An Empirical Study of the Efficacy of Marketing Communication Mix Elements in Selected Insurance Companies in Nigeria

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ABSTRACT

The objective of this research is to draw attention to the importance of certain elements of marketing communication in premium income generation and the volume of insurance businesses in Nigeria's insurance industry. Specifically, the study sought to describe the ranked importance of the following six marketing communication mix elements in the two phases of the research interest viz: advertising, personal selling, sales promotion, publicity and public relations, sponsorship and direct marketing. 20 insurance companies out of the industry capacity of 49 were randomly selected from Lagos, Ibadan, Port-Harcourt and Abuja. Data were collected through the use of primary instruments comprising telephone survey method and well structured questionnaire delivered (electronically and hand-to-hand) to the employees of these companies. Findings from the study suggest that advertising, personal selling, and public relations are taking high priority in the minds of marketers of insurance services in Nigeria. While direct marketing is considered appreciable in services delivery improvement of insurance organizations, sponsorship and sales promotions were of low acceptance and unaccepted respectively. The study recommends that effective use of the various elements of marketing communication will help provide information, create more awareness, change attitude and perception, build industry's image and enhance brand loyalty.

Keywords: *Marketing communication, efficacy, premium income, mix-elements, Insurance companies, Nigeria.*

1. INTRODUCTION

Organizations have to communicate with their existing and potential customers about what they do. This, indeed, is a herculean task in Nigeria's insurance market environment due to its characteristic nature which is further encapsulated by the vagaries of Nigeria's economic, demographic, social, political, legal, religious, cultural and environmental forces. Marketing communication is very important and at the same time challenging in the insurance sub-sector. This is because the intangible natures of insurance services play a decisively challenging role in convincing customers as to value of insurance product. The marketing communication mix elements have become important players in the life of so many businesses. They help move market offerings (goods, services and ideas e.t.c.) from manufacturers/ sellers to end users and build and maintain relationships

with customers, prospects and other stakeholders of the company. However, marketing strategies that stress relationship building in addition to producing sales will force marketers to consider all the elements in the marketing communication mix (Marcommwise, 2006).

Today, in an age where the word 'integration' is used to express a variety of marketing- and communication-related activities, where corporate marketing is emerging as the next important development (Balmer & Gray, 2003) and where relationship marketing is the preferred paradigm (Gronross, 2004), marketing communications now need to move beyond the product information model and become an integral part of an organization's overall communications and relationship management strategy. The holistic marketing approach for services requires external marketing which deals with the interaction of the company as a whole with the customers in terms of the company's product, price, distribution channels, and promotional activities, as well as with other stakeholders (Lancaster & Reynolds, 2004). According to Fill (2005), marketing communications should be an audience-centered activity. In this sense, it is important that messages be based on a firm's understanding of both the needs and the environment of the audience. To be successful, marketing communications should be grounded in the behaviour and information processing needs and style of the target audience. However, where competition or other impediments to positive consumer actions exist, such as lack of motivation or conviction, a promotional programme is developed and used to communicate with the target group. The needed task is to make the target audience aware of the existence of the offering.

The evolution of the insurance market is closely related to economic, social and political changes. In this context of the raging financial crisis in contemporary time, an increasingly important role will be played by governments of nations as they can influence the evolution of the insurance sector through their social and economic policies. However, the insurance companies and financial institutions through their marketing activities can play an important role in rebuilding the hitherto lost trust of potential clients in their services. Therefore, success will flow towards strong, financially-sound companies who know how to gain and keep their client's trust using flexible pricing policies, diversified products and impeccable customer service (Pop & Petrescu, 2008). Atchinson (2008) opines that trust is a key element in insurance marketing; and that insurance companies have to be able to convince their clients of the usefulness of their product and of the solidity of their business. Trust is very fundamental in insurance due to its promissory nature; hence the insured must be able to trust the insurer that he will make good a loss as promised for the survival of the business (Olowokudejo, 2009). Idris, Asokere and Ajemunigbohun (2010), for example, concludes that the modern insurance markets have undoubtedly position themselves as major tools for the promotion, sustenance and advancement of the economies. In a related study carried out by Ojikutu, Yusuf and Obalola (2011), it was noted that about 70% of the insuring public in Lagos state, Nigeria do not trust insurance companies.

