BIBLIOGRAPHY

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ABSTRACT

The study on the assessment on marketing communications of wine processors in La Trinidad, Benguet aimed to identify the objectives of wine processors in communicating their products; identify the marketing communications/promotional mix adopted and the reasons of wine processors in adopting such promotional mix; determine the barriers affecting the implementation of an effective marketing communications adopted; identify the ways employed by wine processors in overcoming these barriers, and identify the wine processor's perceptions toward the efficiency and effectiveness of the marketing communications adopted.

Most of the respondents produced strawberry wine and majority of them were engaged from 1-5 years in wine processing.

Great majority of the respondents have claimed that their objective in communicating their products was to make sales. The communication tools they adopted were advertising through labeling (100%) and branding (100%), sales promotion through free taste (100%) and free delivery (93.33%), and the reasons for adopting such communication tools include the affordability (100%), easily seen by the customers (100%), and the ease of receiving feedback from their customers (100%). The major barrier

encountered by the processors was the credit made by customers and the solution employed to at least minimize credit build-up is through installment basis. The communication tools in terms of efficiency were perceived to be most efficient (personal selling) and efficient (sales promotion such as free taste, free delivery, participation in trade fairs and plain product display) while in terms of effectiveness, the communication tools such as the personal selling, sales promotion and advertising (labeling and branding) were perceived to be most effective.

INTRODUCTION

<u>Rationale</u>

The word wine comes from Latin *vinum*, akin to Greek *oinos*, which means grape wine.

Wines are also made from other fruits other than grapes which include cherry, plums, and pears. These fruits are home fermented products, but some are manufactured commercially as well.

In the Province of Benguet, wine production is emerging as a promising enterprise. Wines that are being produced are strawberry wine, bugnay wine, yacon, blueberry, and rice wine. Wine production was able to penetrate the different festivals in the province.

Moreover, La Trinidad is one of the fastest growing cottage industries in Benguet gaining much popularity and demand is strawberry wine making. Strawberry farming is suitable to this place because of its cool climate (Maximo, 2011).

In connection, communication is an interactive dialogue between company and its customers that takes place during the pre-selling, consuming and post consuming stages. People can communicate through traditional media such as newspapers, radio, telephone and television, as well as through the new innovations of media forms such as computers, fax machines, cellular phones, social networking sites and pagers (Kotler, 2000).

Processors should develop communication strategies on how they communicate with customers in order to have more and loyal customers. As a processor, they are going to see "what their customer's needs", "what should be developed", "what the customer

mostwant in the product". Also, processors should maintain their relationships with their customer in order to have a good or effective communication between them.

Statement of the Problem

The study aimed to answer the following questions:

1. What are the objectives of wine processors in communicating their product or business?

2. What are the marketing communications adopted and the reasons of wine processors in adopting such marketing communication/promotional mix?

3. What are the barriers affecting the implementation of an effective marketing communication adopted by the wine processors?

4. What are the ways employed in overcoming the barriers of an effective communication? and,

5. What are the perceptions of the wine processors toward efficiency and effectiveness of the marketing communications adopted?

Objectives of the Study

The study aimed to:

1. Identify the objectives of wine processors in communicating their product or business;

2. Identify the marketing communications adopted and the reasons of wine processors in adopting such marketing communication/promotional mix;

3. Determine the barriers affecting the implementation of an effective marketing communications adopted by wine processors;

4. Identify the ways employed in overcoming the barriers of an effective communications; and,

5. Identify the perceptions of the wine processors toward the efficiency and effectiveness of the marketing communications adopted.

Importance of the Study

The study was important in determining the communication process among wine processors and in identifying the barriers affecting their implementation of an effective communication. The result can further help the processors in formulating a winning and more effective communication strategy to increase or improve their sales.

The results could also serve as reference to other researchers who will be dealing on the same scope of study.

Scope and Delimitation of the Study

The study focused in the assessment on marketing communication of wine processors in La Trinidad, Benguet specifically the objectives of wine processors in communicating their product or business, marketing communications adopted and the reasons of wine processors in adopting such marketing communications/promotional mix, barriers affecting the implementation of an effective marketing communications adopted by the wine processors, ways employed in overcoming the barriers of an effective communications, and identify the most efficient and most effective marketing communications adopted by the wine processors.

REVIEW OF LITERATURE

Marketing

According to Cooper and Schindler (2006), marketing is an original function and set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the origin and its stakeholders. It is the process of influencing voluntary exchange transactions in which one party to the transaction can be envisioned in some fashion as a customer of the other, the marketer. The marketing process involves communication and requires a mechanism or system to carry out the exchange of the marketer's product for something of value.

Communication

Communication is the process by which we exchange or share meaning through a common set of symbols. When a company develops a new product, changes an old one, or simply tries to increase sales of an existing good or service, it must communicate its selling message to potential customers. Marketers communicate information about the firm and its products to the target market and various publics through its promotion programs (Hair Jr. *et al*., 2006).

