

THE EFFECTS OF YEARS OF OPERATION, BUSINESS TRAINING AND BUSINESS TURNOVER ON MARKETING COMMUNICATION STRATEGIES OF SMES IN POLOKWANE SOUTH AFRICA

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ABSTRACT

Marketing communication is seen as a vital activity for the survival and success of SMEs. The aim of the study was to determine the impact of demographics such as years of operation, business training and business turnover on marketing communication on the performance of small and medium enterprises (SMEs) in Polokwane, South Africa. SMEs worldwide, are regarded as the cornerstone for economic development since they are established to foster the economic growth and development of any country. However, SMEs are faced with business marketing challenges adversely affects the positive impacts of the SMEs.

The study adopted the survey method, distributing 412 questionnaires to SMEs operating in Polokwane except for the walkers. This SMEs formed the sample of the study. The data obtained was analysed using Pearson Product Moment correlation analysis which was computed electronically using Statistical Package for Social Science (SPSS) version 21. Various statistical analysis were also conducted to determine if marketing communication influence the performance of SMEs. It was found that the demographic factors (business operation, training and annual turn-over) have an impact on the marketing communication strategies of the SMEs.

Keywords: Marketing Communication, SMEs, Years of Operation, Business Training, Business Turnover.

INTRODUCTION

Small and medium enterprises (SMEs) are the corner stone for economic developments in both the developed and developing countries. This is because they contribute positively towards job creation, sustainable economic growth, and contribute also to the gross domestic products (GDP) (Smit & Watkins, 2012). SMEs are regarded as the engine of growth and development for their contributions to the manufacturing subsector, reduction of unemployment and diversification of output (Iorun, 2014). Apart from the positive contribution the SMEs are making towards the economic growth of the countries, SMEs are faced with a high failure rates, which according to Hendricks et al. (2015), the estimated failure rate is 75 percent within the first two years of operation.

Resnick et al. (2016) state that since SMEs are important part of both local and international economies, marketing could communication serves as a significant activity for success of these SMEs. According to Bayraktar et al. (2017) the SMEs business activities are either negatively or positively affected and influenced by the growing market changes which put

much pressure on every business entity to develop and implement effective strategies to compete within this competitive market environments.

Marketing communication was viewed as one of the important aspects of the strategic business management to succeed and achieve sustainable development (Ashley & Tuten, 2015). Lee (2017) state that marketing communication provides ability to listen, propose consumers' motions and demands, and deal with them accordingly. Creating an active marketing communication strategy based on the current market trends is needed to realize the sustainable business growth that can result in appealing to many existing and potential customers.

The commonly used marketing communications tools are sales promotions, advertising, personal selling and public relations. In some cases personal selling was found to be the most often used for marketing communication tool with the customer during the pre-buy, purchase and after-purchase period (Ližbetinová, 2019).

Problem Statements

No much research had been made about marketing communication strategies on SMEs in Polokwane, South Africa. There is no thorough available information concerning the contribution of marketing communication strategy towards the success and failure of the SMEs operating in Polokwane et al. (2014) state that marketing communication includes all relevant approaches used by an SME in conveying business messages to and receiving responses from target audiences, aiming to create a preferred and beneficial customer reaction.

Marketing communication can help in reaching the projected communication goals with every enterprise's target audience (Cravens & Piercy, 2013). According to Mudavanhu, et al. (2011) there is high level of SMEs failure rates, which one of the causes is the absence of well-developed marketing communication strategies and little or no exertions by owners/managers to market the businesses efficiently. Some of the SMEs within Polokwane are part of the business associations and co-operatives and there are benefits of joint marketing schemes and technical marketing services offered, however on their own they fail to perform marketing issues (Mbedzi, 2011). The research objectives to be achieved in this study are:

1. To determine the impact of years of operations of SMEs on the marketing communication strategies adopted in Polokwane.
2. To determine the impact of business training of SMEs on the marketing communication strategies adopted in Polokwane
3. To determine the business turnover of operations of SMEs on the marketing communication strategies adopted in Polokwane.

