IMPACT OF ADVERTISING ON THE MARKETING OF CONSUMER PRODUTS IN NIGERIA: A STUDY OF PATERSON ZOCONIS CUSSONS (PZ) NIGERIA LIMITED (ZARIA BRANCH)

BY

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BEING A PROJECT SUBMITTED TO THE POSTGRADUATE SCHOOL OF AHMADU BELLO UNIVERSITY, ZARIA IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (MBA)

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Declaration

I sincerely declare that this project is a product record of my findings. All materials and works used in the research have been duly acknowledged in the reference section of this research work.

_____ _____

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Certification

This is to certify that this project titled **"Impact of Advertising on the Marketing of Consumer Products in Nigeria: A Study of Paterson Zoconis Cussons (PZ) Nigeria Limited (Zaria Branch)"** written by Aderonke Raheedat DANIA meets the regulations governing the award of the degree of Master of Business Administration (MBA) of Ahmadu Bello University, Zaria and it is therefore approved for its contributions to knowledge, and literary presentation.

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Dedication

This research project is pleasantly dedicated to Almighty Allah, the most gracious, most merciful and who has given me the strength and good health during the course of study; to my beloved parents for their support and efforts cannot be evaluated, their contribution, love and affection cannot be quantified. May Almighty Allah reward them abundantly (Amen).

Acknowledgement

I am grateful to Almighty Allah for his shower of blessings, love, mercies, guidance throughout the course of my studies and research.

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My regards and appreciation goes to my beloved and wonderful parents towards their financial and moral contribution. Also to the staffs of PZ Zaria branch who made my research productive by giving the necessary information I needed.

Finally my appreciation also goes to siblings and all my loved ones to numerous to mention who have contributed one way or another toward my research work, thanks for all your love and support, may Allah bless and reward you all abundantly.

Lastly I say. Alhamdulillah.

ABSTRACT

Advertising is directed to the consumers or target audiences through various media in order to present and promote a product, services and idea. Good advertising requires competent personnel including a number of specialists to enable it thrive in the ever dynamic and competitive business environment. In our efforts to highlight the impact on the sales volume of the company's products a survey study of was carried out. Questionnaires were administered on 107 staff of the organization to determine the impact of advertising on the marketing of the company's products. The data obtained were presented using tables and the analysis was done using simple percentage and descriptive methods, while chi-square was used to test the hypothesis. Results of the findings indicate there is a positive relationship between advertising and sales volume of the company and that advertising has impacted on the marketing of the company's products. In view of this the researcher recommended that due to the competitive nature of the industry the marketing manager must develop and formulate marketing programmes that will satisfy the needs of the consumers. Also, since other service producers have similar advertising messages, it is recommended that for a more distinguished and effective response from the customer, other forms of advert should be used. Regular and consistent up-to-date training on product information should be given to the advertising agency so that they will have the current knowledge and skills to handle the adverts and also to ensure that product information is being emphasized so as to enlighten the customers.

TABLE OF CONTENTS

Title page - - - - - - - - - - i

Declaration - - - - - - - - - - ii

Certification. - - - - - - - - - - iii

Dedication - - - - - - - - - - iv

Acknowledgement - - - - - - - - - v

Abstract - - - - - - - - - - vi

Table of Contents - - - - - - - - - vii

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study - - - - - - - - - 1

1.2 Statement of the Problem.- - - - - - - - - 2

1.3 Research Questions - - - - - - - - - 3

1.4 Objectives of Study - - - - - - - - - 4

1.5 Research Hypothesis. - - - - - - - - - 4

1.6 Significance of the Study - - - - - - - - - 5

1.7 Scope and Limitation of the Study - - - - - - - 5

1.8 Definition of Terms - - - - - - - - - 5

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction - - - - - - - - - 7

2.2 Concept of Advertising. - - - - - - - - - 7

2.3 Nature of Advertising - - - - - - - - - 13

2.4 Importance of advertising. - - - - - - - - 14

2.5 Purpose of Advertising - - - - - - - - - 16

2.6 Scope of Adverting - - - - - - - - 17
2.7 Adverting and Sales Relationship - - - - - - 21
2.8 Advantages and Influence of Advertising on Sales Turnover - - - 23
2.9 Factors that Determine the Choice of Media - - - - - 24
2.10 Theoretical Framework - - - - - - - - 25
2.11 Summary - - - - - - - - - 27

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction - - - - - - - - - 28
3.2 Research Design. - - - - - - - - - 28
3.3 Population of the Study - - - - - - - - 29
3.4 Sample Size. - - - - - - - - - 29
3.5 Sources of Data - - - - - - - - - 30
3.6 Methods of Data Collection. - - - - - - - 31
3.7 Method of Data Analysis - - - - - - - - 31
3.8 Justification of Method Used. - - - - - - - 32
3.9 Summary - - - - - - - - - - 32

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction - - - - - - - - - 33
4.2 Background Information on PZ Cussons Nigeria - - - - 33
4.3 Advertising media used by PZ Cusson Nigeria - - - - - 33
4.4 General Impact of Advertising on the marketing of consumer products of PZ Cusson Nigeria - - - - - - - - - - 35
4.5 Data Presentation. - - - - - - - - - 38

4.6 Test of Hypothesis - - - - - - - - 48
4.7 Discussion of Findings - - - - - - - - 54
4.8 Summary - - - - - - - - - - 56

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary - - - - - - - - - - 58
5.2 Conclusion. - - - - - - - - - 61
5.3 Recommendation. - - - - - - - - - 61
Bibliography - - - - - - - - - - 62
Appendices - - - - - - - - - - 63

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Advertising has become a powerful communication tool in passing message about the products and services to both customers and potential customers. When there is adequate awareness through advertising, high patronage will be achieved, which will result to an increase in sales volume, productivity and profit level of the organizations.

However, poor product communication to the final consumers could give competitors an edge in term of loyalty to brands, sales volume and high market share. Consequence of this has been the major setbacks for matured industries.

Contemporary strategic marketing practice calls for more than developing a good product or service, pricing it adequately, and making it available to target customers or clients. Organizations should also promote their products and services to present and potential customers and clients. Udel (1968) identified marketing promotions as the most important facet of marketing strategy leading to effectiveness. Advertising, an aspect of promotional strategy, has both an informative and persuasive role, and in this respect can alter customers'/clients' perceptions of a product or service. As Pickering (1976) suggests, advertising can increase brand loyalty, thereby decreasing price elasticity through increased differentiation. Bain (1956) posits that advertising can have a cumulative and long lasting effect on organisational and strategic performance.

Akanbi and Adeyeye (2011) believe that advertising campaign cannot solely be responsible for recorded increase in sales. Other unrecognizable factors like higher income for

potential customers, reduced problems of competitors, improved customer relation of distributors and retailers and other unnoticeable factors apart from the campaign may be responsible for the company's improved sales (Akanbi and Adeyeye, 2011). Morden (1991) believes that advertising gives the knowledge about the product and create the idea in mind about it. Busari (2002) as cited in Adekoya (2011) says that advertisements can also be seen on the seats of grocery carts, on the wall of airport walkways, on the sides of buses, airplane and train. Advertisements are usually placed anywhere an audience can easily and/or frequently access visual and/or video. Akanbi and Adeyeye, (2011) discover that advertising as a subset of promotion mix has a significant effect on sales turnover. Adekoya (2011) finds that advertising influence consumer buying behavior, which means that it helps to increase sales turnover. It is on this premise that this research work wishes to examine the impact of advertising on organizational marketing turnover with special reference to consumer products of Paterson Zoconis Nigerian, Zaria branch.

1.2 Statement Of Problem

Often, when asked the non-price reason behind their choice for a particular brand of product over another, most consumers will readily shout "Quality". However, one would accept this answer with a lot of ambivalence, given the fact that it is only on rare occasions that consumers would have what it takes to make an objective quality differentiation among alternative product brands. This category of consumers is highly informed and enlightened and their percentage is quite negligible in Nigeria.

Furthermore, quality status ascribed by consumers to certain product brands is not real but perceived. It is mostly a figment of their perception. It therefore follows that, those marketers

who know how best to manipulate consumer perception and therefore better position their brand in the minds of the consumers will definitely emerge winners in the marketing warfare.

