship. Specifically, this means that the combined impacts of multiple communication activities are much greater and therefore create brand awareness than the sum total of their individual effects; thus there is significant association between contact synergy and brand awareness. Again, from table 4, there is a significant association relationship between contact synergy and customer loyalty, ($r = 0.681$, $p = 0.000 < 0.01$). The correlation coefficient represents a moderate correlation indicating substantial relationship. In other words, Marketers and communicators frequently use multiple communication tools and/or channels within a single

campaign in order to rationally and emotionally engage their customers to increase their loyalty. From the foregoing we find in this study that:

1. As domestic airline operators in Nigeria combine multiple communication activities, the impact can be much greater than the sum total of their individual effects and therefore create brand awareness.
2. The frequent use of multiple communication tools and/or channels within a single campaign by domestic airline operators in Nigeria rationally and emotionally engages their customers and increases customer loyalty.

DISCUSSION

Significant Association between Contact Synergy and Marketing Performance:

We found in this study that there is significant association between contact synergy and marketing performance of domestic airline operators in Nigeria. Specifically, this means that the combined impacts of multiple communication activities are much greater than the impact of a single promotional tool. This is in line with the first definitions of integrated marketing communications by the American Association of Advertising Agencies (the "4As" in Schultz, 1993) that considered integrated marketing communications as a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines—for example, general advertising, direct response, sales promotion, and public relations—and combines these disciplines to provide clarity, consistency, and maximum communications impact. However, (Schultz, 1996) argue for an even broader perspective that considers *all sources of brand or company contact* that a customer or prospect has with a product or service. Schultz and others note that the process of integrated marketing communications calls for a "big-picture" approach to planning marketing and promotion programs and coordinating the various communication functions. It requires that firms should develop a total marketing communications strategy that recognizes how all of a firm's marketing activities, not just promotion, communicate with its customers. This study shows that there is significant association between contact synergy and brand awareness. Consequently, as domestic airline operators in Nigeria combined multiple communication activities, the impact are much greater than the sum total of their individual promotional tools and therefore create brand awareness. Belch and Belch (1998) posit that synergy is a phenomenon whereby the combined effect of multiple activities exceeds the sum of their individual effects. Reid (2003) makes a similar claim, arguing that through IMC, firms can attain synergy among all of their marketing communications, which, in turn, leads to enhanced performance. Following the works of Duncan and Moriarty (1998), Eagle and Kitchen (2000), and Hines (1999), Reid notes that synergy ensures that the use of multiple communication tools is mutually reinforcing. These authors validate the outcome of this study that contact synergy enhances marketing performance via brand awareness. To further strengthen this position, Caywood *et al.* (1991) posits that, the ultimate goal of employing multiple communication vehicles is to have them synergize in order to create the greatest persuasion effect. Synergy is the fundamental concept of IMC (Chang & Thorson 2004). Synergy is defined as the interaction of two or more agents of forces so that their combined effect is greater than the sum of their individual effect (American Heritage College Dictionary 1997). According to Shultz (2005) "synergy today means how various marketing and communication activities interact with each other in the marketplace and how the various brand 'touch-points' come together to impact and influence consumers, customers, employees, channels, the financial community and the host of other stakeholders that are involved in today's marketplace success". It is found in this study that domestic airline operators in Nigeria employ any combination of advertising, personal selling, word of mouth, publicity, sales promotion or any other tool that gains attention, awareness and creates an image.

Similarly, the study reveals that there is a significant association between contact synergy and customer loyalty. This means that the frequent use of multiple communication tools and/or channels within a single campaign by domestic airline operators in Nigeria rationally and emotionally engages their customers and increases their loyalty. Duncan & Moriarty (1998) argue further that IMC

presents the brand as a strong emotional and symbolic appeal, and is an expression of customers' personality and values. The emotional aspects communicated in relation to the brand are recognized for their ability to bond customers to a brand. Nadube, (2010) posits that organizations engage with a variety of audiences in order to pursue their marketing and business objectives. Engagement refers to the form of communication and whether the nature of the messages and media are essentially intellectual or emotional. Invariably, organizations use a mixture of these two elements in order that they are heard, understood and engage their audiences in dialogue and mutually beneficial relationships.