LITERATURE REVIEW

Marketing in SMEs

The Banking Association of South Africa (2016) estimated that SMEs in South Africa make around 90 percent of the formalised business sector and contribute roughly 34 percent towards the gross domestic product for the country. It is generally seen worldwide, counting the United State of America and Japan that the SME sector will potential push the economy from collapsing because it is regarded as the corner stone for job creation (Calcagnini & Favaretto 2011). As stated by Katua (2014), looking at the recent growing customer base, large firms may not possibly meet all the high demand of goods and services alone, therefore SMEs are needed.

Among several elements that help the SMEs to succeed is the ability to provide the market with information about the product offered, product qualities, and the features and benefits of the product (Kallier, 2017). Marketing communication brings value for customers by providing them with reasons to purchase business products, with the intention to create business growth (Cacciolatti & Fearn, 2013). However, Franco et al. (2014), state that marketing is perceived as an essential element for the SMEs success, preceding research has indicated the lack of marketing communication and marketing skills within SMEs (Franco et al., 2014).

As articulated by Kamunge et al. (2014) even if SMEs might be having the knowledge on how to operate a successful entity, if there is no marketing communication skills and knowledge it will still face failure. Marketing communication is defined by Ebitu (2016) as the prearranged influential technique used by businesses to communicate favourable and expected information about the business, its products and services to the target audience with the hope for positive response. The objective of business marketing communication is to intensify the business's understanding of the marketing information and impact on the acceptance of the SMEs offerings.

Nevertheless, the marketing communication strategy objectives usually involve persuading, informing and reminding the target markets about business's product, services or brands with the aim of building awareness and the demands for the SMEs' market offerings (Ferrel & Hartline, 2008; Schiffman et al., 2010). Franco, et al. (2014) articulates that the environment at which the SMEs are operating, available resources and the owner/manager's characteristics affects the SMEs marketing communications efforts. Marketing communication is not the privilege of large firms alone, it also plays a substantial role within the SMEs. Marketing communications can cover practices across an extensive range of market contexts from large firms to SMEs, however, SMEs use marketing communications tools in ways more specific to their sector than do large firms (Rabova, 2014).

Marketing Communication in SMEs

As stated by Buil et al. (2013), marketing communication has a positive influence on the performance of the SMEs, wsince marketing communication increase brand awareness and knowledge about the SMEs and its brands. SMEs' performance can be measured based on the market share, growth, and profitability (Haghighinasab et al., 2013). The quality and regular use of marketing communication methods by an SME determines in the long term determine whether the business will succeed or fail (Iorun, 2014).

Kotler et al. (2015) state that marketing communication is the combination of the business communication modes namely: advertising, sponsorship, sales promotion, publicity, public relations, direct marketing, personal selling, interactive marketing and word-of-mouth. According to Belch & Belch (2012), promotional decisions need to be made about the kind of the marketing communication tools to use within an SME. However, some of these tools have been applied by SMEs, so to SMEs these tools are not new, but must be integrated as part of a strategic communication programme in an ever-changing SME sector (van Scheers, 2018). According to Lekhanya (2015), very few marketing communication tools are fully used within the SMEs in order to enhance growth. It is thus needed for the marketing manager to find out which marketing communication methods worked well and which methods worked for which products (Gerber, 2009). As stated by Kozinets et al. (2010); Egeonu (2012); Ruzzier et al. (2013); Dzisi & Ofosu (2014); Ramasobana (2017); the most commonly use marketing communication tools within the SMEs sector are: sales promotions, personal selling, public relations, sponsorships, advertising, word-of-mouth, direct marketing and interactive marketing.

With proper use of marketing communication and the combination of marketing communication tools, SMEs can go global and can compete with companies regardless of their size (Rabale, 2011). Through combining the marketing communication tools SMEs can find clients who are in search of specific products and services worldwide, even though few SMEs use these opportunities (Ayslu, 2016). Saeed et al. (2013); found that the concept of marketing communication within the SMEs sector is somehow incomplete due to the marketing developments that often rely on the traditional marketing practices of large firms.