Marketers have access to numerous forms of communication, referred to collectively as the marketing communication mix. The mix elements include: advertising, personal contact, publicity and public relations, sales promotion, instrumental material and corporate design (Lovelock and Wirtz, 2004). Marketing communication mix elements provide information and consultation that are important components to add value to a market offering. Customers need information about the features of the product or service, its price and how they can access it, to make informed purchase decisions. Thus, if customers are able to get the necessary information about the product timely and adequately, they may feel that they are buying quality products (Potluri, 2008). Therefore, this means having good and effective communication channels adds value to the product or service of the company because customers will develop confidence in purchasing them.

In setting effective marketing communications objectives ,a three step approach has been proposed and this takes into account the longer term outcome of marketing communication, which are : (i) identifying the target segment (ii) determining the behavioural change to be brought about; and (iii) deciding what needs to be done to bring about the changes in behaviour (Lancaster & Massingham, 1999). Thus, it has been suggested that marketing communications serve five key objectives: (i) provision of information; (ii) stimulation of demand; (iii) differentiating the product or service; (iv) underlining the product's value, and (v) regulating sales. However, for critical development of effective communication and promotion programs, Kotler and Armstrong (2008), noted the following steps: identifying the target audience; determining the communication objectives; designing a message, choosing the media through which to send the message, selecting the message source, and obtaining feedback. In attainment of these steps, Lancaster and massingham (1999) earlier posited five factors which usually influenced the marketing communication mix elements: the nature of the market; the nature of the product; the stage in the product life cycle; price and the funds available for promotional activities.

The objective of this research is to draw attention to the efficacy of the usefulness of the various marketing communications mix elements in relation to premium income generation and volume of businesses in insurance

companies in Nigeria. Specifically the study sought to describe the ranked importance of the following elements, that is: Advertising, sales promotion, personal selling, public relations and publicity, sponsorship and direct marketing in the two phases of focus (i.e. premium income generation and volume of businesses).

2. LITERATURE REVIEW
2.1 Marketing Communications and Insurance: Conceptual Framework.
Many contemporary authors have defined the concept of marketing communications and insurance. Marketing communications have been defined as the process of presenting an integrated set of stimuli to a target market with the aim of raising a desired set of responses within that target market and setting up channels to receive, interpret and act on messages from the market to modify present company messages and identify new communication opportunities (Lancaster & massingham 1999). Obviously, marketing communications as a sender and receiver of market -related messages, a company can influence customers to buy its brands in order to make profit and at the same time it can stay in touch with its market so that it can adjust to changing market conditions and take advantage of new communication opportunities.

Insurance is defined as a contractual agreement whereby one party agrees to compensate another party for losses (Dorfman, 1994). Ajaja (1995) describes the phenomenon as a mechanism by which risk is transferred by a person, business or organization to an insurance company which reimburses the insured for sharing in the costs of losses among all the insured. The term "Insurance" is thus seen as a provision of a system of compensation for loss, damage, sickness, death and other unforeseeable circumstances in return for regular payment of a predetermined premium (Oyetayo, 2001).

Harris (1998) opined that marketing communications function within a marketing framework and is known traditionally as the promotional element of the four Ps of marketing (product, price, place, and promotion). He added that the paramount goals of marketing communication are: to reach a defined audience so as to affect its behaviour by informing, persuading and reminding; to acquire new customer for brands by building awareness and encouraging trials; to maintain a brand's current customer base by reinforcing their purchase behaviour through the provision of additional information about the brands' benefits; and lastly, building and reinforcing relationships with customers, prospect, and other important stakeholders.