Communication can be divided into two major categories, the interpersonal communication and mass communication. Interpersonal communication is direct, face-to-face communication between two ormore people. When communicating face-to-face, people see the other person's reaction and can respond almost immediately. A sale person speaking directly with a client is an example of marketing communication that islarge audience. A great deal of marketing communication is directed to consumers as a whole,

usually through a mass medium such as television or newspapers. When a company advertises, it generally does not personally know the people with whom it is trying to communicate. Furthermore, the company is unable to respond immediately to costumers' reactions to its message. Instead, the marketing manager must wait to see whether people are reacting positively or negatively to the mass communicated promotion. Any clutter from competitors' messages or other distractions in the environment can reduce the effectiveness of the mass communication effort.

Marketing Communication

Marketing communication is the process of effectively communicating product information or ideas to target audiences. No business can operate in every market to satisfy everyone's need. Instead, a company succeeds when it targets a market of those people most likely to be interested in its marketing program. The target audience is a group of people who receives marketing messages and has significant potential to respond to the messages (Burnett and Moriarty, 1998).

Role of Marketing Communication

Organizations communicate with a variety of audiences in order to pursue their marketing and business objectives. Marketing communications can be used to engage with a variety of audiences and in such a way that meet the needs of the audience. Messages should encourage individual members of target audiences to respond to the focus organization (or product/brand). This response can be immediate through, for example, purchase behaviour or use of customer care lies, or it can be deferred as information is assimilated and

considered for future use. Even if the information is discarded at a later date, the communication will have attracted attention and consideration of the message (Fill, 2011). The reason for using marketing communications will vary according to the prevailing situation or context but the essential goal is to provoke an audience response. This response might be geared to developing brand values and the positive thoughts an individual might have about a brand. This is grounded in a "thinking" and orientation, a combination of both thoughts and emotional feelings about a brand. Another type of response might be one of that stimulates the audience to act in particular ways. Referred to as a behavioural brand response, the goal is to 'encourage particular behaviours'.

Tasks of Marketing Communication

According to Bowersox and Morash (1989) as cited by Fill (2011) that communication plays an important part in the process through which information flows as it can help accomplish one or more key tasks.

First, marketing communications can act as differentiator, particularly in markets where there is little to separate competing products and brands. Second, communications can also be used to reinforce experiences and beliefs. This may take the form of reminding people of a need they might have or reminding them of the benefits of past transactions with a view to convincing them that they should enter into similar exchange.

In addition, it is possible to provide reassurance or comfort immediately prior to an exchange or more commonly, post purchase. This is important as it helps to retain current customers and improve profitability, an approach to business that is much more costeffective than constantly striving to lure new costumers. Brands are often refresh, in

order that they maintain currency among the target audience and remain competitive. The third task identified was that communication can inform and make potential costumers aware of an organization's offering. No purchase can be made without prior awareness. Sometimes audiences need to be educated, shown how to use a product or services or advised about why a product or services or advised why a product might be helpful. The fourth and final tasks is to use communication to persuade current and potential customers of the desirability of either trialling a product, buying a product or enter into a relationship.Therefore, communication can build images about a brand that is differentiate it, reinforcememories and understanding, inform and make audiences aware of a brand's presence and finallypersuade an individual to buy and consume a product or services.

Communication Process

Kotler (2000) discussed that to communicate effectively; marketers need to understand the fundamental elements underlying effective communication. The communication process shows a communication model with nine elements. Two represent the major parties in communication-sender and receiver. Two represent the communication tool-message and media. Four represent major communication tools-encoding, decoding, response and feedback. The last element in the system is noise (random and competing messages that may interfere with the intended communication). The model underscores the key factors in effective communication. Senders must know what audiences they want to reach and what responses they want to get. They must encode their messages in a way that understands how the target audience usually decodesmessages. Theymust transmit the messages

through efficient media that reach the target audience and develop feedback channels to monitor the responses.

For a message to be effective, the sender's encoding process must mesh with the receiver's decoding process. The more the sender's field of experience overlaps with that receiver, the more effective the message is likely to be. This puts a burden on communicators from one social stratum (such as advertising people) who wants to communicate effectively with another stratum (such as factory workers).

The sender's task is to get his or her message through the receiver. The target audience may not receive the intended message for any of the three reasons, the selective attention, selective distortion, and selective retention. Selective attention, people are bombarded by 1,600 commercial messages a day, of which 80 are consciously noticed and about 12 provoke some reaction. Selective attention explains why ads with bold headlines promising something, such as "how to make a million", have a high likelihood system. As a result, receivers often add things to the message that are not there (amplification) and do not notice other things that are there (levelling). The communicator's task is to strive for simplicity, clarity, interest, and repetition to get the main point across. Selective retention, people will retain in long term memory only a small fraction of the messages that reach them. if the receiver's initial attitude toward the object is positive and he or she rehearses support arguments, the message is likely to be accepted and have high recall. If the initial attitude is negative and the person rehearses counter arguments, the messages are likely to be rejected but to stay in long term memory. Because much of persuasion requires the receiver's rehearsal of his or her own thoughts, much of what called is actually self-persuasion.