The implicit assumption is that through synergy, IMC provides a cost-effective way to maximize the impact of communications by improving marketing decisions (Duncan & Moriarty, 1997; Kitchen & Schultz, 1999 & Low, 2000). Other than efficiencies, benefits should also accrue through improved brand communications and positioning bringing about opportunities for more profitable longer-term customer relationships (Duncan & Moriarty, 1997 & Keller, 2001). A study by Low (2000), found that many American firms were practicing a high level of IMC, and that IMC was strongly related to marketing performance. A further study by Reid et al. (2001) also attempted to examine the IMC-performance link using the Australian Wine Industry and found that such relationships existed. The study concludes on this note that there is significant association between contact synergy and marketing performance. Having examined the association between contact synergy and marketing performance, we conclude that:

1 As domestic airline operators in Nigeria adopt contact synergy, brand awareness is significantly increased amongst air travellers
2 As domestic airline operators in Nigeria adopt contact synergy, customer loyalty is significantly increased.

RECOMMENDATIONS

In view of the implications emanating from the study results, and conclusions there from, it is recommended as follows that:

1 Efforts should be made by domestic airline operators in Nigeria to achieve contact synergy as the combined impacts of multiple communication activities are much greater than the impact of a single promotional tool. When a combination of promotional tools is used, these tools or disciplines provide clarity, consistency, and maximum communications impact.

REFERENCES

Aaker, D. A. (1996). *Building strong brands,* New York: Free Press.

Aaker, D. A. (1991a). Are brand equity investments really worthwhile? *Admap*, *5*(3), 14-17.

Aaker, D. A. (1991b). *Managing brand equity: Capitalizing on the value of a brand name.* New York: The Free Press.

Aaker, D. A. (1996). Measuring brand equity across products and markets. *California Management Review, 38*(3), 102–120.

Aaker, D. A. & R. Jacobson (1994). The financial information content of perceived quality. *Journal of Marketing Research, 31*(5), 191-201.

Agarwal, M.K. & Rao, V.R. (1996). An empirical comparison of consumer-based measures of brand equity, *Marketing Letters*, *7* (3), 237–247.

Agundu, P.U.C, and Nadube, P.M (2016). Integrated marketing communication and intra-Nigeria airline operations: A mix for profit driven fix. *Proceeding of international conference on development studies*, *1*(8), 37-42

Ambler, T., Bhattacharya, C. B., Edell, J., Keller, K. L., Lemon, K.N. & Mittal V. (2002). Relating brand and customer perspectives on marketing management, *Journal of Service Research, 5* (8), 13–25.

Ambler, T. & Kokkinaki, F. (1997). Measures of marketing success, *Journal of Marketing Management, 5* (13), 665- 78.

Ambler, T. & Kokkinaki, F. (2002). Measuring marketing performance: which way is up? In: A.D. Neely (ed.), *business performance measurement: theory and practice* (pp. 225-243). Cambridge: Cambridge University Press.

Ambler, T. (2003). Marketing and the bottom line: creating the measures of success. London: *Financial Times*/Prentice Hall.

Alsem, K.J. (2007). *Strategic Marketing: An Applied Perspective*. New York: McGraw- Hill.

Blattberg, R. & Deighton, J. (1996). Manage marketing by the customer equity test. *Harvard Business Review, 74*(4), 5-14.

Belch, G. E. & Belch, M. A. (2003). *Advertising and promotion*: An integrated marketing communication perspective, McGraw-Hill/Irwin

Bhargava, D. E. & Donthu, N. (1999). Sales response to outdoor advertising. *Journal of Advertising Research 39*(7), 7–18.

Brock, T. C., Albert, S. M. & Becker, L. A. (1970). Familiarity, utility, and supportiveness as determinants of information receptivity. *Journal of Personality and Social Psychology, 14*(8), 292–301.

Burnett, J., & Moriarty, S.E. (1998). *Marketing communication: An integrated approach.* New Jersey: Prentice Hall.

Carlson, L., Grove, S. J., Lacsniak, R. N. & Kangun, N. (1996). Does environmental advertising reflect integrated marketing communications? An empirical investigation, *Journal of Business Research*, *37*(3), 225-232.

Chang, Y. & Thorson, E. (2004). Television and Web Advertising Synergies: *Journal of Advertising, 33* (4), 75–84.