In the regulated consumer products industry in Nigeria, it may be expected that the issue of "better quality" should not arise. This is against the backdrop that the National Agency for Food and Drug Administration and Control (NAFDAC) has stipulated and is seriously enforcing both production and marketing standards for all producers of consumer products thereby making every brand of consumer products of equal purity and quality, yet most consumers of these products would readily pay a premium price or are price insensitive when it comes to the purchase of a particular brand. This gets one wondering, could it be that consumers in making choice are merely responding to the outcome of their perception which is a function of such attributes like brand name, mark, package, company-of-make etc. A point to note is the fact that most producers strongly believe that advertising also, has a very high influence on consumer's choice (Ogbuji, 2008).

However, given the fact that many elements contribute to the buying decision of the consumers, one is not sure if these elements play equal role in influencing choice or if some play a higher role than others. This is the crux of the problem of this study. The study therefore, seeks to establish impacted advertising has on the marketing of consumer of products of PZ Nigeria.

1.3 Research Question

This research intends to consider the question:

1. Does advertising have an impact on the marketing of the company products?
2. To what extent does advertising affect the overall performance of the company products

1.4 Objectives of Study

In a growing economy such as Nigeria, it is often very difficult to have a regular and consistent increase in the sales volume of a product because of the political and socio-economic instability in the country which directly affect the standard of living and the purchasing power of the consumers.

This research is based on the drive to know the effect of advertising on the sales volume of consumer products in Paterson Zoconis Nigeria and how this sales volume can keep the company going in business.

In order not to deviate from the original intention and motive, the following will therefore outline the objectives which this research work intends to achieve which are to:

I. determine if advertising has any impact on the volume of sales for the consumer preference of a particular service.
II. assess the extent to which an advertising programme reflects on the overall performance of the company's products.
III. identify the major merits and demerits of advertising.

In the light of the above, examining the impact of advertising on the marketing of consumer products, using PZ as a case is therefore a significant undertaking.

1.5 Research Hypothesis

For the purpose of this study, the hypothesis available is as stated;

Hypothesis 1 (Ho_1): There is no significant relationship between advertising and organizational performance.

Hypothesis 2 (Ho_2): There is no significant relationship between the extent of sales generated and advertising activities applied.

1.6 Significance Of The Study

An evaluation of the effectiveness of advertising on the marketing of consumer products is of importance to any organization engaged in the production/marketing of consumer products since it determines to a great extent the organization's efficiency through increased sales.

The findings of this research will reveal the importance of advertising and is hoped to enhance better quality advertising programmes by PZ and other companies involved in the business of marketing consumer products.

Finally, the study will be significant to students and researchers since it will enlarge the existing literatures on the areas of effective advertising and sales.

1.7 Scope Of The Study

This study looks at the impact of advertising on the marketing of consumer products of Paterson Zoconis (PZ Cusson) Nigeria with focus on sales in Zaria branch and covers the period of 5years (2007 – 2011).

1.8 Limitations Of The Study

This research study was constrained by several factors and these include inadequate finance, insufficient time, inadequate data and release of information. These factors may have somehow limited the outcome of this research work.

1.9 Definition Of Terms

Advertising: This is any paid form of non-personal presentation of idea, goods or services by an identified sponsor.

Advertising Agencies: These are usually independent business organizations comprised of creative and business personnel, who develop, prepare and place adverts for organizations so as to attract and influence consumers' behaviour towards a product or service.

Consumer: This is the person(s) to which the advertisement and products/services are directed. Here they are also known as buyers of a company's product.

Outdoor Media: These cover the use of billboards, sign posts, posters, handbills, etc. in communicating the advertising message to the consumers.

Electronic Media: These include radio, television, the internet, etc and can be either local or international.

Market: This is usually the strategic location or place where the company's consumer/buyers are situated or where they go to buy the products/services of their choice. The market place offers different products/services to different consumers.

Producer: This is the organization or firm that provides a product or that delivers services for consumer consumption.

Sales Volume: This is used to measure the amount, usually in cartoons/crates, etc, of the product being sold at a given point in time. This is commonly used as well with products but it could be as used within a service company.

Transit Advertisement: A relatively minor volume of the advertisement placed in or on public buses, taxis, cars and other commercial vehicles.

Product: This can represent anything a consumer acquires or might acquire to meet a perceived need. The need not necessarily need to be satisfactory. Some product might not satisfy their needs.

Sales: This is a process of selling something such as a product, ideas or services. It also covers the number of goods or services sold at a given point in time.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter provides a review of relevant literature and theoretical framework. It essentially consists of two parts; the first part is the review of relevant literature while the second part provides an insight on the theoretical framework linking Advertising research topic.

A substantial body of literature has been devoted to the link between advertising and sales turnover as well as over all company performance, both in developing and developed economies.

Also results from various studies on the role of advertising in an economy have shown that companies with well developed advertising systems tend to grow faster. This is because well-functioning advertising system eases sales/turnover constraints that obstruct firm's expansion. There had been a general consensus that there is some positive relationship between the advertising and overall company performance

2.2 Concept Of Advertising

Advertising has really played an important role in increasing the sales volume of any company's product at any point. In fact, it has contributed immensely to increasing growth of many companies in various industries. Because it has placed positive image of the company's product in the minds of the potential consumers and this can influence buying behaviours.

Bennett (2006) sees promotion as a process of delivering message about the products or service from the marketer to the potential buyers. Basically, the main objective of communication is to inform and persuade. There is no gainsaying in the fact that consumers must know that a product exists; otherwise, they may not understand how the product can meet their needs. Therefore, the first objective of communication is to disseminate information. The consumers may want to be assured that the product can satisfy their needs. Hence, some persuasion is required to encourage the consumers to buy the products. Alonge (2001) views it as "means of drawing someone's attention to something or notifying or informing somebody of something". Courtland (2003) defines advertising as non personal communication information, usually paid for and usually persuasive in nature, about products, services or ideas by identified sponsors through various media. Akanbi and

Adeyeye, (2011) see advertising as a tool of marketing for communicating ideas and information about goods and services to an identified group, which employs paid space or time in the media or uses another communication vehicle to carry its message. Kotler, (2003) defines advertising as a non-personal communication paid for by an identified sponsor who is relayed through various media with the aim of influencing people's behavior towards the advertiser's products and services at the lowest possible cost. Frank (2005) as cited in Akanbi and Adeyeye, (2011) defined advertising as the aim to persuade people to buy.

Advertising is the dissemination of information concerning an idea, service or product to compel action in accordance with the intent of the advertiser. Advertisement in such a media as print (newspaper, magazines, billboards, flyers) or broadcast (radio, television) typically consist of pictures, headlines, information about the product and occasionally a response coupon. Broadcast advertisement on the other hand consists of an audio or video narrative that can range from 15seconds spots to longer segments known as infomercials, which generally last 30 to 60 minutes (Busari 2002).

Wanoff (2007) observes that advertising consist of all the activities involved in presenting to a group a non personal, oral or visual, openly sponsored message regarding a product, service or idea. This message, called an advertisement, is disseminated through one or more media and is paid for by the identified sponsor. The major role of advertising is to inform, to persuade and to remind the potential customers about the available product. Alonge (2001) feels that advertising can be defined as any paid form of non-personal communication which is directed to the consumers or target audiences through various media in order to prevent and promote product, services and idea.

Dunn et al. (1978) viewed advertising from its functional perspective, hence they define it as a paid, non-personal communication through various media by business firms, non-profit organization, and individuals who are in some way identified in the advertising message and who hope to inform or persuade members of a particular audience. Adekoya, (2011) says that advertising is branch of commerce which used to create awareness for particular product and it must be paid for. Advertising informs, educates and persuade people to buy the advertised goods or services.

Adekoya, (2011) highlights major categories of advertisement used by various organizations as follows:

i. Retail advertising: Advertising to consumers by various retail stores such as supermarkets and small stores.

ii. Trade advertising: Advertising to wholesalers and retailers by manufacturers to encourage them to carry their products.

iii. Industrial advertising: Advertising from manufacturer to other manufacturers knows as "business-to-business" advertising.

iv. Institutional advertising: Advertising designed to create an attractive image for an organization, rather for a product.

v. Product advertising: Advertising for a good or service to create interest among consumers, commercial and industrial buyers.

vi. Advocacy advertising: Advertising that supports a particular view on an issue (e.g. an ad in support of fake food and drug control). Such advertising is also known as cause advertising.

vii. Comparison advertising: Advertising that comprises competitive products.

viii. Interactive advertising: Customer- oriented communication that enables customers to choose the information they receive, such as interactive video catalogues that allow customers select items to view.

ix. Online advertising: Advertising messages that are available by computer when customers want to receive them.