Ajaja (1995) noted that the nature of the operations of insurance businesses call for the collection of the relatively small and affordable costs of losses (premium) from a large number of insured by insurance companies. He thus added that the premiums which are usually paid upfront are subsequently shared among many insurance companies who offer to bear portions of the burden of the attached risks. Thus, insurance services embrace intangibility, inseparability, variability and ownership of title that are transferable (Ikupolati, 2008).

2.2. Components of Marketing Communication as relates to insurance
Okyere, Agypong and Nyarku, (2011) affirmed that marketing firms use various tools of communication to promote their offerings in order to achieve their promotional objectives under the marketing mix. From the study of Donelly and Peter (1998), three marketing communications tools were recorded viz: advertising, sales promotion and personal selling. Etzel, Walker and Stanton (2001) noted advertising, personal selling, sales promotion and public relations. In addition to these, Kotler and Armstrong (2008) added the fifth which is direct marketing. In other related studies, sponsorship was propounded as the sixth mode or channel of marketing communication mix (Jobber, 2004; Fill, 2005; Kotler & Keller, 2009)

2.2.1. *Advertising*
Advertising is one of the elements of the promotional mix which is considered prominent in the overall marketing mix. This attribute is as a result of its visibility and pervasiveness in all the other marketing communication elements (Okyere, Agypong & Nyarku, 2011). Advertising as a major social event resulst in key changes in values, beliefs, behaviour and buying patterns of the people as it influences the lifestyles of people (Polly & Mittal, 1993). Petrovici and Marinov (2007) said that core reasons for the change in the lifestyle and buying patterns of a person are the economic transformation and certain market opportunities.

Advertising involves making decisions on the five Ms- mission, message, media, money and measurement (Kotler, 2001). An advertising program can be measured in terms of both communication and sales effects. Measuring communication effect can be done before or after the advertisement is printed or broadcast. Measuring advertising after broadcast evaluates how the ad affected consumer recall or product awareness, knowledge and preference. In the same manner, sales persons' performances can also be measured by gathering information from different sources. These sources include sales reports, personal observations, customer

surveys, and talks with other salespersons (Kotler & Armstrong, 2005). Norris (1984) found that the importance of advertising as an information provider leads to greater market share and a positive image in market as consumer are better able to match their needs and wants against the product offering. Product information provided through advertisements play a vital role in changing the attitude or behaviour of the consumer (Polly & Mittal, 1993); and thus, the purchasing behaviour by meeting their needs after getting information about that market offerings; advertised in TV (O'Donohoe, 1995). Advertising gives support in the development of consumer self -image (Richins, 1991; Usman, et al., 2010), and product meaning (Friedman & Zimmer, 1988). Lastly, advertisement can serve as a source of entertainment or pleasure (Alwitt & Prabhaker, 1992; Polly & Mittal, 1993).

Generally, advertising has the potential to inform the public and customers (both present and prospective consumers) about the goods and services of a company; and to induce them to visit the company's manufacturing and/ distribution centers for further information and to make favourable purchase decisions. Therefore, advertisements for services should provide symbols, or tangibles cues, as concrete signals of the service's abstract attributes (Lacobucci, 2001).

The insurance industry is a major market for the advertising industry. Osoka (1992) had earlier noted that insurance companies need advertising to support and supplement their sales force and the other promotional activities, especially in view of the intangible nature of their products. Many insurers in Nigeria do not have advertising programs and it appears that where they do in most cases, the initiative is sold to the companies by outside agencies. He further added that more attention should be paid to rapid advertising as one of the ways to foster insurance awareness and enhance the image of the industry as a whole. This and many other past studies revealed that radio advertising mechanism and newspaper have often been employed by a number of the insurance companies in Nigeria in providing information, creating awareness, building company image and enforcing brand loyalty (Ajemunigbohun, 2009).