Hypothesis Development: Demographic factors and Marketing Communication Strategies

Yan & Chew (2011) assert that the development of marketing strategies within SMEs is narrow and often relies on the small business traditional marketing model, which is influenced by marketing knowledge, training and funds. The SMEs marketing strategy aims to position business resources and abilities to contest in the market. It is reported that resources within the SMEs are an essential part in implementing the marketing strategies, hence SMEs do not have enough resources (Ardjouman & Asma 2015). Marketing strategy offers the avenue for using the business resources proficiently to attain its set goals and objectives (Adewale et al., 2013).

Ardjouman & Asma (2015) assert that while big businesses can swiftly move from one business to the next, SME businesses are limited or stagnant as a result of inadequate resources, which limit the strategies from being effectively implemented. The availability of suitable financial resources is significant for business development (Tustin 2003). Business managers who have acquired relevant skills and training are likely to be able to get the market for business products, scan the environment and produce products that can stand in the market and compete (Czinkota & Ronkainen 2003). Abilities and capacities of management within an SME are factors connected to the success of the business as they give the entrepreneur the aptitude to perform successfully and the authority to act excellently in a specific range of possible future context (Ibrahim & Soufani 2002). Leitao & Franco (2011) found that the marketing strategies and performance of SMEs are influenced by the high levels of SME owner's education and training, SME owners that have received training are likely to get and develop skills to sustain the business.

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H₁: *The years of operations of SMEs (business maturity) influence the marketing communication strategies employed by SMEs.*

H₂: *The business marketing training of SMEs (business maturity) influence the marketing communication strategies employed by SMEs.*

H₃: *The business annual turnover of SMEs (business maturity) influence the marketing communication strategies employed by SMEs.*

RESEARCH METHODOLOGY

A research design is an extensive plan the researcher use to collect data in a research project, and it refers to the blueprint of research that plan to gather information to answer specific research questions or to test particular hypotheses (Zikmund et al., 2012).

As stated by Abowitz & Toole (2010) when conducting a research there is no single accepted data collection method since each method has its own strengths and weaknesses. The chosen method of research for this study is quantitative research method and data were gathered by means of a structured and self-administered questionnaire. Quantitative data collection method can be defined as the research method that allow the researcher to use and depend much on the statistical information gathered from the research participants (Keyton, 2010). The target population for this research was the SMEs operating in Polokwane SA: owners/managers were required to fill the questionnaire except Hawkers.

The study used non-probability sampling as it is convenient and representative of the population. In non-probability sampling, research components are carefully selected to make known certain characteristics in a sampled population, therefore, the population's characteristics are used as the basis for selection (Ritchie & Lewis 2012). The chosen research samples to represent the population was 412. Kapoor & Kulshrestha (2010) states that when determining the sample size, the researcher must not select the sample that is more than necessary as it will waste resources and time; though, a sample must not be too small as it will bring inaccurate results.

For this study questionnaire was opted for the collection of data from the selected sample. ANOVA and regression analysis were used to determine the impact of marketing communication on business performance. The questionnaire was evaluated, and pilot testing was done with 10 SMEs to determine the suitability of the questionnaire and to eliminate the vague and unrelated questions. Participants' attitude towards the questions within the questionnaire were observed during the pilot testing. The questionnaire was kept short, vague questions removed to avoid discouragement and unrelated questions to the objectives were removed. Cronbach's alpha for the nine extracted factors for marketing communication strategy measured was 0.611. According to Zikmund & Babin (2013), reliability is considered poor if the value is below 0.6, moderate is between 0.6 and 0.7 and good value is between 0.7 and 0.9.

RESULTS AND FINDINGS

Profile of the Respondents

Table 1 provides the detailed profile of respondents. The sample for the study consisted of 412 respondents. The demographic variables used in this study are presented in Table 1. The respondent's ages ranged from 18 to 65 years.

Table 1 further indicate that more than 40% (40.9%, n=168) of the respondents fall within the age group of 35 to 45 years. The lowest was the age group between 18 to 25 years old, which accounts for 3.4% of the overall population. The lowest percentage of the age group means that majority of the businesses were not under the care or ownership of younger respondents as shown in Table 1 below.

The sample consisted of more males (58.0%, n=239) than females (42.0%, n=173) as indicated in Table 1 meaning that the males dominated the study population.