In the words of (Lindstrom, 2008), there are three pronged approaches to developing an effective branding strategy namely, determine which audience to focus on, determine what

message your brand should convey and finally, determine what creates the brand. He further opined that a brand must have a clear audience focus, value focus and tone-of-voice focus with which to deliver its well-honed message.

Kim and Chung (1997) researching on brand Popularity, Country Image and Market Share believes is that competition among brands has become more complicated as the number of brands originating from foreign countries increases. They identified two concepts (brand popularity and country-of-origin-image) as being key variables for the long-term success of brands or firms in global markets. They strongly believe that these two factors interact with other marketing variables such as advertising in influencing brand performance and by extension acceptance by consumers. Suffice it to say here that what country-of-origin image does for brand performance in the global market is what advertising and company-of-make-image does in the domestic market. Again, advertising is an important factor in market performance both in the global and domestic market.

Okpara (2007), studying brand popularity and company-of-make cognitions of major consumer brands in the Nigerian youth market, had its main objective as finding the impact of popularity and company-of-make on consumer choice. The research surveyed a total of 1200 respondents (students) chosen from universities in the southeast, Nigeria and came to the conclusion that 100% of the respondents do not know all the manufacturers of even their favourite brands, with females being more brand loyal than males. This research went further to observe that majority of first choice brands in the market are from Multinational companies. On the strength of this finding, the study recommended that corporate bodies should intensify

promotional campaigns on the company more than on the individual brands (institutional as against brand advertising).

Adirika, Ebue & Nnolim,*(* 2000) recorded the outcome of a study on branding carried out on Taiwanese manufacturers who produce a great amount of the worlds clothing, consumer electronics and computers but not under Taiwanese brand names. The result of the study showed that marketing power lies with the brand-name and advertising compaigns and not with actual manufacturers. This is because brand name companies can replace their Taiwanese manufacturing sources with cheaper sources in Malaysia and elsewhere and still retain their market shares. This study only goes to portray the fact that consumers are more susceptible to persuasions and brand name rather than quality.

Okpara,(2008) studying the Attitudinal Dimensions to Home brands of shoes as compared to foreign brands discovered the presence of what he termed Consumption Complex Syndrome (CCS) as being responsible for local consumers preference for foreign branded shoes over the local branded counterparts. Okpara's model suggests that once consumers are exposed to the awareness and knowledge of a brand of product, they either like or dislike it. Allusion to Consumption Complex Syndrome suggests that when a consumer asserts preference for a particular brand of shoe (foreign) and cannot in a blind brand experiment clearly pick out that brand, then he possesses the syndrome. This simply suggests that what consumers buy most times is name and not quality. This, one believes may equally be true of consumers of regulated bottled water who cannot determine in a blind brand experiment their choice brand.

Advertising Process

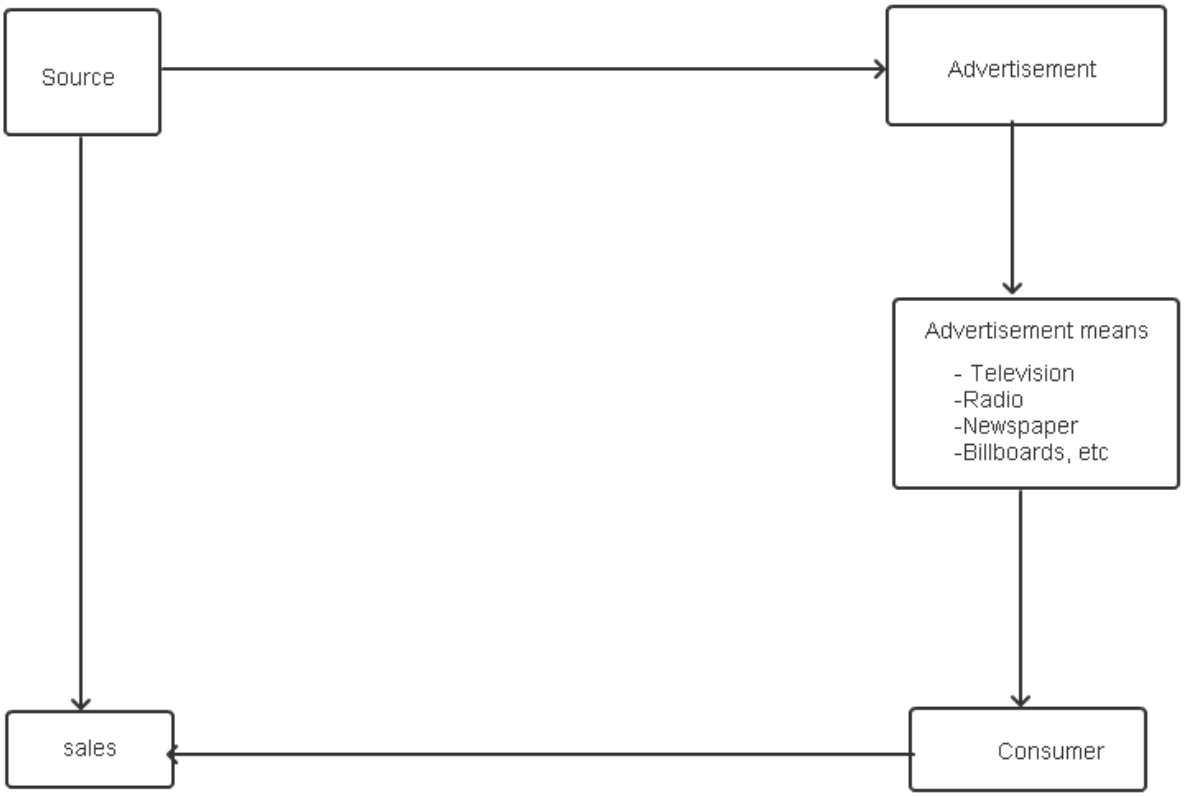


Figure 1 Model of Advertising (Osuagwu & Linus, 1997)

The advert message is put into a symbolic form such as pictures, written words or spoken words. The message is then transmitted to the consumer via means of advertisement like television, radio, newspaper and so on. But, advertisement cannot produce immediate sales; sales may come in the long run, since consumers normally don't switch from uninterested individuals to convinced consumers in one instant move or day (Richard, 1996).

2.3 Nature of Advertising

Advertising is much more complex than could be really imagined. Placing cause and effect is much more difficult in advertising than in the physical science. This is because it is not easy to control the various factors that could be regarded as contributory in an advertising environment. For instance, a company cannot categorically claim that a particular advertising campaign was solely responsible for recorded increase in its sales at the end of the campaign. Other unrecognizable factors like higher income for potential customers, reduction problems of competitors, improved customer relation of distributors and retailers and other unnoticeable factors apart from the campaign may be responsible for the company's improved sales. It is also difficult to classify advertising as either an art or a science. Neither practitioner nor academicians have ever agreed on an answer. This is because advertising has a bit of both. In general, creative people regard advertising as an art and themselves and artistes who through their creative ability device effective ways of communicating advertising ideas that will persuade potential customers to use a product, service or an idea.

However, people who work in the area of advertising as part of marketing mix often emphasize the science of advertising. This is because they see advertising as part of a mixture of elements combined in a marketing plan to achieve an effect. This, of course looks quite scientific. Whether we emphasized the art or science of advertising, we must concede the fact that like many other fields of social endeavour, advertising is becoming more and more measurable and scientific source. But because it deals with people and its main products are artistic expressions of human creativity, it will never be an exact science but a social science. (Frank, 2005)

2.4 Importance Of Advertising

The public/consumers benefits greatly from advertising expenditures. First, advertisements are informative. The newspaper ads are full of information about products, prices, features and more. Businesses spend more on direct mail than radio or magazine advertising. Direct mail (e.g. catalogues and letters sent by mail to people's homes and offices) is an informative shopping aid for consumers. Most times consumers receive mini catalogues in their newspaper, that tells them what's on sales, where at what price, for how long and more.