2.2.2.   *Sales Promotion*
Sales promotions are short-term incentives to encourage the purchase or sale of a product (Okyere, Agypong, & Nyarku, 2011). Blythe (2006) describes sales promotion as any activity intended to generate a temporary boost in sales. This includes several communications activities pursued in an attempt to provide added value or incentives to customers, wholesalers, retailers, or other organizational customers to stimulate immediate sales. Such efforts are usually geared towards stimulating product interest, trials or purchase. It is specifically designed to boost quick sales and ultimately create loyalty.

Sales promotions in the Nigerian insurance market environment had not always been used as a medium by most insurers because of the intangibility of their product offerings in creating values and maintaining relationship amongst various insuring populace, either existing or potential. The intangible nature of insurance products coupled with the complex and heterogeneous nature of the Nigerian populace and the Nigerian environment has made it difficult for this technique to achieve its primary objective of inducing purchase, enhancing sales volume and stimulating the interest of the insuring public towards the industry.

2.2.3.   *Publicity and Public Relations*
Publicity is the dissemination of information by personal or non-personal means, which is not directly paid for by the organization, nor is the organization the source. Grasby et al. (2000) describe publicity as the use of the media to provide free coverage in their stories related to their product. Unlike advertising that relies on purchasing power to get a message across, publicity relies solely on the quality of content to persuade others to get the message out.

Public relations(PR), on the other hand, is the overall term for marketing activities that raise the public's consciousness about a product, an individual or issue (Okyere, Agypong & Nyarku, 2011). Bruning and Ledingham (2000) explain PR simply as the management of the relationships between organizations and their stakeholders. Fill (2005) stipulates that there are three major roles public relations play within the communications programme of an organization. First is the traditional role of creating goodwill and stimulating interest between the organization and its various key stakeholders; second is to support the marketing of the organization's products and its task is to integrate with the other elements of the promotional mix; and third is to provide the means by which relationships can be developed.

However, the objectives of public relations tend to be broader than those of the other components of promotional strategy. It is concerned with the prestige and image of organization as a whole among groups whose attitude and behaviour can impact upon the performance and aims of the organization (Lancaster &

Massingham, 1999). Thus, it constitutes an indirect approach to promoting an organization's products (services inclusive). To corroborate this with Nigeria's insurance industry, reforms of the industry had been done (in the recent times, specifically, 2003, 2005, 2007 & 2009) in a bid to revitalize, reengineer and resuscitate the industry's capacity, awareness, image and many others. The publicity of the industry rests on the shoulders of the regulator (National Insurance Commission), practitioners (insurance companies, insurance broking firms, loss adjusting firms & reinsurance companies), government (federal, state and local), the educational sector (tertiary and secondary levels), and the entire Nigerians.

2.2.4.   *Personal Selling*
This can be described as an interpersonal influence process involving a business promotional presentation conducted on a person-to-person basis with the prospective buyer (Reid, 1981). Kotler (2006) defines personal selling as face-to-face interaction with one or more prospective purchasers for the purpose of making presentations, answering questions and procuring orders. Jobber (2007) also describes personal selling as the marketing task that involves face-to-face contact with a customer. Unlike the other tools within the communication mix, personal selling permits a direct interaction between buyers and sellers. Okyere et al. (2011) noted that this two-way communication means that the seller can identify the specific needs and problems of the buyers and tailor the sales presentation in the light of this knowledge.

Thus, communicating and convincing customers to buy service products is by far more challenging than selling manufacturing products. Personal selling, in turn, has the potential and opportunity to persuade those who can come to the company's office with background information about the service from company advertisement by responding to customers' questions and doubts about the service. Personal selling involves three basic sales tasks: (i) order-getting, (ii) order-taking, and (iii) supporting (Perreault & McCarthy, 2002). The interactive nature of personal selling also makes it the most successful promotional method for building relationship with customers; so, personal selling is the most useful communication tool at certain stages of the buying process, particularly in building buyer's first choices, certainty and proceedings. This is most imperative especially for service companies particularly in developing and underdeveloped countries (Steven & Keane, 1980).