The communicator considers audience traits that correlate with persuasibility and uses them to guide messages and media development. People of high education or intelligence are thought to be less persuasible, but the audience is inconclusive. Those who accept external standards to guide their behaviour and who have a weak self-concept appear to be more persuasible, as do persons who have self-confidence.

Methods of Communication

Methods of conveying a message can include oral, written, nonverbal and electronic media.

Oral.People communicate with each other most often by talking, or oral communication. Popular forms of oral communication include speeches, formal one-to-one and group discussions, informal rumor-mill or grapevine.

Written. Written communications include memos, letters, organizational periodicals, bulletin boards, or any device that transmits written words or symbols.

Nonverbal cues. Some of the most meaningful communications are neither spoken nor written. The most well-known areas of nonverbal communications are body language and verbal intonation.

Body language. Body language refers to gestures, facial configurations, and other movements of the body.

Verbal intonation. Verbal intonation refers to the emphasis someone gives to words or phrases.

Electronic media. Today we rely on a number of sophisticated electronic media to carry our communications. In addition to more common media-telephone and

publicxerographic reproduction, and host of other electronic devices that we can use in conjunction with speech or paper to create more effective communication.

Barriers to Effective Communication

According to Bovee and Thill (2000), the following barriers to effective communications are filtering, selected participation, emotional interference, poor listening, cultural interferences, physical distraction, information overload and time pressures.

Filtering. Filtering is screening out or abbreviating information before a message is passed on to someone. In business, the filters between you and your receiver are many such as secretaries, assistants, answering machines, and voice mail, to name a few. Just getting through by telephone can take a week if you're calling someone who's protected by the gatekeepers or filters. Worse yet, information theory tells us that every relay doubles the noise and cuts the message in half. That means your message may be distilled and probably distorted it's passed on to your intended receiver.

Selective participation. The receiver, in the communication process, selectively sees and hears communications, depending on his needs, motivation, experience, background, and other personal; characteristics. The receiver also projects his interests and expectations into communications in decoding them.

Emotional interference. It's difficult to shape a message when you are upset, hostile or fearful. Your ideas and feelings often get in the way of being objective. Likewise, if the other person is emotional, he or she may ignore or distort your message. Although it's practically impossible to avoid all communication when emotions are involved you should be alert to the greater potential for misunderstanding that accompanies emotional messages.

Poor listening. Although most of us think we know how to listen. We all let our minds wander now and then, plus we are especially likely to drift off when we are forced to listen to information that is difficult to understand or that has little direct bearing on our own lives. If we are tired or concerned about other matters, we are even more likely to lose interest.

Cultural differences. Communicating with someone from another country is probably the most extreme example of how different backgrounds and cultures may impede communication. In fact, it may be one of the hardest communication barriers to overcome – especially when your receiver's age, education, social status, economic position, religion, or life experience also differs substantially from yours.

Physical distraction. Communication barriers are often physical, these are bad connections, poor acoustics, illegible copy. Although noise of this sort seems trivial, it can block an otherwise effective message. Your receiver might be distracted by an uncomfortable chair, poor listening, health problems, or some other irritating condition. These are annoyances don't generally block communication, but they may reduce the receiver's concentration.

Information overload. Managers receive information from both above and below. There is, unfortunately, no automatic thermostat to regulate the input of information and turn it off when the manager is deluged or overflowed. When managers allow themselves to be inundated with information, given the time and cognitive limits under which they operate, the effectiveness of communications is likely to suffer. Managers are forced to ignore or cursorily (briefly) review many messages. Consequently they overlook or misinterpret some messages.

Nonverbal cues. Nonverbal communication is almost always accompanied by oral communication. As long as the two are in agreement, they act to reinforce each other. When nonverbal cues are inconsistent, with the oral message, the receiver becomes confused and the clarity of the message suffers.

Time pressures. Managers operate under time pressures. Decisions must be made and deadlines. Time pressures can create communication problems when to expedite matters, formalchannels are short circuited, leaving some people in the dark, and when messages are incomplete or ambiguous to the receiver. In either case, effective communication is deterred or prevented.

Marketing Mix

The combination of a product, how it is disturbed and promoted, and its price. Together these four components of strategy must satisfy the needs of the market(s) and, at the same time, achieve the organizations marketing objectives. Some of the challenges facing marketing managers in developing a marketing mix are product, price, place and promotion.

Product. Strategies are needed for deciding what products to offer, managing existing products over time, and dropping failed products. Strategic decisions must also be made regarding branding, packaging, and other product features.

Branding. Branding is a basic decision in marketing products, in which an organization uses a name, phrase, design, symbols, or combination of these to identify its products and distinguish them from those of competitors. A brand name is any word, device

(design, sound, shape or colour), or combination of these used to distinguish a seller's goods or services (Berkowitz *et al*., 2006).

Branding, perhaps the most distinctive skill of professional marketers is their ability to create, maintain, protect and enhance brands of their product services. A brand is name, term, sign, symbol, or design or a combination of these, that identifies the maker or seller of a product or service.Consumers view a brand as an important part of a product, and branding can add to a product.