Advertising not only informs us about products, it also provides us with free television and radio programmes because money advertisers spend for commercial time pays for production costs. Advertising also covers the major costs of producing newspapers and magazines.

Newspapers, magazines and radio are especially attractive to local advertisers. However, television offers many advantages to a national advertiser but it's expensive. But few media besides television allow advertisers to reach so many people with such impact. Marketers must choose which media and which programs can be used to reach the audience and what they desire. Different kinds of advertising are used by various organizations to reach different market targets (Kotler, 2005).

Young (2005) stated that in an effort to improve managing and gain audience attention, advertisers create branding moment that will resonate with target markets, and motivate audiences to purchase the advertised product or service, advertisers copy test their advertisement before releasing them to the public.

In addition to this however, advertising performs some other useful and important roles in every society. (Sandage and Rotzoll 2001) stated that advertising plays the following roles:

Provision of Employment Opportunities

The advertising business is such a lucrative one that very many people are employed in the sector as specialists and non-specialists.

Creation of Standards through Competition

Advertising message often extol the good qualities of products or service. For consumers to continue to buy these product or service, manufactures or organization are compelled to adhere to the advertised qualities, for if they allow the qualities to drop, consumers will buy less of their products or services and patronize their competitors instead. This thus ensures that manufactures and organization do not allow the quality of their products or service to fall below a standard that is acceptable to consumers.

Improvement of Living Standard

Many things that make life easier and more pleasant like radio, television, fan, video, computer, and motor cars and so on are not necessities but comforts. The comparative inexpensiveness of these products are made feasible through mass demand, a "by- product" of mass awareness created by advertising. This evidently shows the link between advertising and standard of living in a society.

Provision of Entertainment and Relaxation

Many advertising companies especially broadcast media advertisement present their messages with humor and thus provide entertainment and relaxation for the audience. The presence of some characters in advertorial prints is geared towards providing entertainment and relaxation for the audience without the message being lost or submerged.

Aesthetic Role

The billboards on our roads and neon sign advertising displays on high-rise building play an aesthetic role and without them in our stadia and such other public areas, they will look bare and unattractive. This is why it could be rightly said that advertising plays an aesthetic role in the society.

2.5 Purpose Of Advertising

Advertising plays a vital role in marketing consumer products, and promoting and influencing purchasing decision. Most consumers have the erroneous impression that promotion is synonymous with advertising and vice-versa.

The partnership between producers and consumers through advertisement is solely aimed at achieving certain mutually beneficial objectives. These are;

To Introduce New Product: One of the roles of advertising is to inform consumers about the existence of a new product in the market i.e. creation of awareness.

Persuade Customers to Buy: Advertising helps in arousing the customer's interest and by so doing persuades them to buy the product.

Creation Of Demand: Advertising stimulates demand by constantly reminding potential consumers about the availability of the product in the market.

To Change Consumer Belief: Advertisement is a very good instrument that can be used to change consumer mindset about a product or service. Hence, help to tap into their buying power and influence their thoughts.

To Create Brand Loyalty: The demand of the consumers can be maintained by constantly arousing their interest on a particular product and this will ultimately create brand loyalty.

Develop large market: Advertising create large market segment which leads to the development of larger market.

To Promote the Image of the Firm: Advertising builds a corporate image for a company.

It helps to familiarize consumers with the new style of product in the market.

Alerts and sensitizes member of marketing channel.

It helps to reduce consumer dissonance.

2.6 Scope Of Advertising

The scope of advertising anywhere could be measured in terms of the volume of money involved in the advertising business, the number of personnel in the industry, the standard of professional practice, the sophistication of equivalent and material use in advertising practice and other numerical parameters (Sandage, 1999). The statistics for the amount of money involved in the advertising business in Nigeria may not be easily obtainable but a good idea could be gotten by considering the following parameters:

- Amounts realized by the broadcasting media from commercials annually.
- Amounts realized by the print media from advertising annually.(the print media solely depends on revenue from advertising for survival)
- The number of advertising agencies and agents in the country. The presence of many agents is an indication of the profitability of the advertising business.
- The number of billboards on our roads and the cost of mounting them up.
- The amounts expended on producing advertorial publications for both the print and electronic media.
- The volume of remunerations paid to personnel in the advertising business could be appreciated by considering the various organizations who handle or use advertising and employ advertising practitioners and allied workers on full time or part time basis. Such organizations include advertising agencies, the mass media and advertisers.

All over the world, advertising has ceased to be an all comers job. Even though there are still quacks in the profession like in all professions, that standard of advertising professional practice in Nigeria is currently highly demanded. To qualify as an Advertising practitioner, one must go through specified academic learning in higher institutions or pass the professional examinations conducted by the Advertising Practitioners council of Nigeria (APCON). Also establishing an advertising agency involves a rigorous process, which requires that a qualified advertising practitioner is at the hem of its affairs (or employing one to be in charge). An advertising agency must also at all times comply with the code of ethics and professional practice prescribed by both APCON and Association of Advertising Agencies of Nigeria (AAAN). This depicts that advertising has crossed the threshold from being a mere activity to a highly recognized profession. Like all frontline professions, advertising is really taking advantage of technological advancement by improving its outlook in all spheres.

Sky signs, product display on the side of high-rise buildings, interest advertising and other forms of hitech advertisements that are very common these days are indications of the level of sophistication in the advertising business. The use of computers in copywriting, layout and designs and even the print production processes are also part of sophistication in advertising. Looking at all the parameters discussed above in relation to other factors; it is obvious that the scope of advertising business in the world and even in Nigeria is advancing at a level that is very substantial.

Advertising Environment or Issues

Advertising is one of the most visible activities of business and it does not operate in a vacuum. By informing, persuading and reminding consumers to use their products or services, companies risk public criticism and attack if their advertising is offensive to the audience or if the advertised

products or services do not perform as promised. The opinion of people about advertising is divided.

Economic Issues

Advertising sets off a chain reaction of economic events. Why do consumers prefer advertised brands as compared to unadvertised brands in the same product category? Not necessarily because advertised brands

are superior but because advertising can add value to a brand in the consumer's mind. The famous psychologist, Ernest Ditcher, known as the father of motivational research, has stressed that a products image created in part by advertising and promotion, is an inherent feature of the product itself. It has also been shown that while an advert may not speak directly about a product's quality, the image created by advertising may imply quality and make the product more desirable by adding value to it. Advertising also adds value by educating consumers about their option of choosing their desired value in the products or services they buy. If the price is more important to consumers, they have options of buying less expensive alternatives. Many of our wants are emotional, social, or psychological in nature rather than purely functional. Advertising also offers consumers the opportunity to satisfy their psychic or symbolic needs and wants through products or service that they use.

Advertising contributes to the self-interest of both consumers and advertisers by adding value to products and services in a free-market system. Furthermore, it encourages competition which adds to serve the consumer's self-interest. Note that there are several costs involved in doing business, and advertising is one of them. Most retail advertising prominently focuses on price and tends to hold price down.

Manufactures advertising usually focuses more on product features, benefits or image in an attempt to convince consumers that the product is better. In this instance, advertising tends to support higher prices.

Economists are critical of advertising because it creates a barrier to entry of smaller firms which have fewer resources, and cannot match the power of large firms with huge advertising budgets. High costs may inhibit their entry and brands of large firms could benefit greatly from this barrier. This results in less competition and consequently higher prices (Bennett,2006)

Social Issues

The source of controversy over advertising stems from the way it is used by advertisers. In accomplishing the sales or communication objectives of marketers, advertising influences social values, life styles and society's tastes. Advertising is criticized for being untruthful and deceptive, offensive and in bad taste and it is said to also exploit valuable groups. It is generally agreed that advertising exerts a powerful social influence and is criticized for encouraging materialism in society. Advertising is blamed for manipulating consumers to buy things for which they have no real need, depicting stereotypes and controlling the media. Materialism is the tendency to accord undue importance to material interests and this tendency, perhaps, lessens the importance of freedom, love and intellectual pursuits of society; which are non-material. People from many countries and cultures believe that materialism tends to be negatively related to happiness and hence is considered undesirable.