Personal selling as a tool is the most used and relevant in the Nigerian insurance market environment mainly in life insurance business. The reason for this is because of the socio-cultural forces which influence the attitude and behaviour of the insuring populace. The level of ignorance as to the benefits of having insurance is still on its increase, therefore, many of the insurance companies' marketers (both internal or external) are left with the option of getting closely regularly with the insuring public in a bid to educate them on the need to have insurance cover.

2.2.5.   *Sponsorship*
Since traditional media have become more expensive, sponsorship is viewed by marketers as a cost-effective alternative (Lee et al., 1997). According to Arens (1999), sponsorship is a cash or in-kind fee paid to a property (which may be a sport, entertainment, or non-profit events or organization) in return for access to the exploitable commercial potential associated with the property. Palmer (2005) describes sponsorship as getting involved in events in order that an organization can achieve objectives such as increased awareness levels, enhanced reputation and thus build company's brand image.

A number of insurance companies though few are engaged in sponsorship programmes which include sporting activities such as sponsorship of specific radio programs; donations to charitable institutions, traditional festivals and beautification of flower gardens. To complement Osoka (1992), sponsorships which portray a company as a good corporate citizen no doubt enhance understanding of the company's role or business. He posited further that for sponsorship to be meaningful, it has to be backed by adequate planning which will include selecting what is to be sponsored, publicity for the sponsorship, time, duration and cost.

2.2.6.   *Direct Marketing*
 Direct Marketing has defined direct marketing as an interactive system of marketing that use one or more advertising media in acquiring a measurable response and/or transaction at any location. Similarly, direct marketing is described as the use of mail, fax, e-mail or internet to communicate directly with or solicit response or dialogue from specific customers and prospects (Kotler &Keller, 2009; Kotler & Armstrong, 2010). Thus, it is aimed at creating and exploiting a direct relationship between producers/ sellers and their customers/ buyers (Okyere et al., 2011).

E-commerce and the internet are increasingly becoming some of the most important drivers of strategic change for business and national governments. A body of research which specifically focused on the use of IT in the

insurance industry shows that its adoption is positively related to increases in productivity (Harris & Katz, 1991); yet, the insurance industry has been lagging behind the other financial institutions in embracing this new change within its activities (Arora, 2003). Most insurance organizations recognize that web services and electronic collaborations are the key buzzwords of today's organizations, but the bulk of the job in many firms is still done via manual paper-based processessing (Ahmadi & Salami, 2010). The information intensive nature of the insurance sector affects all activities of the value chain (from risk evaluation to claims management), which are based on the ability to process information efficiently. For this reason, investment in IT, which represent almost all investments in technical capital, affect productivity more than in other sectors (Matassa et al., 2003) The use of this communication tool Nigeria's insurance market environment is on its decrease. On the survey of the Nigerian insurance market space, it shows from findings that most of the insuring populace in Nigeria are unmindful while many are inaccessible to the internet facilities not mainly because of its usage but due to other factors such as: low financial status, ignorance, irregular power supply e.t.c. These reasons have made this tool of low patronage by insurers in sending to and receiving message from the insuring public (Ajemunigbohun, 2009).

3.   RESEARCH METHODS

The research design for this study employed a descriptive survey method. The target population of this study included all the employees (mainly marketing personnel) of 20 randomly selected insurance companies out of the industry capacity of 49. The sample size included 300 randomly selected employees of the target population i.e. fifteen marketing personnel from each company. Out of the sample size, 50 telephone calls were made while 250 questionnaires were sent out for the survey. Out of these, 216 of the returned questionnaire were found useable giving an effective response rate of 86.4%. These companies are located in major commercial cities of Nigeria. The percentage distributions of the questionnaire were – Lagos (the commercial nerve-centre of Nigeria) 72% while the other cities such as Ibadan, Port-Harcourt and Abuja (capital of Nigeria) had 28% altogether. For logistics reasons, 20% of the telephone calls were for Lagos and 80% for the other study areas. The questionnaire collection method for other centers was through the post. The choice of these study areas was because they are the major commercial center of successful businesses which housed quite number of insurance companies in Nigeria. In total, the effective percentage rate of responses for the study was 88.6% (i.e. 266 responses made up of 216 from hand/postal collection and 50 telephone completed).