As appears in Table 1 below, the largest proportion of the businesses (47.0%, n=193) had an annual turnover of R500 001 to R1 000 000, which is followed by 37.7% of businesses, which have a turnover of R1 000 001–over R5 000 000. Only 2.4% of the businesses had a minimum turnover between R0–R100 000. Regarding business marketing training it was found that 85 percent of the respondents had marketing training.

| | | Frequency | Percentage % |
|------------------------------------|------------------------------|------------------|---------------------|
| Age | 18-25 years | 14 | 3.4% |
| | 25-35 years | 94 | 22.9% |
| | 35-45 years | 168 | 40.9% |
| | 45-55 years | 103 | 24.8% |
| | 55-65 years | 33 | 8.0% |
| | TOTAL | 412 | 100% |
| Gender | Male | 239 | 58.0% |
| | Female | 173 | 42.0% |
| | TOTAL | 412 | 100% |
| Role in the business | owner | 98 | 24.0% |
| | Manager | 189 | 45.9% |
| | Owner/Manager | 124 | 30.1% |
| | TOTAL | 412 | 100% |
| | Annual turnover | R0 – R100 000 | 10 |
| | R100 001 – R500 000 | 54 | 12.9% |
| | R500 001 – 1 000 000 | 193 | 47.0% |
| | R1 000 001 – over R5 000 000 | 155 | 37.7% |
| | TOTAL | 412 | 100% |
| Business marketing training | Trained | 350 | 85.0% |
| | Not trained | 62 | 15.0% |
| | TOTAL | 412 | 100% |

Testing Hypotheses

Years of business operation (business maturity) and marketing communication strategies

The one-way ANOVA and Welch ANOVA tests were used to investigate whether business maturity has a significant effect on the respondents' attitudes towards marketing communication. The one-way ANOVA and Welch ANOVA tests found that, on average, business maturity has a highly significant effect on the respondents' agreement level with statements about the business marketing communications in their businesses regarding all the dimensions (Table 2).

| Table 2 YEARS OF BUSINESS OPERATION AND MARKETING COMMUNICATION STRATEGIES | | | | | | | | |
|---|------------------------|------|----------------|----------------------------------|-------------|----------|----|-------|
| ANOVA | | | | | | | | |
| Descriptive | N | Mean | Std. Deviation | 95% Confidence Interval for Mean | | Post hoc | df | Sig. |
| | | | | Lower bound | Upper bound | | | |
| C1 promotions | 5 years or less | 62 | 4.2056 | 0.47158 | 4.0859 | 4.3254 | 2 | 0.000 |
| | Between 5 and 10 years | 179 | 4.4148 | 0.41825 | 4.3531 | 4.4765 | | |
| | Over 10 years | 170 | 4.5206 | 0.39545 | 4.4607 | 4.5805 | | |
| | Total | 411 | 4.4270 | 0.42965 | 4.3853 | 4.4687 | | |
| C2 marketing | 5 years or less | 62 | 4.3065 | 0.42082 | 4.1996 | 4.4133 | 2 | 0.000 |
| | Between 5 and 10 years | 179 | 4.2919 | 0.46770 | 4.2229 | 4.3609 | | |
| | Over 10 years | 170 | 4.4706 | 0.42117 | 4.4068 | 4.5344 | | |
| | Total | 411 | 4.3680 | 0.44933 | 4.3244 | 4.4116 | | |
| C3 Public relations | 5 years or less | 62 | 2.8656 | 0.76456 | 2.6714 | 3.0598 | 2 | 0.097 |
| | Between 5 and 10 years | 179 | 3.1304 | 0.86715 | 3.0025 | 3.2583 | | |
| | Over 10 years | 170 | 3.0137 | 0.88181 | 2.8802 | 3.1472 | | |
| | Total | 411 | 3.0422 | 0.86162 | 2.9586 | 3.1257 | | |
| C4 communication | 5 years or less | 62 | 3.9516 | 0.65104 | 3.7863 | 4.1169 | 2 | 0.004 |
| | Between 5 and 10 years | 179 | 4.0978 | 0.76084 | 3.9855 | 4.2100 | | |
| | Over 10 years | 170 | 3.7559 | 1.19446 | 3.5750 | 3.9367 | | |
| | Total | 411 | 3.9343 | 0.96301 | 3.8409 | 4.0277 | | |
| C5 | 5 years or less | 62 | 4.0645 | 0.43874 | 3.9531 | 4.1759 | 2 | 0.000 |
| | Between 5 and 10 years | 179 | 4.3240 | 0.43047 | 4.2605 | 4.3875 | | |
| | Over 10 years | 170 | 4.4431 | 0.40990 | 4.3811 | 4.5052 | | |
| | Total | 411 | 4.3341 | 0.44080 | 4.2914 | 4.3769 | | |
| C6 Telemarketing | 5 years or less | 62 | 3.7177 | 0.78208 | 3.5191 | 3.9164 | 2 | 0.008 |
| | Between 5 and 10 years | 179 | 3.8408 | 0.75778 | 3.7290 | 3.9526 | | |
| | Over 10 years | 170 | 4.0235 | 0.69191 | 3.9188 | 4.1283 | | |
| C7 Personal selling | 5 years or less | 62 | 4.1048 | 0.58770 | 3.9556 | 4.2541 | 2 | 0.207 |
| | Between 5 and 10 years | 179 | 4.1816 | 0.55257 | 4.1001 | 4.2631 | | |
| | Over 10 years | 170 | 4.2412 | 0.49021 | 4.1670 | 4.3154 | | |
| | Total | 411 | 4.1946 | 0.53403 | 4.1429 | 4.2464 | | |