Many people wonder whether advertising encourages materialism or merely reflects values and attitudes that develop as a consequence of more important sociological forces. There is no doubt that advertising and the advertised products are a part of our culture and influence it in some way, however advertising cannot be said to have the power to dominate the forces of religion, family, literature, etc, that contribute to the values of society. There seems to be little support for the view that advertising is a pervasive force in altering consumer spending. Level of income seems to determine the pattern of consumption, which in turn influences the intensity of advertising. In most societies, material possession are considered as an evidence of success and many argue that an emphasis on material possessions does not mean disinterest in intellectual, spiritual or cultural values. Consumers, whose basic needs have been fulfilled, can be interested

in fulfilling higher-order needs. For instance, a consumer many buy an expensive music system to really enjoy music rather than simply acquire a material possession to impress someone.

Ethical Issues

Ethics are moral principles and values that govern the actions and decisions of an individual or group. Many laws and regulations are forces that determine what is permissible in advertising. However, not every issue is controlled by rules. Marketers are often faced with decisions regarding the appropriateness of their actions which are based on ethical considerations rather than what are within the law or industry guidelines. There is a considerable overlap between what many consider to be ethical issues in advertising and the issues of manipulation, taste and the effects of advertising on values and lifestyles certainly may be within the law but still unethical. Advertising is a highly visible business activity and any lapse in ethical standards can often be risky for the company. Consumer protection groups question the sponsorship and support of sports events by companies selling alcoholic beverages or tobacco products. (Lwin, 2006)

2.7 Advertising And Sales Relationship

The relationship between advertising and sales has been the topic of lots research and discussions designed to determine the shape of the response curve. Almost all advertisers subscribe to one of two models of the advertising/ sales response function.

The Concave Downward Function

After reviewing more than 100 studies of the effects of advertising on sales, Julian Simon and Johan Arndt concluded that the effects of advertising budgets follow the microeconomic law of diminishing returns.

That is, as the amount of advertising increases, its incremental value decreases. The logic is that those with the greatest potential to buy will likely act on the first (or earliest) exposures, while those less likely to buy are not likely to change as a result of the advertising. For those who may be potential buyers, each additional advert will supply little or no new information that will affect their decision. Thus, according to the concave-downward function model, the effect of advertising quickly begins to diminish.

Budgeting under this model suggests that fewer advertising naira may be needed to create the optimal influence on sales.

CONCAVE-DOWNWARD RESPONSE CURVE.

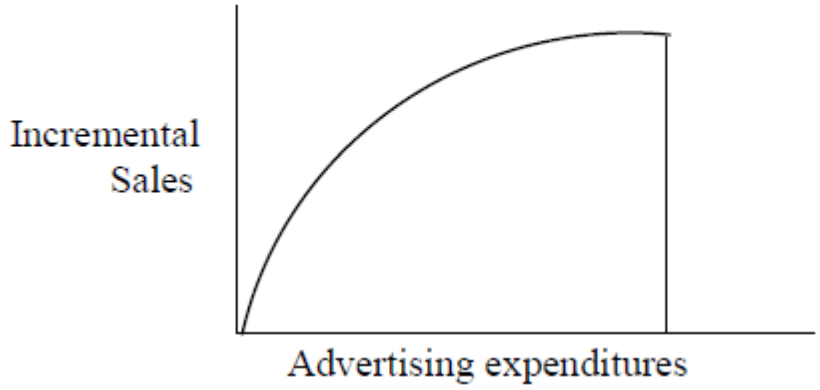


Figure 1:- The concave downward response curve.

Source: George E. Belch (2003)

The S-Shaped Response Function

Many advertising managers assume the s-shaped response curve (as shown below), which projects an s-shaped response function to the budget outlay (again measured in sales). Initial outlays of the advertising budget have little impact (as indicated by the essentially flat sales curve in range A). After a certain budget level has been reached (the beginning of range

B), advertising and promotional efforts begin to have an effect, as additional increments of expenditures result in increased sales. This incremental gain continues only to a point, however because at the beginning of range C additional expenditures begin to return little or nothing in the way of sales. This model suggests a small advertising budget is likely to have no impact beyond the sales that may have been generated through other means (for example, word of mouth). At the other extreme, more does not necessarily mean better: Additional naira's spent beyond range B have no additional impact on sales and for the most part can be considered wasted. As with marginal analysis, one would attempt to operate at that point on the curve in area B where the maximum return for the money is attained.

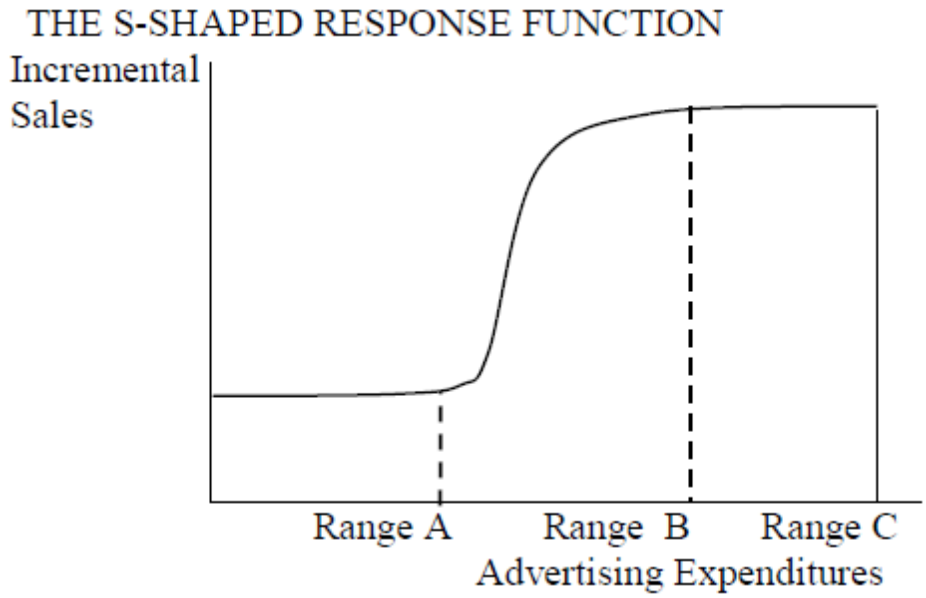


Figure 2:- The S shaped response curve.

Source: George E. Belch (2003)

2.8 Advantages And Influence Of Advertising On Sale Turnover

Advertising objectives serve as guidelines for the planning and implementation of the entire advertising programme. It helps the consumer to save their time in purchases. It helps the manufacturer sell their products. The relation between wholesalers and retailers is improved through advertising. Sales promotion consists of diverse collection of incentive tools, mostly short-term designed to improve sales promotion and these tools vary in their specific objectives. A free sample stimulates consumer trial while a free management advisory service comments a long-term relationship with a retailer and stimulates quicker and/or greater purchase of a particular product by consumers or the trader.

Adeolu et al, (2005) seek to examine the influence of advertising on consumers' purchase of Bournvita, one of the consumer products manufactured by Cadbury Nigeria Plc. His finds show that advertising has a major influence on consumers' preference for Bournvita and it has, in no small measure, contributed to its success. In the same view Adekoya, (2011) reveals that advertising has helped to position product or service strongly in the mind of the consumer in order to encourage repeated purchase of the product, so that the competitors will not have an edge over them. This also creates brand loyalty and product differentiation.

Akanbi and Adeyeye (2011) carried out a research work on the influence of advertising on sales and linear regression ordinary least square method was used to analyze the data. The result confirmed that a positive and significant relationship existed between advertising and sales. The positive relationship showed that an increase in advertising can lead to an increase in sales. Based on the result, it is clear that advertisement is significant on sales. This result is also in line with Adebayo, (2012) who find out that advertising is a predictor of sales turnover.

2.9 Factors that Determine the Choice of Media 2

The selection of advertisement media is a primary concern to an advertising agency. This is due to its paramount importance towards successful, effective and meaningful response from its advertisement messages. It is not enough to say the right thing about the right thing but to the right people using the right choice of media.

The factors that must be considered before arriving at the logical and possible decision in the choice of media are;

Cost of medium: The cost of medium varies, while some are very costly, some are relatively cheap. This must be weighted with the financial resources made available for the advertisement to ensure compatibility.