Data were collected through the use of primary instruments comprised of telephone survey and well structured questionnaire to the participants. Respondents that were inaccessible were telephoned and responses were gathered while copies of the questionnaire were filled by other participants and returned to the researchers. The questionnaire asked participants to express their opinion with respect to the various marketing communication tools in a Likert-type scale. ****The options are –"strongly agree", "partially agree" and "not agree". The results of their opinion were later ranked according to their importance, that is 1=strongly agree, 0.5=partially agree and 0=not agree.

The marketing communication mix elements studied are advertising, (b) personal selling, (c) sales promotion, (d) publicity and public relations, (e) sponsorship, and (f) direct marketing.

4.   RESULTS AND DISCUSSION

The ranked order of the marketing communication elements in generating premium income according to the respondents are: (a) personal selling, (b) advertising, (c) public relations, (d) direct marketing, (e) sponsorship, and (f) sales promotion. For the volume of business perceived to have been derived from each of the respondents ranked as follows: (a) advertising, (b) public relations, (c) personal selling, (d) direct marketing, (e) sponsorship, and (f) sales promotion.

From Table 1, personal selling was considered as the best of the marketing communication elements in premium income generation based on the experiences of the marketing personnel in the Nigerian insurance market environment. Their judgment hinged on the insurance culture of the Nigerian populace. This assertion finds support in the study by Omar (2007), who assessed customers' attitude towards insurance patronage in Nigeria and found out that there is lack of trust and confidence in the insurance companies. In support of the view, Yusuf, Gbadamosi & Hamadu (2009) noted that the demand for insurance in a country may be affected by the unique culture of the country to the extent that it affects the population's risk aversion. Findings from this study support these assertions, as 242 respondents (91%) strongly agreed to the fact that personal selling generate more premium in life insurance and in motor insurance for general insurance businesses in most insurance companies in Nigeria; while 24(9%) were of partial agreement with the usefulness of this tool. As shown in Table 2, personal selling was ranked 3rd position for the volume of businesses as respondents who were in strong agreement with this were 79.3% while those in partial agreement were 20.7%.

Advertising was ranked second by respondents with regards to premium income generation; on Table 1 and first on Table 2 by respondents with respect to volume of business. Advertising also considered as an information provider which leads to greater market share (in terms of premium income) and a positive image in market as consumers are better able to match their needs and wants against the products offering (in terms of volume of businesses). This is supported by the findings of Norris (1984). In table 1, 217(81.6%) respondents strongly agreed while 47 (17.6%) partially agreed that advertising is a good generator of premium income. Only 2 respondents (0.8%) disagreed. In Table 2, Advertising is ranked 1st as 252(94.7%) of the respondents strongly agreed that advertising generates large volume of businesses for insurance companies in Nigeria most especially in the general insurance business (i.e. motor insurance and workmen compensation insurance). 14(5.3%) of the respondents expressed their partial agreement with the statement. This result corroborates the finding of Potluri (2008) in the Ethiopian service sector with respect to the effectiveness of marketing communication mix elements which noted that advertisement possesses such features as: providing information, creating awareness, changing attitude, building company image and enhancing brand loyalty.

Public relations ranked as third with regards to premium income generation (see Table 1 and Table 2). Respondents opinion shown on Table 1 indicates that 202 (75.9%) of them strongly agreed with this tool as regards its importance in premium income generation, 59 (22.1%) partially agreed while of the respondents 5 (2%) expressed their disagreement. As shown in Table 2, 231 (86.8%) of the respondents expressed their strong agreement, 35 (13.3%) partially agreed while none disagreed as to its capacity to generate volume of business. These results align with earlier finding of Babington-Ashaye (2009) who noted that proper publicity of the Nigerian insurance industry is achievable through the following: (i) rebuilding the image of the industry, (ii) marketing of insurance products through good product design, (iii) simplifying the language of policies, (iv) giving adequate attention to the people's issues (v) better business control and reporting, and (vi) development and enforcement of required code of ethics.