Specifically, in the case where a business have been in existence for 5 years or less (M=4.21, SD=0.472), respondents score significantly lower on the C1 digital marketing

dimension than respondents from businesses that are between 5 and 10 years ($M=4.41$, $SD=0.418$) old, as well as those from businesses that have been in existence for more than 10 years ($M=2.33$, $SD=.65$). Respondents from businesses that are between 5 and 10 years ($M=4.41$, $SD=.418$) score significantly (marginally) lower on this dimension than respondents from businesses that have been in existence for more than 10 years ($M=2.33$, $SD=0.65$). In the case where a business has been in existence for more than 10 years ($M=4.47$, $SD=0.421$), respondents score significantly higher on the C2 use of digital marketing dimension than respondents from businesses that are between 5 and 10 years ($M=4.29$, $SD=0.468$) old, as well as marginally higher than those from businesses that have been in existence for more than 5 years or less ($M=2.31$, $SD=0.421$).

The study found that the more the years of business operation, the easier the acceptance of relevant marketing communication strategies. For example, SMEs that have been in existence for more than 10 years scored significantly high in both the sales promotions and digital marketing usage. This is backed by the study conducted by Buil et al. (2013) that marketing communication strategy positively impacts on SMEs performance, which is caused by the impact on business experience, brand knowledge, etcetera. Business maturity has a tremendous impact of the adoption of new marketing strategies and the way the owners/manager respond to business marketing, which ensures the good performance and business competitiveness (Kariithi, 2015). Also, Tsikirayi et al. (2013) state that, the more the SME has been in operation the more the positive attitude towards applying marketing communication strategies. Van Scheers and Radipere (2008) also emphasise the importance of positive attitudes towards marketing communication strategies as this leads to the success of the entity. Wamb & Carter (2016) found that most of the SMEs have adopted social media as part of marketing communication tools. In summary, the agreement level goes up as the maturity increases.

In the case where a business has been in existence for more than 10 years ($M=3.76$, $SD=1.194$), respondents score significantly lower on the C4 the use email as a communication tool dimension than respondents from businesses that are between 5 158 and 10 years ($M=4.10$, $SD=0.761$) old. In the case where a business have been in existence for 5 years or less ($M=4.06$, $SD=0.439$), respondents score significantly lower on the C5 Business branding dimension than respondents from businesses that are between 5 and 10 years ($M=4.32$, $SD=0.430$) old as well as those from businesses that have been in existence for more than 10 years ($M=4.44$, $SD=0.410$). Respondents from businesses that are between 5 and 10 years ($M=4.32$, $SD=0.430$) score significantly lower on this dimension than respondents from businesses that have been in existence for more than 10 years ($M=4.44$, $SD=0.410$). In summary, the agreement level goes up as the maturity increases.