Product features: The nature of the product is very significant. Some products are very complex, while others are simple. The unique features of a complex product must be explained while simple products are more or less of a mass market.

Audience characteristics: This greatly influences the choice of not only the message but also equally the mean of advertisement.

Objectives of advertisement: The reason of advertising a product or service must be uppermost when choosing a medium. This is because each of the media has its own objective, therefore, for a round peg to be in a round hole, there must be coincidence of objectives.

Message characteristics: The message that each medium can contain equally varies. Therefore, for a better communication, the advertisement message must be in line with what the advertisement medium or media can obtain.

Location, Demography, Religion, etc: All these will determine the kind of advertisement message can be distributed. However, advertising research is key to determining the success of

an ad in any country or region. The ability to identify which demerits and /or moments of an ad that contributes to its success is how economies of scale are maximized.

Once one knows what works in an ad, that idea or ideas can be imported by any other market. Market research measures, such as flow of attention, flow of emotion and branding moments provide insight into what is working in an advert in any country or region because the measures are based on the visuals not verbal elements of an advertisement. (Young Charles, 2005)

2.10 Theoretical Framework

As is generally known, the role played by advertising in increasing the sales volume of any company's product at any point in time cannot be overemphasized. As a matter of reality, it has contributed immensely to increasing growth of many companies in various industries. This is because it goes a long way in placing positive image about the companies' products in the mind of potential consumers; this can also influence their buying behavior.

In a study of the consumer view of advertising carried out in 1974 by the American Association of Advertising Agencies, more than half of the respondent described advertising as a channel of information from the manufacturer to consumer, some said it is manipulated, propaganda, and misleading. Many scholars, professional bodies and associations and various authors have given diverse definitions of advertising based on the conceptual and theoretical frameworks. However, it is noteworthy that each definition is unique on its own, thus, we can say advertising is a complex field.

Longman (2000) says "advertising is an act of telling people publicly about a product or service in order to persuade them to buy it.

Alonge (2001) feels that advertising can be defined as any paid form of non-personal communication which is directed to the consumers or target audiences through various media in order to prevent and promote product, services and idea. This means that advertising is branch of commerce which used to create awareness for particular product and it must be paid for. Advertising informs, educates and persuade people to buy the advertised goods or services. Gillian (1982) views it as "means of drawing someone's attention to something or notifying or informing somebody of something". Harri Tuomola says that advertising must be paid for by an identified sponsor and must be persuasive to influence consumers buying behaviour. Tuflinger (1996) says "advertising is the non-personal communication of information usually paid for and usually persuasive in nature, about product, services or ideas by an identified sponsor through the various media.

Obviously the ultimate function of advertisement is to help produce sales. This is the feedback expected from the consumer. Though advertisement may not lay absolute claim to sales, since it is equally the goal of other promotional tools, such as sales promotion, personal selling, etc, its contribution cannot be over-emphasized.

2.11 Summary

This chapter attempted to discuss the impact of advertising on the marketing of consumer products using PZ Nigeria as a case. Various literatures have affirmed that advertising has contributed to increased sales leading to improved profit and will continue to do so. Theoretically, catchy adverts combined with an aggressive marketing elicit a robust and strong growth of any organization.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

Research methodology is a technique by which data are collected and analyzed in order to test hypothesis.

This chapter deals with the general procedures on how the research will be carried out in order to accomplish the objectives of the study. It is connected with the steps, procedures and techniques for collecting information about the research problem. It will also encompass the sources of data, method of data collection, the sample size and method of data analysis.

3.2 Research Design

Research design refers to the method or the techniques used in collecting data, as well as presenting and analyzing the data. It is an outline or a scheme that serves as a useful guide to the researcher in his effort to generate data for the study.

Depending on the nature of the problem in view, different types of research methods are available, these methods include historical research, descriptive research, developmental research, case study analysis and experimental research.

It is important to point out that this research made use of historical research and descriptive research. Historical research tends to interpret past trends of event and fact. Historical research is concerned with being able to understand and explain the present and predict the future through an evaluation of available records of past event (Austin and Ogwo, 1990).

While descriptive research as the name implies describes an event. It seeks to find out the relationship that exists, opinions that are held, the effects that are evident and processes that are going on or trends that are developing (Akuezuilo 1993). It involves the collection of first hand information and data from primary sources by the researcher.

3.3 Population

Research population is the totality of all elements, subjects or members that posses a specified set of one or more common features.

The research population of this study is made up of the entire staffs of PZ Nigeria, Zaria branch, made up of 107 staff.

3.4 Sample Size

A sample provides an estimate of a population characteristics and the accuracy of the estimate will depend on the selection process, and the extent of variability in the population.

For the purpose of this research the sample size comprises 84 staff of PZ, Zaria Branch. The representative of the sample chosen has been illustrated using Yamane formula.

It is given by:

$$n = \frac{N}{1+N(e)2}$$

Where n= Sample Size

N = Total Population of the Study

E = Level of significance

Therefore,

e =0.05

N = 107

$$n = \frac{107}{1+107(0.05)2}$$

$$n = \frac{107}{1+107(0.0025)}$$

$$n = \frac{107}{1.2675}$$

$$n = 84.42$$

$$n = 84.$$

3.5 Sources Of Data.

There are basically two sources of data: Primary and Secondary sources. Primary source are normally originated by the researcher himself for the specific problem he has at hand, they are also recorded by an eye witness who participated in an event.

Secondary data on the other hand are collected by the researcher from readily available records. When information from Primary source is published and made available for use, it becomes Secondary data. It consists of documentations obtain from sources such as newspapers, journals, text books etc.

The source of data used for this study is both the Primary and Secondary sources of data. Primary because the researcher used questionnaires to collect information and Secondary because the researcher also used journals and text books which are documented records.

3.6 Method Of Data Collection

There are various data collection methods which can be used in research work. In this particular work questionnaire administration was used as the method of getting data.

Questionnaire is a way of getting responses to questions by using a form which the respondent fills by himself.

3.7 Method Of Data Analysis

The data obtained from respondents will be presented in tables. The data will be analyzed using simple percentage and descriptive methods while the hypotheses will tested using chi-square statistical tool. The formular is given thus;

$$X^2 = \frac{(Fo - Fe)^2}{Fe}$$

Where X^2 = chi-square

fo = observed frequency

fe = expected frequency

3.8 Justification Of Method Used

Chi-square is used as the statistical tool in analyzing the data collected because; chi-square statistics measures the degree of correlation, or dependence between qualification variables. Generally speaking, the chi-square is one of the most widely used statistical tests in business schools. When applied properly the chi-square test can help the business researcher to establish the degree of confidence one can have in accepting or rejecting a null hypothesis.

3.9 Summary

In this chapter the meaning of research design have been explained as the methodology used in collecting data. Presenting and analyzing such data. Different types of research method were also stated to include, historical, descriptive, developmental, case-study and experimental research. Both historical and descriptive research was therefore adopted for the purpose of this study.

Data can be collected from Primary and/or Secondary Sources. Sources of Primary data include general interview, personal interview, questionnaires etc. Secondary data was source from documentations which include; text books and journals. Both the Primary and Secondary source of data was used for this research work. The research population consists of all the staff of PZ Nigeria, Zaria branch. Lastly, the method of data analysis that will be used is simple percentage and descriptive method while test of hypotheses will be with chi-square statistical tool.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

4.1 Introduction

In this chapter, the focus is mainly on the presentation and analysis of the data obtained during the course of the research. Test of the hypotheses will also be done using chi-square statistical tool.

For the purpose of the study, questionnaires were distributed to 84 staff of PZ Company Zaria Branch, 80 were returned and 3 were eliminated due to incomplete data, leaving 77 questionnaires which is a response rate of 91%.

4.2 Background Information On Paterson Zochonis Limited Plc

The company was incorporated in the 19th century under the name of PB Nicholas and company limited. Its name was changed Alagbon limited 1960. The company became a public company in 1972 and was granted a listing on the Nigerian stock exchange. The name was changed to pertersoni zochonis industries limited on 24th November 1976, and in compliance with the companies and allied matters act 1990, it adopted its present Paterson zochonis industries PLC on 22nd November 1990.