Branding helps buyer in many ways. Brand names also tell the buyer something about product quality. Buyers who always buy the same brand know that they will get the same features, benefits, and seller several advantages. The brand name becomes the basis on which the whole story can be built about a product's special quantities. The seller's brand name and trademark provide protection for unique product features that otherwise might be copied by competitors. And branding helps the seller to segment markets. Building and managing brands is perhaps the marketer's most important task (Armstrong and Kotler, 2004).

Packaging. Packaging consists of all the activities of designing and producing the container or wrapper for a product. It is intended to serve several purposes. These are to protect the product on its way to the consumer; protect the product on its way to the consumer; protect the product after it is purchased; help to persuade middlemen to accept the product; and help to persuade consumers to buy the product (Etzel*et al*., 2007).

Kotler and Armstrong (2004) also stated that packaging involves designing and producing the container or wrapper for a product. The package includes a product's primary container. It may also include secondary package that is thrown away when the product is about to be

used. Finally, it can include a shipping package necessary to store, identify, and ship the product. Labelling, the printed information appearing on or with the package – is also part of packaging.

Traditionally, the primary function of the package was to contain and protect the product. In recent times, however, numerous factors have made packaging an important marketing tool.

Innovative packaging can give a company an advantage over competitors. In contrast, poorly designed packages can cause headaches for consumers and lost sales for the company. Developing a good package for a new product requires making many decisions. First, the company must establish the packaging concept, which states that the package should be or do for the product. Should it mainly offer product protection, introduce a new dispensing method, suggest certain qualities about the product, or do something else? Decisions then must be made or specific elements of the package such as size, shape, materials, colour, text and brand mark. The elements must work together to support the product's position and marketing strategy.

Labelling. Labels may range from simple tags attached to products to complex graphics that are part of the package. They perform several functions. At the very least, the label identifies the product or brand. The label might also describe several things about the product – who made it, where it was made, when it was made, its contents, how it is to use, and how to use safely. Finally, the label might promote the product through attractive graphics.

Product warranty. According to Zikmund and d' Amico (2002), product warranty communicates a written guarantee of a products integrity and outlines the manufacturer's

responsibility for repairing or replacing defective parts. It may substantially reduce the risks the buyer perceives to be associated with the purchase.

Unfortunately, consumers often find that warranties are difficult to understand documents written in legal jargon. Several manufacturers have made use of this fact by offering warranties advertised as simple, short, plain English documents. Marketers who have not taken this approach may not realize that terms like fully guaranteed, unconditionally guaranteed, and lifetime guaranteed don't mean much to many buyers, especially buyers who have been disappointed with the service received on other guaranteed products.

Customer service. Customer service is one of the elements of the product mix. Effective marketers, knowing the marketing does not end with the sale of goods, may create competitive advantage by emphasizing the amount and quality of customer service.

Delivery service, gift wrapping, repairs and other customer services will help marketers compete. These services, as auxiliary dimensions of the product, create and maintain good will. They provide an opportunity to enhance consumer satisfaction with the total product.

Services are task or activities performed for buyers or intangible that cannot be handled or examined before purchase. Services differ in their nature and in the reasons consumer purchase them. Consumers purchase instrumental services – typically, work performed by others – to achieve a goal without direct involvement in the task.

Product design. Product design, that is, a product's configuration, composition, and style-influences most quality dimensions. Marketers must work with engineers on product design to achieve quality goals. Assuring that the product design is aesthetically pleasing

and fashionable often requires considerable consumer research, artistic creativity, and product planning.

Often, costumer's perceptions of quality are influenced by a noticeable aspect of product design or formulation.

Product quality. Quality is defined as meeting or exceeding the needs and expectation of the costumer. Thus, the goal of the business should be to find out what the customer wants and then fine tune the process to ensure that they get it. The primary dimensions of product quality include (a) performance, (b) features, (c) reliability, (d) conformance, (e) durability, (f) serviceability, (g) aesthetics, (h) perceived quality (Allen 2006).

However, Allen (2006) stated that service quality is attracting equal or more attention. These are: (a) responsiveness, (b) reliability, (c) accuracy, (d) knowledge, (e) courtesy, (f) consistency, and (g) speed. These listed dimensions of product and service quality are, in a broad sense, generic to most situations. However, every business is unique, and if it is wise to determine the relative importance of each need. After measuring the satisfaction levels, emphasis can be placed on improving performance in areas important to the costumer but where the organization may be lacking in comparison to the quality delivered by competitions.

Price. Setting the price for a product is marketing decision. Other necessary strategies pertain to changing price, pricing related items within a product line, terms of sale, and possible discounts. An especially challenging decision is selecting the price for a new product. The basic price quote, before adjustment. Price adjustments may be made whenthe

season changes, when the buyer purchases a large quality of a good, or for other reasons. Many marketers adjust list price with discounts or rebates.