In the case where a business has been in existence for more than 10 years ($M=4.02$, $SD=0.692$), respondents score significantly higher on the C6 telemarketing dimension than respondents from businesses that are between 5 years or less old ($M=3.72$, $SD=0.782$). Based on the above findings, it is apparent that business maturity goes with marketing communication understanding, however with the use of email to communicate with customers is visa-versa, because businesses that are above 10 years in operation seems not to understand the usage of email to communicate with customers. However, the study conducted by Cant et al. (2016) found that emails were the utmost internet-based method used by SMEs to communicate their special offers. The findings of the study about branding is in line with Razeghi et al. (2014) branding brought SMEs differentiation and consistency of image with reality, it was also found that SMEs that operated for a long-time understand branding and its impact.

Business Marketing Training and Marketing Communication

The independent samples t-test was used to investigate whether the respondents have attended training has a significant effect on the level of agreement with statements about the business marketing communications in their businesses as shown in Table 3.

| | | Levene's Test for Equality of Variances | | | | | t-test for Equality of Means | | | |
|------------------------|-----------------------------|---|-------|--------|---------|-----------------|------------------------------|-----------------------|---|---------|
| | | F | Sig. | t | Df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | 95% Confidence Interval of the Difference | |
| | | | | | | | | | Lower | Upper |
| C1 Sales promotions | Equal variances assumed | 3.704 | 0.055 | 3.428 | 410 | 0.001 | 0.20051 | 0.05850 | 0.08552 | 0.31550 |
| | Equal variances not assumed | | | 3.109 | 78.196 | 0.003 | 0.20051 | 0.06449 | 0.07212 | 0.32889 |
| C2 Digital marketing | Equal variances assumed | 0.001 | 0.969 | 2.160 | 410 | 0.031 | 0.13311 | 0.06161 | 0.01199 | 0.25423 |
| | Equal variances not assumed | | | 2.117 | 82.694 | 0.037 | 0.13311 | 0.06288 | 0.00804 | 0.25818 |
| C3 Public relations | Equal variances assumed | 0.948 | 0.331 | -1.023 | 410 | 0.307 | -0.12135 | 0.11857 | -0.35444 | 0.11173 |
| | Equal variances not assumed | | | -1.062 | 86.802 | 0.291 | -0.12135 | 0.11426 | -0.34846 | 0.10575 |
| C4 Email communication | Equal variances assumed | 5.071 | 0.025 | 0.564 | 410 | 0.573 | 0.07475 | 0.13264 | -0.18600 | 0.33549 |
| | Equal variances not assumed | | | 0.673 | 100.925 | 0.502 | 0.07475 | 0.11102 | -0.14550 | 0.29499 |
| C5 Business branding | Equal variances assumed | 0.038 | 0.845 | 2.710 | 410 | 0.007 | 0.16359 | 0.06037 | 0.04492 | 0.28227 |
| | Equal variances not assumed | | | 2.651 | 82.596 | 0.010 | 0.16359 | 0.06170 | 0.04086 | 0.28633 |
| C6 Telemarketing | Equal variances assumed | 0.005 | 0.944 | 0.803 | 410 | 0.423 | 0.08221 | 0.10243 | -0.11914 | 0.28356 |
| | Equal variances not assumed | | | 0.772 | 81.549 | 0.442 | 0.08221 | 0.10643 | -0.12953 | 0.29396 |
| C7 Personal selling | Equal variances assumed | 0.130 | 0.718 | 1.303 | 410 | 0.193 | 0.09567 | 0.07344 | -0.04871 | 0.24004 |
| | Equal variances not assumed | | | 1.306 | 84.266 | 0.195 | 0.09567 | 0.07323 | -0.04996 | 0.24129 |

The independent samples t-test found that whether the respondents have attended training on average has a significant effect on C1 sales promotion ($t(92.02) = -2.492, p < .05$), C2 digital marketing ($t(410) = -3.696, p < 0.001$) and C5 Business branding ($t(410) = -3.696, p < 0.001$). Specifically, those who have attended training ($M=4.46, SD=.414$) have a significantly higher agreement score than those who have not attended training ($M=4.26, SD=.477$) regarding C1 Sales promotions.