The principal activities of the group are the manufacture and sale of wide range of consumer products and home appliances which are leading brand names throughout the country in detergents, soaps, pharmaceuticals, cosmetics,, confectionary, refrigerators, freezers, air-conditioners, plastic containers and components etc.

4.3 Advertising Media Used By PZ Nigeria

PZ uses television, radio, and newsprint to communicate its products to their consumers. Here are some of the reasons for the various media used.

Newspaper: There are divisions of print media owned by either the government or individual organizations. There are major media published daily, weekly, or even monthly on a national, state, or region basis. They are bought and read largely for their news value and appropriate for announcing new products or new developments on existing products. This medium is used because they are widely read; carry a lot of information and the cost of information is comparatively low.

Magazines: These are another division of the print media. There are various types of magazines such as health magazines, beauty, entertainment, sports, etc.

Information about new and existing products is placed there to attract a particular section of the society.

Radio: In Nigeria today, radio station are seriously increasing in number and brands, hence giving room for a wider coverage. This is another easy way of passing message across to the general public.

Television: This has made significant impact in the field of advertisement. Advert through the television is an effective way of reaching consumers who have access to TV sets.

Commercials on television are shown on different stations and also on cable or pay television.

Adverts in a special programmes are done for certain products, it attract a class of viewers or a particular age group. As such advertisers should study programmes that appeal to the people. The television adverts are effective for producers whose products are distributed and used nationwide. Firm uses this medium to communicate to new and loyal consumers because;

i. The presence of various sounds and movements all combined offer a great deal of creativity.

ii. It makes advertising to appear interesting and entertaining thereby capturing the attention of consumers, etc.

Bill board: A billboard is a large outdoor advertising structure (a billing board), typically found in high traffic areas such as alongside busy roads. Billboards present large advertisements to passing pedestrians and drivers. Typically showing large, ostensibly witty slogans, and distinctive visuals, billboards are highly visible in the top designated market areas. PZ has many of this all over the country and mostly on the highways connecting different states. They always choose a strategic position to erect their billboard in order to get the information across to the target audience.

4.4 General Impact of Advertising on the Marketing of Consumer Products of Paterson Zoconis

This part of thesis is aimed at discussing the genuine impact that advertising has been playing on the marketing and sales volume of the consumer product Paterson Zoconis, Nigeria.

The development of advertising as the major factor has contributed to the increase in sales volume of any product in Nigeria, even in the world at large. To be sincere, hardly will any product survive in a competitive market without any means of advertisement.

During this work, all efforts were made to get some actual figures regarding profit margin when the advertising hold very strong part of the business.

Table 1: Extract of 6years financial summary 2006 to 2011.

SIX YEARS FINANCIAL SUMMARY OF PZ CUSSON NIGERIAN

Description	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
	N (Million)	N (Million)	N (Million)	N (Million)	N (Million)	N (Million)
Sales Turnover	86.32	111.75	145.6	164.21	185.862	190.721
Profit before Tax	16.44	27.88	37.52	41.40	44.880	52.317
Tax	(5.54)	(8.93)	(11.82)	(13.49)	14.548)	(15.82)
Profit after Tax	10.90	18.94	25.70	27.91	30.332	35.400
Advertising	6.32	8.59	9.25	10.45	11.57	12.20

Source: Annual account and Report of PZ Cusson Nigerian

From the table 1, if other factors remain constant (product quality, branding and packaging, promotion, goodwill and employees motivation) it is understood that expenditure on advertising is an asset. There was increase in profitability level in each year as compare with proceeding year. For example, money spent on advertising in year 2008 was 9.25million while sales turnover, and profit after tax were 145.6 Million and 25.7million respectively, when 10.45million was budgeted for advertising in the year 2009, sales turnover and profit invariably increase to 164.21 million and 27.91 million respectively, also in the year 2010 when money spent on advert was geared up to 11.57 million, sales turnover and profit increased to 185.862 million and 30.33million respectively; in year 2011 also when money on advert increased to 12.2 million, sale turnover and profit jump up to 190.721 and 35.40 million respectively. It can be

deduced from the table 1 above that there is strong significant relationship between advertising and sales turnover. This result is in line with Adebayo (2012) who states that advertising is backbone of any organization who what to remain in a competitive environment.

PZ Nigeria was able to increase its profit within these years in Nigeria due to an intensive and effective advertisement they put in place. Big corporation like NB Plc, MTN, Nestle, Cadbury, and so many banks know the impact of advertisement, to the extent that they always spend so much to release series of advert from time to time in order to increase their product and service sales. The economic effect of this on the sales volume is that it makes proper identification of individual brand known and their advertisements easier while the brands advertised are easily recognized at the point of purchase. This has helped to build brand preference for PZ products all over Nigeria.

As generally known that reputation connotes emphasis, the more the products of PZ are being advertised especially during sport sponsorship, educational events and many social functions, the more the advert is registered in the brains of the consumers. Even someone who does not always watch TV but due to the love the person has for sport, he has no choice but to see such adverts, hence advert can change the orientation of such consumer alongside influence his buying behaviour and increase his taste for such product above all other branches.

Information is the fastest travelling element than any other thing in the world. Even communication comes through information. If information is not necessary, communication would have been useless.

Since advertising is all about communication of the existence of product to consumers, it has been tool that generates sales for most organizations yearly.

This is because advertisement travels faster and wider than personal selling, direct marketing, public relations and other tools of promotional activities put in place by a company. It travels faster than the product itself, the advertisement has gotten to the place where even the product is not available. A good advertisement has served as a saviour to this product under many circumstances even the midst of severe competition for other related competitive products or services. It has been the major tool that went all the way in changing consumers' negative impression about their products and persuades them to purchase.

Advertising has been a great weapon for PZ over the years and this has really given them edge in their industry. Advertising and much of promotional activities has been great weapon adopted by PZ through a very strong and aggressive marketing team. Almost everybody, cities, towns, and even villages in Nigeria feel the vibration of the aggressive advertisement. Just about two months ago, after aggressive advertising and marketing activities, the total number of customers sky rocket all over the country. This gave PZ wide margin of profit in less than 24months. The sales volume rose with about 60% far above what they recorded the previous year. There is no way advertising could be a dead issue for any company leading in their industry and aiming to achieve their corporate objectives.

4.5 Data Presentation and Analysis

The data obtained from the questionnaire formed the basis for the data presentation.

The details are tabulated below.

Table 4.1: Sex Distribution of Respondents

Response	Frequency	Percentage %

Male	41	53.3
Female	36	46.7
Total	77	100

Source: Fieldwork

The above analysis (table 4.1) indicates that of the respondents who filled and returned the questionnaires males were 53.3% and female is 46.7%

Table 4.2: Age Distribution of Respondents

Response	Frequency	Percentage %
18-25	41	53
25-35	31	40
46-above	5	7
Total	77	100

Source: Fieldwork

It can be seen in the above analysis (table 4.2) that 18- 25years was the age of 53% of the respondent, age group 25- 25 years formed 40% and 46 years and above were 7% of the respondents.

Table 4.3: Designation of Respondents

Response	Frequency	Percentage %
Manager	21	27
Head of Department	39	50

Staff (Junior & Senior)	17	23
Total	77	100

Source: Fieldwork

The table above (table 4.3) reveals that best of the respondents which are over 50% were in the middle managerial level.

Table 4.4: Years of Experience

Response	**Frequency**	**Percentage (%)**
Over 20 years	5	6.49
10years	21	27.27
5year	34	44.16
1year and below	17	22.08
Total	77	100

Source: Fieldwork

Table 4.4 indicates that 5 respondents representing 6.49% have been working with the organization for over 20years, 21 respondent 5 representing 27.27% have been in the organization for over 10 years, 34 respondents representing 44.16% have worked in the

company for 5 years, while 17 respondents representing 22.08% have been working in the organization for a year and below.

However, since the length of service of staff with 10 years and 5 years have the highest percentage 27.27% and 44.16% respectively. It shows that the information provided in the questionnaire is reliable and they will provide valuable information since they have enough experience in the organization.

Table 4.5 Buyers of the Company Products.

