

SALES PROMOTION AND CHANGING MARKET SHARES OF TELECOM COMPANIES. IT WAS CARRIED OUT IN KIGALI CITY RWANDA

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ABSTRACT

The study explored sales promotion and changing market shares of telecom companies. It was carried out in Kigali City Rwanda. The objectives of the study were; To explore and analyze how specific approaches employed by telecom companies in sales promotion add to sales or anchor existing sales, to assess the effect of sales promotion by the different telecoms on customer behavior and to probe into the challenges of sales promotion faced by telecoms in sales promotion as a coping mechanism in oligopolistic and monopolistic competition market structure environment in Rwanda. The study covered a time period of 20 years since 1994 considered the post genocide era where major reforms in the country have been taking place. The study used a cross sectional descriptive study design employing both qualitative and quantitative methods. The target population was the staff of telecom companies operating in Kigali city and consumers of products from the companies. A sample size of 100 respondents was used to obtain information relevant to the study. Simple random sampling and purposive sampling techniques were used to select company staff and the consumers respectively. Questionnaires and interview guides were used to gather information from the selected respondents. The study revealed that all sales promotion strategies focused on by this study were all being employed in the study area. The study also revealed that sales promotions had a positive influence the buying behaviors of consumers. Finally the study also found out that sales promotion main challenges were; habituating customers to promotions and capital intensive. The study recommended that in order to attract and influence the purchase decisions of the telecom consumers in the country's competitive market structure, sales promotion should be a prominent feature in telecom companies' budget, year in, year out. The study also recommended that telecom companies and other marketing practitioners needed to gain an understanding of the specific market segments that were targeted, and those promotional tools that were more effective in stimulating sales within those segments.