List price. List price functions as a communication tool by adding symbolic value to a good service and by helping to position the brand in relation to competitors. A high price may suggest a bargain, and a discount coupon or rebate may encourage purchases by people who would otherwise not by the product.Price is closely related to other marketing variables and cannot be discussed without simultaneous consideration of a product, place and promotion. Pricing strategies and must support the firm's other marketing strategies.

Discounts. The common price adjustments are discounts, reductions from the list price of a reimbursement for performance of a specific task.

Allowances. An allowance is reduction in price, a rebate, merchandise, or something else given an intermediary for performance of a specific activity or in consideration for a large orders or the performance of a specific gravity.

Place. Place stands for company activities that make the product available to target consumers/customers (Kotler and Armstrong, 1991).

A distribution channel is a set of interdependent organizations involved in the process of making a product or service available for use of consumption by the consumer or industrial user. A distribution channel moves good from producers to consumers. It overcomes the major time, place, and possession gaps that separate goods and services from those who would use them.

Promotion. Several promotional methods can be used to communicate with individuals, groups, and organizations. When an organization combines specific methods to promote a

particular product, that combination constitutes the promotion mix for that product (Pride and Ferrell, 2000).

Advertising. Advertising is a paid non-personal communication about an organization and its product transmitted to a target audience through mass media including television, radio, the internet, newspapers, magazines, direct email, outdoor displays and signs on mass transit vehicles. Individuals and organizations use advertising to promote foods, services, ideas, issues and people. Advertising can perform the following functions in business.

Awareness building. Advertising can provide an introduction to the company and its products.

Comprehensive building. If the product embodies new features, some explaining can be effectively performed by advertising.

Efficient reminding. If prospects know about the product but are not ready to buy, reminder advertising is more economical than sales calls.

Lead operation. Advertisements offering brochures and carrying the company's phone number are an effective way to generate leads for sales representatives.

Legitimizations. Sales representatives can use tear sheets of the company's ads to legitimize their company and products.

Reassurance. Advertising can remind customers how to use the product and reassure them about their purchase.

Personal selling. Personal selling is a paid personal communication that seeks to inform customers and persuade them to purchase products in an exchange situation.

Personal selling has both advantages and limitations when compared with advertising. Advertising is general communication aimed at a relatively large target audience, whereas personal selling involves more specific communication aimed at one or more several reasons. Reaching one person through personal selling cost considerably more than through advertising, but personal selling efforts often have greater impact on customers. It also provides immediate feedback, allowing marketers to adjust their messages to improve communication. It helps them determine and respond to customers' information needs.

Public relations. While many promotional activities are focused on a firm's customers, other groups or publics – suppliers, stockholders, the media, educators, government officials and society in general are important to an organization as well. To communicate with customers and the public, a company employs public relations. Public relation is a broad set of communication efforts used to create and maintain favourable with one or more publics can affect a firm's current sales and profits as well as its long term survival.

Public relations uses a variety of tools, including annual reports, brochures, event sponsorship and sponsorship of socially responsible programs aimed at protecting the environment or helping disadvantaged individuals. Other tools arise from the use of publicity, which is a part of public relations. Publicity is non-personal communication news story from about an organization or its products, or both, transmitted through mass medium at no charge.

Sales promotion. Sales promotion is an activity or material that acts as a direct inducement, offering added value or incentive for the product, to resellers, salespersons, or consumers.

Sales promotion should not be confused with promotion. It is just one part of the comprehensive area of promotion. It appears a faster growing area than advertising.

Factors in Setting the Marketing Communications Mix

Companies must consider several factors in developing their promotional mix. These are the type of product market, whatever to use a push or pull strategy, consumer readiness to make a purchase, stage in the product life cycle, and the company's market rank (Kotler, 2004).

Type of the market. Promotional allocations vary between consumer and business markets. Consumer marketers spend on sales promotion, advertising, personal selling and public relations, in that order. Business marketers spend on personal selling, sales promotion, advertising and public relations, in that order. In general, personal selling is more heavily used with complex, expensive and risky goods and in markets with fewer and larger sellers.

Push versus pull strategy. The promotional mix is heavily influenced by whether the company chooses a push or pulls strategy to create sales.A push strategy involves the manufacturer using sales force and trade promotion to induce intermediaries to carry, promote and sell the product to end users. Push strategy is especially appropriate where there is low brand loyalty in a category, brand choice appropriate when there is high brand loyalty and high involvement in the category, people perceive differences between brand before they go to store. Companies in the same industry may differ in their emphasis on push or pull.

Buyer readiness stage. Promotional tools vary in cost effectiveness at different stages of buyer readiness. Advertising and publicity play the most important roles in the awareness building stage. Customer comprehension is primarily affected advertising personal selling. Customer conviction is influenced mostly by personal selling. Closing the sale is influenced mostly by personal selling and sales promotion, and somewhat by reminder advertising.

Product life-cycle stage. Promotional tools also vary in cost effectiveness at different stages of the product life cycle. In the introduction stage, advertising and publicity have highest cost effectiveness, followed by personal selling to gain distribution coverage and the promotion to induce trial. In the growth stage, all tools can be toned down because demand has its own momentum through the word of mouth. In the maturity stage, sales promotion continues strong, advertising and publicity are reduced, and sales people give the product only in minimal attention.