Those who have attended training ($M=4.39, SD=.445$) have a significantly higher agreement score than those who have not attended training ($M=4.25, SD=.058$) regarding C2

Use of digital marketing. Those who have attended training ($M=4.37$, $SD=0.436$) have a significantly higher agreement score than those who have not attended training ($M=4.19$, $SD=.057$) regarding C5 Business branding. From the study findings it is obvious that marketing training plays a very important role in marketing SMEs since the respondents that attended marketing training have lesser challenges in understanding marketing communication strategies. The study conducted by Van Scheers (2011) found that the enhancement of SME managers' marketing skills will improve business success and rejuvenate economy. In summary, training seems to lead to higher levels of agreement on the C1, C2 and C5 dimensions.

Business Annual Turnover and Marketing Communication

The one-way ANOVA test was used to investigate whether annual turnover has a significant effect on the level of agreement with statements about the business marketing communication in their businesses. The one-way ANOVA and Welch ANOVA tests found that, on average, annual turnover has a highly significant effect on the respondents' agreement level with statements regarding the business marketing communication strategies in their businesses regarding 5 of the dimensions (C1, C2, C5, C6, C7) as shown in Table 2.

Specifically, in the case where a business has an annual turnover of R1 000 001 to over R5 000 000 ($M=4.57$, $SD=.335$), respondents score significantly higher on the C1 sales promotion dimension than respondents from businesses with an annual turnover of R0 to R100 000 ($M=4.10$, $SD=.412$), an annual turnover of R100 001 to R500 000 ($M=4.21$, $SD=.453$) as well as those from businesses that have an annual turnover of R500 001 to R1 000 000 ($M=4.39$, $SD=.454$). Respondents from businesses with an annual turnover of R500 001 to R1 000 000 ($M=4.39$, $SD=.454$) score significantly higher on this dimension than respondents from businesses that have annual turnovers of R100 001 to R500 000 ($M=4.21$, $SD=0.453$) on this dimension. In summary, the agreement level goes up as the annual turnover increases.

In the case where a business has an annual turnover of R1 000 001 to over R5 000 000 ($M=4.60$, $SD=.384$), respondents score significantly higher on the C2 digital marketing dimension than respondents from businesses with an annual turnover of R0 to R100 000 ($M=4.18$, $SD=0.313$), an annual turnover of R100 001 to R500 000 ($M=4.11$, $SD=.406$) as well as those from businesses that have an annual turnover of R500 001 to R1 000 000 ($M=4.26$, $SD=.433$). Respondents from businesses with an annual turnover of R500 001 to R1 000 000 ($M=4.26$, $SD=.433$) score significantly higher on this dimension than respondents from businesses that have annual turnovers of R100 001 to R500 000 ($M=4.11$, $SD=0.406$) on this dimension.

As outlined in the above table, in cases where a business has an annual turnover of R1 000 001 to over R5 000 000 ($M=4.51$, $SD=0.399$), respondents score significantly higher on the C5 Business branding dimension than respondents from businesses with an annual turnover of R0 to R100 000 ($M=3.83$, $SD=0.423$), an annual turnover of R100 001 to R500 000 ($M=4.06$, $SD=.452$) as well as those from businesses that has an annual turnover of R500 001 to R1 000 000 ($M=4.30$, $SD=0.408$). Additionally respondents from businesses with an annual turnover of R500 001 to R1 000 000 ($M=4.30$, $SD=0.408$) score significantly higher on this dimension than respondents from businesses that have annual turnovers of R0 to R100 000 ($M=3.83$, $SD=0.423$) and R100 001 to R500 000 ($M=4.06$, $SD=0.452$) on this dimension. In summary, the agreement level goes up as the annual turnover increases.

The findings are backed by Mumel et al. (2007) stating that there is a significant relationship between marketing communication strategies and business 164

turnover; the higher the turnover the higher the application of marketing communication activities. However, SMEs seeking better business turnover and performance should focus more on using specific marketing communication activities (Abernathy et al., 2013). In summary, the agreement level goes up as the annual turnover increases.