Christopher, M., Payne, A. & Ballantyne, O. (2002). Relationship marketing: creating stakeholder value. *Oxford*: Butterworth Heinen.

Clark, B. (2002). Measuring performance: The marketing perspective, In Neely, A.D. (Ed.), Business performance measurement: Theory and practice Cambridge*: Cambridge University Press*.

Clark, B.H. & Ambler, T. (2001). Marketing performance measurement: evolution of research and practice. *International Journal of Business Performance Measurement*, *3*(4), 231-244.

Clark, B.H. (1999). Marketing performance measures: History and interrelationships. *Journal of Marketing Management*, *15*(8), 711-732.

Confer, M. E. & McGlathery, D. (1991). The research study: The advertising impact of magazines in conjuction with television, *Journal of Advertising Research*, *31*(1), 2-5.

Crosby, P.B. (1984). *Quality without tears: the Art of Hassle-Free Management*. McGraw-Hill, New York.

Day, G.S. (1990). *Market-driven strategy*: *Processes for creating value*, the Free Press, New York, NY.

Doyle, P. (2000). *Value-Based Marketing*: New York: John Wiley & Sons.

Drucker, P.F. (1954). *The practice of management*: New York: Harper & Row.

Duncan, T. R. & Everett, S. E. (1993). Client perceptions of integrated marketing communication: *Journal of Advertising Research*, *33(2)*, 30–39.

Duncan, T. & Moriarty, S. E. (1998). A communication – based marketing model for managing relationships: *Journal of Marketing*, *62*(7), 1–13.

Eagle, L.C. & Kitchen, P. J. (2000). IMC, brand communications, and corporate cultures: Client/advertising agency co-ordination and cohesion, *European Journal of Marketing, 34* (6), 667–686.

Edell, J. A., & Keller, K. L. (1999). Analyzing media interactions: The effects of coordinated TV-Print advertising, *MSI Report* No. 99-120.

Eiglier, P. & Langeard, E. (1987). Servunction, *Les marketing des services*, Paris: McGraw-Hill.

Eshghi, A., Haughton, D. & Topi, H., (2007). Determinants of customer loyalty in the wireless telecommunications industry: *Telecommunications Policy, 31*(4), 93-106

Eusebio, R., Andreu, J. L., & Belbeze, M. P. L. (2006). Measures of marketing performance: A comparative study: *Spain International Journal of Contemporary Hospitality Management, 18* (2), 145-155.

Fitzpatrick, K. R. (2005). The legal challenges of integrated marketing communication: *Journal of Advertising*, *34*, (4), 93-102.

Gilmore, J.H., & Pine B.J, (1997). The four faces of mass customization: *Harvard Business Review 75* (2), 19-28.

Grass, R. C. & Wallace, W. (1969). Satiation effects of TV commercials. *Journal of Advertising Research, 9*(3), 3–8.

Harkins, S. G. & Petty, R. E. (1981). Effects of source magnification of cognitive effort on attitudes: An information-processing view. *Journal of Personality and Social Psychology 40*(3), 401–413.

Harkins, S. G. & Petty, R. E. (1987). Information utility and the multiple source effect: *Journal of Personality and Social Psychology 52*(2), 260–268.

Hines, R. (1999). Ins and outs of integrated marketing: *Triangle Business Journal.15*(10), 25-26.

Hutton, J. G. (1996). Integrated marketing communications and the evolution of marketing thought: *Journal of Business Research, 37* (3), 155–163.

Kayany, J. M. & Yelsma, P. (2000). Displacement effects of online media in the socio- technical context of households. *Journal of Broadcasting and Electronic Media, 44*(2), 215–229.

Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity, *Journal of Marketing, 57* (1), 1–22.

Keller, K. L. (1998). *Strategic brand management: Building, measuring, and managing brand equity,* New Jersey: Prentice Hall.

Kelly, P. (1991). *Advertising research and decision making*, proceedings of the Australasian marketing educators' conference, University of South Australia: Adelaide.

Kerr, G.D. (1999). *Gaining and retaining customer loyalty*, Bertelsmann Foundation Publishers, Gütersloh.

Kotler, P. & Keller, K.L. (2006). *Marketing management:* Upper Saddle River. Pearson Prentice-Hall.