Company market rank. Market leaders derive more benefits from advertising than sales promotion. Conversely, smaller competitors gain more by using sales promotion in their marketing communications mix.

Definition of Term

    1.Effective marketing communication. Tool, strategy or process of communication used by wine processors that is least expensive and or communication tool that gives result to higher volume of sales.

METHODOLOGY

Locale and Time of the Study

The study was conducted in La Trinidad, Benguet from December 2012 to January 2013.

La Trinidad is a first class municipality in the province of Benguet. It is bounded on the

north by the municipality of Tublay, on the south by Baguio and on the west by Sablan and

Tuba. It is popular because it is dubbed as the "Strawberry Capital of the

Philippines."Several fruit wines are being produced in the municipality aside from its

popular strawberry wine.

Respondents of the Study

The respondents of the study were selected by means of random sampling technique. The

respondents included the processors that have at least one year in wine processing.

Data Collection

The data were conducted through survey questionnaire. Administering of the questionnaire

was done personally by the researcher.

Data Gathered

The data gathered were the objectives of wine processors in communicating their product

or business, the marketing communications and the reasons of adopting such marketing

communications, the barriers affecting the implementation of an effective marketing

communication adopted by wine processors, the ways being employed in overcoming the

barriers of an effective communication and the assessment on the efficiency and effectiveness of the marketing communications.

Data Analysis

The data were analysed and interpreted through descriptive statistics (such as frequency counts, and percentage) andweighted mean.

Descriptive statistics are used to describe the basic features of the data in study. They provide simple summaries about the sample and the measures. Together with simple graphics analysis, they form the basis of virtually every quantitative analysis of data.

Weighted mean is the statistical tool used to determine the level of effectiveness as perceived by the community. The weighted is a measure of central tendency. To calculate the mean, the total number of identified strategy (the sum of all list numbers) must be divided by the total number of identified strategy.

RESULTS AND DISCUSSION

<u>Respondent's Profile</u>

This section presents some profile of the processors which include the kinds of wines they processed and the number of years they are engaged in wine processing.

<u>Kinds of wines being processed</u>. Table 1 presents the wines being processed or produced which include strawberry, bugnay, yacon, blueberry, rice, pineapple, santol, grapes, turmeric, ube and herbal wine 7 in 1. Since La Trinidad is one of the fastest growing cottage industries in Benguet gaining much popularity and demand in strawberry wine making, Table 1 shows that almost all of the processors were engaged in strawberry wine with 93.33%. However, aside from strawberry, these processors were also engaged in other wines such as bugnay (46.67%), yacon (53.33%), and the same 6.67 % for each of the different kinds like grapes, pineapple, santol, blueberry, rice, turmeric and ube. In addition, one processor is engaged in herbal wine 7 in 1 which composed of banaba, lemon grass, blueberry, dandelion, gotocola, turmeric and honey, which according to this respondent takes the initiative to produce a unique wine that no one has ever think of producing in the past.

<u>Number of years engaged in wine processing</u>. The number of years in the business could determine the extent of the respondents' skills and knowledge in wine processing. This could also measure their know how in producing quality wines based from their experiences and learning from the past years of operation which could be useful in providing a better and an improved wine products to the customers.

Table 1 shows that majority of the processors (53.33%) were engaged in wine processing from one to five years, one (6.67%) was engaged from six to ten years and only two (13.33%) were engaged in wine processing for eleven to fifteen years.

Table 1. Respondent's profile

PARTICULARS	FREQUENCY	PERCENTAGE
Kinds of wines processed		
Strawberry	14	93.33
Bugnay	7	46.67
Yacon	8	53.33
Grapes	1	6.67
Pineapple	1	6.67
Santol	1	6.67
Blueberry	1	6.67
Rice	1	6.67
Turmeric	1	6.67
Ube	1	6.67
Herbal wine 7 in 1	1	6.67
Number of years engaged in wine processing		
1- 5	8	53.33
6 – 10	5	33.33
11 – 15	2	13.33

*Multiple Responses

<u>Objectives of Wine Processors in Communicating</u>
<u>their Products</u>

The common communication objective set by managers is sales related. This includes increases in market share, return on investment, sales volume increases and improvements in the value of sales made after accounting for the rate of inflation (Fill, 2011).

On Table 2, the main objective of the processors is to make sales which yielded 86.67%. It can be observed from this Table that making sales and generating profit play an important role in doing the business. On the other hand, the second objective is to introduce new product (20%) which aside from their local customers, they are also trying to introduce their products to the travellers or to the foreigners who are passing through their market outlet. Moreover, the respondents' objectives in communicating their product were to build product awareness and to convince customers to buy which yielded the same 16.67%. Some of these processors are convince their customers by means of volume but specifically giving discounts to their friends and loyal customers. The other processors have also their own technique in convincing their customers though they did not mention how but accordingly these techniques were effective.