As mentioned in Table 3, in the case where a business has an annual turnover of R1 000 001 to over R5 000 000 ($M=4.15$, $SD=0.660$), respondents score significantly higher on the C6 telemarketing dimension than respondents from businesses with an annual turnover of R100 001 to R500 000 ($M=3.44$, $SD=0.782$) as well as those from businesses that have an annual turnover of R500 001 to R1 000 000 ($M=3.83$, $SD=0.741$). Additionally, respondents from businesses with an annual turnover of R500 001 to R1 000 000 ($M=3.83$, $SD=0.741$) score significantly higher on this dimension than respondents from businesses that have annual turnovers of R100 001 to R500 000 ($M=3.44$, $SD=0.457822$) on this dimension.

In the case where a business has an annual turnover of R1 000 001 to over R5 000 000 ($M=4.35$, $SD=0.440$), respondents score significantly higher on the C7 Personal selling dimension than respondents from businesses with an annual turnover of R0 to R100 000 ($M=3.85$, $SD=.337$), an annual turnover of R100 001 to R500 000 ($M=4.07$, $SD=.572$) as well as those from businesses that has an annual turnover of R500 001 to R1 000 000 ($M=4.12$, $SD=.5$). This shows that businesses with higher turnover are likely to use and experience the benefits of personal selling than the once with minimum turnover. Personal selling as part of Marketing communication strategies offers the path for using the business resources competently to accomplish its established goals and objectives (Adewale et al. 2013).

RECOMMENDATIONS AND CONCLUSIONS

The study confirmed that the demographic factors (business operation, training and annual turn-over) have an impact on the marketing communication strategies of the SMEs. Marketing communication strategies adopted by SMEs differ according to how long they have been operation. It was found that SMEs that have been in operation for more than 10 years use more digital marketing and new media marketing than those that have been in operation for less than 10 years.

It was found that SMEs that attended training understand marketing communication better and use sales promotion and business branding than others. SMEs with the high turnover rate (R1 000 000 to R5 000 000) tend to adopt to marketing communication than SMEs with a lower turn-over rate. It was found that SMEs with the higher turnover use sales promotion, digital marketing and branding more than the other marketing communication strategies. This shows that marketing communication strategies are adopted more in SMEs with larger annual turnovers than SMEs with lower turnover.

It was found that SMEs that have been operating for more than five years shows high levels of marketing understanding. SMEs agreed that 'Lack of in-depth understanding of marketing research has a significant negative impact on the business marketing strategy' (96%). On the other hand, 'Lack of finance has a negative impact on the business operations and the way marketing is done 95%', 'Lack of business planning has a negative impact on marketing' (94%), and 'Managerial competency and skills shortage affect marketing strategy formulations and performance of the business' (92%) were slightly less.

SMEs owners or managers needs training to be in a better position to compete profitably. The study recommends that SMEs owners/managers go for marketing or any other business-

related programmes/training to understand how to deal with these marketing challenges. As highlighted by Bola and Richard (2012) with reference to the South African SMEs, SMEs fails to grow due to deficiency of entrepreneurial, managerial and marketing skills. January (2013) emphasise the importance of training for SMEs owners and managers, stating that the enterprise managers should possess business and marketing skills or appoint personnel with the required skills. Marketing skills and any other business skills will help SMEs to operate professionally and be in a better position to negotiate the business deals successfully (Karanja et al., 2013).

Al-Shatanawi et al. (2014) state that SMEs should conduct marketing research as it provides the SMEs with relevant information to help in solving marketing challenges experienced and it also serves as the basis for business planning. Marketing research if properly followed, helps in processing the primary and secondary information about customers' attitudes and product demands. Makhubela (2019) state that SMEs should approach the Small Enterprise Finance Agency (SEFA), which provides retail and wholesale finance to SMEs in South Africa. SEFA offers services such as direct financial lending to SMEs in the form of loans from R500.00 to R5 000 000.00. It is recommended that SMEs do business planning as it helps in determining the management actions to design new ways of business operation and product expansion processes (Beckett 2012) 199

Every business entity including SMEs, needs progressive and dynamic managers to succeed in today's highly competitive business environment. Crook *et al.* (2011) articulates that SMEs should strive to train managers to be competent as there is a positive relationship between SMEs managerial competencies and success. Competent managers provide the basis for consistent, reliable and positive performance standards (Velu & Manxhari 2017).

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