Kotler, P. & Keller, K.L. (2006). *Marketing management:* Upper Saddle River. Pearson Prentice-Hall.

Kokkinaki, F. & Ambler, T. (1999). Marketing performance assessment: An exploratory investigation into current practice and the role of firm orientation, working paper No. 99-114*, Marketing Science Institute*, Cambridge, MA.

Llosa, S., Chandon, J.L. and Orsingher, C. (1998). An empirical study of SERVQUAL's dimensionality: *The Services Industries Journal*, *18*(2), 16-44.

MSI (2000). Research priorities: A guide to MSI research programs and procedures. Cambridge, MA, *Marketing Science Institute*, 22(10), 44- 46

MSI (2002). Research priorities: A guide to MSI research programs and procedures. Cambridge, MA, *Marketing Science Institute.*

MSI (2004). Research priorities: A guide to MSI research programs and procedures. Cambridge, MA, *Marketing Science Institute.*

MSI (2006). Research priorities: Cambridge MA, *Marketing Science Institute.*

Nadube, P. M. (2010). *Marketing communication: Theory and practice*: Port Harcourt: TNDPRESS.

Naik, P. A. & Raman, K. (2003). Understanding the impact of synergy in multimedia communications: *Journal of Marketing Research*, *19*(6), 375–388.

Nedungadi, P. (1990). Recall and consumer consideration sets: Influencing choice without altering brand evaluations. *Journal of Consumer Research*, *17*(6), 263-276.

Nowak, G. J. & Phelps, J. (1994). Conceptualizing the integrated marketing communications' phenomenon: An examination of its impact on advertising practices and its implications for advertising research, *Journal of Current Issues and Research in Advertising, 16*(1), 49–66.

Pickton, D. & Hartley, B. (1998). Measuring integration: An assessment of the quality of integrated marketing communications, *International Journal of Advertising*, *17*(1), 447–465.

Pitt, L., Berthon, P., Watson, R. & Ewing, M. (2001). Pricing strategy and the net: *Business Horizons*, 20(4), 45-54.

Reid, M. (2003). IMC – performance relationship: Further insight and evidence from the Australian marketplace, *International Journal of Advertising*, *22*(5), 227–248.

Rossiter J.R. & Percy L. (1987). *Advertising and promotion management*: Singapore: McGraw-Hill.

Rossiter J. R., Percy L. & Donovan R.J. (1991). A better advertising planning grid: *Journal of Advertising Research*, *5*(2), 11-21.

Schultz, D. E. (1998). Determining how brand communication works in the short and long terms: *International Journal of Advertising, 17*(4), 403–426.

Schultz, D.E. & Barnes, B.E. (1999). *Strategic brand communication campaigns.* Lincolnwood, Illinois: NTC Business Books.

Shaw, R. (1999). *Improving Marketing effectiveness: The methods and tools that work best:* London: The economist Books.

Sinha, G. & Ghoshal, T. (1999). Quality customer service: Strategic advantage for the Indian steel industry, *Managing SQ*, *9* (1), 32-39.

Stewart, D. W. (1996). Market-back approach to the design of integrated communications programs: A change in paradigm and a focus on determinants of success. *Journal of Business Research, 37* (3), 147–153.

Tsao, J. C. & Sibley, S. D. (2004). Displacement and reinforcement effects of the internet and other media as sources of advertising information. *Journal of Advertising Research* *44*(3), 126–142.

Ul-Rehman, S. & Ibrahim, M. S. (2011). Integrated marketing communications and promotion: Researchers world. *Journal of Arts Science and Commerce*, *1*(1), 144-148.

Wells, W., Moriarty, S., Burnett, J. & Lwin, M. (2007). *Advertising: principles and effective imc practice*. Singapore: Pearson/Prentice Hall- Asia.

Yastrow, S. (1999). Fully Integrated Marketing: *Journal of Integrated Communication.* [Electronic]. Available: www.medill. northwestern.edu/imc/…/pubs/jic/journal/2000/yastrow.html. [2002, 27 August].

Zineldin, M. (2006). The royalty of loyalty: CRM, quality and retention, *Journal of Consumer Marketing*, 23 (7), 430-437.

Zineldin, M. (2005). Quality and customer relationship management (CRM) as competitive strategy in the Swedish banking industry, *the TQM Magazine*, *17*(4), 329-344.