Table 2. Objectives of wine processors in communicating their products

OBJECTIVES	FREQUENCY	PERCENTAGE
Build product awareness	1	6.67
Convince customers to buy	1	6.67
Make sales	13	86.67
Introduce new product or innovations	3	20

*Multiple Responses

Marketing Communications Adopted
by Wine Processors

There are several marketing communications an entrepreneur can adopt to promote his or her product. In terms of advertising, it can be through TV, radio, posters, brochures/booklets and leaflets. Sales promotion such as use of coupons, plain product display, buy one take one, participation in trade fairs, free taste and free delivery. Public relations can be through seminars, charitable donations and sponsorship and personal selling through door to door and directly inviting customers.

However, the wine processors tend to use or adopt the common marketing communications since they are just small scale so they will encounter these problems in promoting their products like high cost of promotion, lack of capital, lack of information about promotional strategies, competition, packaging and costly material.

Table 3 presents the marketing communications adopted by wine processors. It shows that in advertising (product), they adopt labeling (100%) to providesome information about their products which includes net content, processor, ingredients, name of product, address and contact number and branding (100%) which includes the brand name and design.According to the respondents they adopted such promotional tool because it is part of their business and because of its affordability. Sales promotion in terms of free taste (100%) is also used as one of their strategies in order to sell and satisfy their customers on the quality of their products. In addition, free delivery (93.33%) is also adopted which according to the processors attract more customers. On the other hand, participation in trade fairs (46.67%) is also practiced as part of the sales promotions of the processors since this is a good avenue for them to promote or introduce their products to a wide variety and great number of customers to the various locations. Plain product display (33.33%) is also

considered by some processors but is usually done through their market outlet like the LaTrinidad Organic Practitioners (LaTOP) market in addition to the stalls in front of their residences.

Table 3. Marketing communication tools adopted by wine processors

COMMUNICATION TOOLS	Easily receive feedback		Free taste is needed for the customers to buy		Affordable		Customers will see the product	
	f	%	f	%	f	%	f	%
Advertising								
Labeling	-	-	-	-	-	-	15	100
Branding	-	-	-	-	-	-	15	100
Sales Promotion								
Plain product display	-	-	-	-	15	100	3	20
Participation in trade fairs	-	-	-	-	15	100	-	-
Free taste	-	-	4	26.67	15	100	-	-
Free delivery	-	-	-	-	15	100	-	-
Personal selling								
Face to face	15	100	-	-	-	-	-	-

*Multiple Responses

Barriers Affecting the Effective Marketing
Communications of Wine Processors

As shown in Table 4, credit (66.67%) is the major barrier affecting the implementation of an effective marketing communications of the wine processors.

According to the respondents, credits made by their customers are affecting their operation as this will limit their production and since they have limited capital. However, sometimes the processors cannot avoid these credits since these are made especially by their loyal customers who usually buy in bulk. One barrier they have encountered was lack of capital (60%), which as a result makes the processors to produce a little volume. Another barrier is their competitors (46.67%) who are beyond their control. The processors claimed that no matter how good their wine products are when there are others who often produce low quality and offer low price to the customers, this may hinder their goals of building an effective marketing communications or promotions for their wine products.

Ways in Overcoming the Barriers

Table 5 presents the different ways employed by the processors in overcoming the barriers. Majority of the processors (66.67%) believed that one way to avoid high account receivables is through installment basis since this will prevent the customers who are not paying their credit. The processors cited that offering credit is a way of communicating or promoting their product. And in order to facilitate this, the following means are being employed by the processors such as selecting customers or outlets (26.67%), they just ignore/neglect customers who will not pay (20%) and through consignment (6.67%).

Table 4. Barriers affecting wine processors in communicating their product

BARRIERS	FREQUENCY	PERCENTAGE
Lack of capital	9	60.00
Competitors	7	46.67
Credit	10	66.67

*Multiple Responses

Table 5. Ways in overcoming barriers

WAYS IN OVERCOMING BARRIERS	FREQUENCY	PERCENTAGE
Select customers/outlets	4	26.67
Installment basis	10	66.67
Consignment	1	6.67
Ignore/neglect customers who will not pay	3	20

*Multiple Responses

Assessment on the Perceptions of Wine Processors
Towards Cost Efficiency of the Marketing
Communication

Table 6 presents the perception of wine processors towards cost efficiency of the marketing communications they adopted or used. The respondents perceivedthe marketing communications as efficient as indicated by the mean which ranged from 1.7 to 2.4.

Some respondents claimed that in promoting their products can add costs on their part. However, they said that the sales promotion through free taste, free delivery, plain product display and participation in trade fairs, advertising its own product through labeling (net content, processor, ingredients, name of the product, address and contact number) as

efficient because it is expensive and most efficient in terms personal selling like face to face because it is least expensive.

Assessment on the Perceptions of Wine Processors
Towards Sales Effectiveness

Make sales is the main objective of wine processors it is why they communicate or promote their products. Table 7 presents the perception of wine processors towards sales effectiveness of marketing communications. They perceived the communication tools they used as most effective as indicated in the mean which ranged from 1.8-3.0.