Direct marketing was seen as one of the elements of marketing communication by the respondents as shown in Tables 1 & 2 as it was ranked in each case .i.e. with respect to premium income generation and volume of business generated respectively. On Table 1, for premium income generation, responses were as follows: 199 (74.8%) strongly agreed, 50 (18.8%) partially agreed and only 17 (6.4%) expressed their disagreement. Table 2, for volume of business generated reveals that 195 (73.3%) respondents strongly agreed, 39 (14.7%) partially agreed, and only 32 (12%) did not agree that direct marketing is important. Analysis of responses from respondents reflects the position of direct marketing (i.e. information technology) and its usefulness as regards insurance services in Nigeria. Extant literature reveals similar findings in past studies; and this shows that not much has changed. For example, Harding et al. (2001) posited that IT contributes to the firm's ability to assess the needs of its customers and then adapt its operations to best match its market offerings (goods or services) to those needs in order to maximize customers' utility and company's profitability. Direct marketing being fourth on both Tables 1 and 2 shows that insurance organizations in Nigeria have not been able to fully integrate IT within their customer relationship management. Again Achimugu, Oluwagbemi, Oluwaranti, and Afolabi (2009) also found that in developing countries like Nigeria, only a few organizations in the economy have adopted the IT and others have not really integrated such within their entire organizational process.

Sponsorship was ranked fifth on both table 1 & 2 by the respondents. 117 (44%) strongly agreed, 38 (14.3%) partially agreed and 111(41.7%) expressed their disagreement on Table 1 for premium income generating ability. On Table 2, 104(39.1%) respondents strongly agreed, 46 (17.3%) expressed their partial agreement, while 116 (43.6%) did not agree. This result indicates that sponsorship as a promotional tool is not perceived as important and therefore has not fully annexed and integrated in the services of insurance organizations in Nigeria in terms of generating premium income and enormous quantum of businesses. This is in true with the earlier finding by Osoka (1992), who thereafter posited that for insurance companies to integrate sponsorship into their activities, they must be mindful of the following: undertaking adequate planning, creating publicity to enhance the sponsorship effectiveness, and time and cost of sponsorship. All these need to be effectively manned.

For Sales promotions, responses analysis on Tables 1 & 2 ranked it sixth and considered it as the least amongst all the marketing communication mix elements that insurance companies would ever think of using in their search for premium income and large volume of businesses. This is because as evidence in Table 1, respondents who indicated strong agreement were only 29 (10.9%), 36 (13.5%) partially agreed, while majority .i.e. 201 (75.6%) did not welcome the use of this tool as they disagreed. From Table 2, respondents indicated as follows: 25 (9.4%) strongly agreed, 38 (14.3%) partially agreed and 203 (76.3%) expressed their high dissatisfaction for the use of this element either in generating premium income or seeking businesses. From these responses, it

shows clearly that most marketing personnel in Nigeria's insurance market described sales promotion as not significantly useful as a marketing communication tool in their search for businesses and premium income for their respective organizations.

Generally speaking, marketing personnel within the surveyed companies are convinced that marketing communication elements (promo tools) are important in their operations as cumulatively 958 (60%) of the respondents (see Table 1) and 981 (61.5%) of them (see Table 2) strongly agreed to their importance in premium income generation and business volume generation respectively. It is the weighting placed on the relative importance of each of the elements that, however, varies.

5.   CONCLUSIONS

This study has confirmed the importance of marketing communication mix elements in the services of insurance organizations. It has also revealed, through the rankings, the order at which all these elements are considered useful by the marketing personnel in the Nigerian insurance market environment. It provides useful information for existing and prospective marketing managers, insurance brokers, insurance agents, other insurance practitioners and the likes. Knowing how to use this information in the effectiveness of insurance operations depends on the understanding of some key driving force such as culture, trust, information technology, publicity (timing, duration and cost) and customer relationship strategy. Based on the results of the responses from selected insurance companies, the research finds out that most insurance marketing officers are more interested in using three amongst the six elements in their quest for generating premium income and large volume of businesses. These are: advertising, personal selling and public relations. For direct marketing, it was found that it contributes equally to both dimensions of the dependent variables of research interest. Consistent with some previous studies, this study supports the view that the use of IT can enhance service delivery. Apart from that, another finding is that the effective and efficient combination of high level of IT and service delivery will increase the level of customers' patronage and ultimately the organization's profitability.

Based on the findings, the study confirms that marketers have a low level of appreciation from the marketers towards sponsorship as an element of marketing communication; while findings also show that marketers of insurance services did not reckon with sales promotion in this line of business. Nonchalant attitude, cultural perception, and the lack of trust, interest, appreciation and confidence of the insuring public calls for proper implementation of the various communication elements. To strengthen this position, Yusuf, Gbadamosi & Hamadu (2009) earlier recommended that significant marketing communication activities be targeted at the public so as to kindle the insuring publics' interest in the business and bring the insurance institution to the highly exalted position it belongs in their perception.

6.   RECOMMENDATIONS AND SUGGESTION FOR FURTHER STUDIES

In view of the findings of the study, the following recommendations are worth noting. Firstly, direct marketing as a tool of communication should be explore and properly entrenched in all areas of operation of the insurance industry. Secondly, to enhance effective working of the marketing communication mix elements, management should adopt a more diligent approach through sponsorship of community development programs so as to co-integrate the insuring populace in rebranding the image of the industry. In addition, this study recommends that regulatory authority should wade in to strengthen regulation and supervision that would further boost the public confidence and trust in the industry. By doing this, marketers of insurance services may see the need for effective usefulness of the other less used elements of the marketing communication mix.

There are some notable limitations to this study. First it emphasized the usefulness of marketing communication mix elements in service delivery of insurance organizations without discussing cost implications of the uses of these elements. Secondly, the data for this report were gathered from insurance operators (specifically insurance marketing officers) only and the views of the insuring public on the subject were not taken into consideration. Thirdly, the research does not indicate clearly the reasons for the ineffectiveness of the other less accepted elements of the marketing communication mix. Lastly, limited article materials were found on marketing communication mix elements as it relates to insurance services, hence it makes this study first of its kind in the Nigerian insurance market environment.

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Table 1. Ranking of the Marketing communication mix elements as regards Premium income generation

Marketing Communication Mix Elements	Strongly Agree	Partially Agree	Not Agree	Total	Score Total	Rank
Advertising	217	47	02	266	240.5	2
Personal selling	242	24	0	266	254	1
Sales promotion	29	36	201	266	47	6
Public relations	202	59	05	266	231.5	3
Sponsorship	117	38	111	266	136	5
Direct marketing	151	50	65	266	176	4
Total	958(60.0%)	254(15.9%)	384(24.1%)	1596(100%)		

Source: Authors' Field Survey, 2012.

Table 2. Ranking of the Marketing communication mix elements as regards volume of businesses

Marketing Communication Mix Elements	Strongly Agree	Partially Agree	Not Agree	Total	Score Total	Rank
Advertising	252	14	0	266	259	1
Personal selling	211	55	0	266	238.5	3
Sales promotion	25	38	203	266	44	6
Public relations	231	35	0	266	248.5	2
Sponsorship	104	46	116	266	127	5
Direct marketing	158	48	60	266	182	4
Total	981(61.5%)	236(14.8%)	379(23.7%)	1596(100%)		

Source: Authors' Field Survey, 2012.