According to the respondents, they considered the labeling (net content, processor, ingredients, name of the product, address and contact number) and branding (brand name and design) in advertising their products as most effective because it adds volume of sales from 51 to 100%. Under sales promotion through free taste, free delivery, plain product display andparticipation in trade fairs as most effective because there is high increase volume of sales from 51 to 100% and other respondents said also as most effective because sales increase from 51 to 100%. Lastly personal selling through face to face, they considered as most effective because it adds volume of sales from 51 to 100%.

Table 6. Assessment on the perceptions of wine processors towards cost efficiency

COMMUNICATION TOOLS	MEASURE			WEIGHTED MEAN
	ME (3)	E (2)	NE (1)	
Advertising				
Labeling	6	9	0	2.40
Branding	6	9	0	2.40
Sales Promotion				
Plain product display	6	9	0	2.40
Participation in trade fairs	5	10	0	2.33
Free taste	0	14	1	1.87
Free delivery	1	14	0	2.07
Personal Selling				
Face to face	15	0	0	3.00

LEGEND:2.5 – 3.0 – Most Efficient1.8 – 2.4 – Efficient1.0 – 1.7 – Not Efficient

Table 7. Assessment on the perceptions of wine processors towards effectiveness of sales

COMMUNICATION TOOLS	MEASURE			WEIGHTED MEAN
	ME (3)	E (2)	NE (1)	
Advertising				
Labeling	15	0	0	3.00
Branding	15	0	0	3.00

Table 7. Continued. . .

COMMUNICATION TOOLS	MEASURE			WEIGHTED MEAN
	ME (3)	E (2)	NE (1)	
Plain product display	10	5	0	2.67
Participation in trade fairs	8	7	0	2.53
Free taste	13	2	0	2.87
Free delivery	12	3	0	2.80
Personal selling				
Face to face	15	0	0	3.00

LEGEND: 2.5 – 3.0 – Most Effective1.8 – 2.4 – Effective1.0 – 1.7 – Not Effective

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary

The study was conducted to assess the marketing communications of wine processors in La Trinidad, Benguet.

Specifically, the study aimed to identify the objectives of wine processors in communicating their products; identify the marketing communications/promotional mix adopted and the reasons of wine processors in adopting such promotional mix; determine the barriers affecting the implementation of an effective marketing communications adopted by wine processors; identify the ways employed by wine processors in overcoming these barriers, and identify the perception of processors toward the efficiency and effectiveness of the marketing communications adopted.

The study was conducted in La Trinidad, Benguet from December 2012 to January 2013 using a survey questionnaire.

Among the 15 respondents, 93.33% of the respondents were engaged in strawberry wine and majorityof them(53.33%) were engaged in wine processing from 1-5 years.

Great majority of the respondents have claimed that their objective in communicating their product was to make sales.Thecommunication tools they adopted were advertising through labeling (100%) and branding (100%) of the product, sales promotion through free taste (100%) and free delivery (93.33%), and their reasons in adopting is because of its affordability (100%), one reason of the respondents in adopting plain product display as one of their communication tools is for the customers will see their products (100%) and they will easily receive feedback (100%). The barriers they

encountered was credit and the waysemployed was installment basis. The communication toolswere most effective (sales promotion, personal selling and advertising), most efficient (personal selling) and efficient (advertising and sales promotion) as perceived by the wine processors.

Conclusions

Based on the findings, the following conclusions were derived:

1. Great majority of the wine processors were engaged in strawberry wine.

2. The main objective of the wine processors in communicating their products was to make sales.

3. All of the processors adopted the communication tools like advertising through labeling and branding of the products, sales promotion through free taste, free delivery, plain product display and participation in trade fairs and personal selling through face to face selling of the products. The reasons of wine processors in adopting such promotional mixwere due to its affordability, it is easily seen by the customers (plain product display) and it easily receives feedback.

4. The barrier encountered by wine processors was credit and the ways they employed in overcoming this barrier was through installment basis.

5. All of the marketing communications adopted were most effective (sales promotion, personal selling and advertising), most efficient (personal selling) and efficient (advertising and sales promotion) as perceived by the wine processors.

Recommendations

     1. The processors should continue or maintain the communication tools adopted because based from the results of the study, it shows that the use of these promotional tools have increased the volume of products sold. However the processors should also try to consider the other tools in communicating their products to attract more customers thus maximizing their profits.

     2. The processors having problems on credit made by their customers should develop payment scheme that will ensure faster and more effective collection of the credit aside from employing installment basis. According to the respondents, the high amount of credit hinders the processors in ensuring continuous operation of the business, thus the development of system of collecting credit could solve this problem.

     3. Moreover, the processors could seek assistance from concerned government agencies like Department of Trade and Industry (DTI), Department of Tourism (DOT) and Department of Science and Technology (DOST) with regards to improving their product and business operation and a more effective way of introducing or promoting it to the customers. Consequently, the processors must abide with the requirements of these agencies.

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