Response	Frequency	Percentage (%)
High income class	6	7.79
Middle income class	14	18.18
Low income class	17	22.08
All of the above	40	51.92
Total	77	100

Source: **Fieldwork**

Table 4.5 shows the responses of the buyers of the company's products. A total of 6 respondents representing 7.79% respondent that the buyers of the products are the high income class, 14 respondents representing 18.18%responded that the middle income class are buyers of the product, while 17 respondents representing 22.08% responded that the low income class are buyers of the product, and 40 respondents representing 51.92% responded that all the classes buy the products.

However, since 51.92% of respondent, states that all the above income class are buyers of PZ Company Products, it can be concluded that all income class of the society buy their products.

Table 4.6: Method of Attracting Customers

Response	Frequency	Percentage (%)
Advertising	12	15.58
Personal selling	4	5.20
Public relations	8	10.39
Sales promotion	21	27.27
All of the above	32	41.56
Total	77	100

Source: Fieldwork

Table 4.6 indicates that 12 respondents representing 15.58% responded that advertising is used to attract customers to the company, 4 respondent representing 5.20% responded that personal selling is used, 8 respondent representing 10.39% responded that public relations is used to attract customers, 21 respondents representing 27.27% stated that sales promotion is used, while 32 respondent representing 41.56% stated that all the above tools are used to attract customers to the company.

However, since 41.56% of respondents responded that all the above instruments are used in attracting customers to the Company's product, it can be concluded that all the methods listed above are used in attracting customers to PZ Company Products.

Table 4.7: Engagement in Advertising

Response	Frequency	Percentage (%)
Yes	77	100
No	0	0

Source: **Fieldwork**

From table 4.7 shows that 77 respondents representing 100% agreed that PZ Company engages in advertising. Therefore, we can conclude that PZ engages in advertising.

Table 4.8: Response of customers to the Company's advertising programmes

Response	Frequency	Percentage (%)
Yes	56	72.73
No	21	27.27
Total	77	100

Source**: Fieldwork**

Table 4.8 shows that 56 respondents representing 72.73% agreed that customers respond favourably to PZ advertising efforts while 21 respondents representing 27.27% disagreed

Therefore, it can be concluded that PZ Company customers respond favourably to the company's advert programmes.

Table 4.9: Relationship between Sales Return and Advertising Efforts

Response	Frequency	Percentage (%)
Yes	69	89.61
No	8	10.39
Total	77	100

***Source*: Fieldwork**

Table 4.9 shows that 69 respondents representing 89.61% are in agreement that there is a relationship between sales return and the company's advertising efforts while 8 respondents representing 10.39% responded that there is no relationship between sales return and advertising efforts. Therefore, since 89.61% of respondents agreed, it can be concluded that there is a relationship between Company's sales return and advertising efforts.

Table 4.10: Contributions of advertising to the business

Response	Frequency	Percentage (%)
Extremely high	19	24.68
High	47	61.04
Low	6	7.79

Very low	5	6.49
Total	77	100

***Source*: Fieldwork**

Table 4.10 Indicates that 19 respondent representing 24.68% responded that advertising contribution to PZ company is extremely high, 47 respondent representing 61.04% responded that advertising contribution to the business is high, 6 respondent representing 7.79% responded that advertising contribution to the business is low, while 5 respondent representing 6.69% responded that adverting contribution to the business is very low. However, since 61.04% of respondent's response is high, it can be concluded that advertising contributes greatly to the business.

Table 4.11: Customer Turnover Rate in Response to Advertising Efforts

Response	**Frequency**	**Percentage (%)**
Yes	10	12.99
No	67	87.01
Total	77	100

***Source:* Fieldwork**

Table 4.11 shows that 10 respondents representing, 12.99% responded that customers turnover rate would still be high even without the practice of advertising efforts in the company, while 67 respondents representing 87.01 responded that

customers turnover rate wouldn't have been high if advertising have not been practiced. Since 87.01% of respondent's response is no, it can be concluded that customers turnover rate would not have been this high without the practice of advertising.

Table 4.12: Retained and satisfied customers refer Company products to other customers.

Response	**Frequency**	**Percentage (%)**
Yes	70	90.91
No	7	9.09
Total	77	100

Source: **Fieldwork**

Table: 4.12: Indicates that 70 respondents representing 90.91% agreed that their company's retained customers refer others to the company's product while 7 respondents representing 9.09% responded that retained customers do not refer other customers to the company products. Therefore, we can conclude that the retained and satisfied customers refer other customers to the company's product because 90.91% of respondent's response is yes.

Table 4.13: Comparison between Profit and Loss in Relation to Advertising Effort

Response	**Frequency**	**Percentage (%)**

Yes	68	88.31
No	9	11.69
Total	77	100

Source: **Fieldwork**

Table 4.13: shows that 68 respondents representing 88.31% responded that the profit gained from advertising effort is better than the losses incurred, while 9 respondents representing 11.69% responded that the losses incurred is greater than the profit gained from the advertising effort. However, since 88.31% respondents response is yes it can be concluded that the advertising efforts of PZ Company is profitable.

Table 4.14 Advertising is a powerful tool capable of reaching and motivating large audiences.

Variable	Frequency	Percentage %
Strongly Agree	46	60.3
Agree	15	19.1
Undecided	8	10.3
Strongly Disagree	0	0
Disagree	8	10.3
Total	77	100

Source: Fieldwork

The table 4.14 above shows that 46 respondents representing 60.3% of the respondents strongly agreed that advertising is a powerful tool capable of reaching and motivating large audiences, 15 respondents representing 19.1% agreed, 8 respondents representing 10.3% are undecided and, also, 8 respondents representing another 10.3% of the total respondents disagreed.

4.6 Test of Hypothesis

This hypotheses, stated in chapter one, are tested using chi-square.

$$\text{Chi-square } X = \frac{(fo-fe)^2}{fe}$$

Where fo = Observed frequency

fe = Expected frequency.

The expected frequency (fe) is calculated

Thus;

$$Fe = \frac{\text{Row total X Column total}}{\text{Overall total}}$$

Question 8, 9 and 12 were used in testing Hypothesis 1, while questions 6, 9, and 10 were used in testing Hypothesis 2.

Hypothesis 1 (Ho_1): There is no significant relationship between advertising and organizational performance.

Table 4.15: Contingency Table.

Questions on advertising & org. performance.	Response		
	Yes	No	Total
Do you engage in advertising?	77	0	77
Do your customers respond favourably to your advertising efforts?	56	21	77
Do you think customers turnover rate would have been this high if you did not practice advertising?	10	67	77
Total	143	88	231

Source: Fieldwork

Expected Frequencies

Fe= Row total – column total

Overall total

Fe. 1, 1 = 77 X 143 =47.67

231

Fe. 1, 2 = 77 X 88 = 29.33

231

Fe 2, 1 = $\frac{77 \text{ X } 143}{231}$ = 47.67

Fe 2, 2 = $\frac{77 \text{ X } 88}{231}$ =29.33

Fe 3, 1 = $\frac{77 \text{ X } 143}{231}$ = 47.67

Fe 3, 2 = $\frac{77 \text{ X } 88}{231}$ =29.33

Table 4.16: Computation of chi-square (X^2)

	Fo	Fe	fo-fe	(fo - fe)2	$\frac{(fo-fe)2}{fe}$
1	77	47.67	29.33	860.25	18.05
2	0	29.33	-29.33	860.25	29.33
3	56	47.67	8.33	69.39	1.45
4	21	29.33	-8.33	69.39	2.37
5	10	47.67	-37.67	1419.03	29.76
6	67	29.33	37.67	1419.03	48.38
					X^2 = 129.34

Source: Fieldwork

Degree of freedom = (r - 1) (c-1)

Where r = number of rows

C = number of columns

df = (3-1) (2-1)

= (2) (1)

= 2

Critical value of X^2 at 2 degree of freedom under 0.05 significance level = 5.991

Decision Rule

Since the calculated value of chi-square (X^2) of 129.34 is greater than the table value of 5.991 under the chi-square table, we therefore reject the null hypothesis which states that the advertising programmes of PZ Nigeria have no impact on the overall organizational performance meaning that there is a significant relationship between advertising activities of the company and organizational performance.

Hypothesis 2 (Ho_2): There is no significant relationship between the extent of sales generated and advertising activities applied.

Table 4.17: Contingency Table

Questions on sales promotion & org. performance.	Response		
	Yes	No	Total
Is there a relationship between your sales return and advertising effort?	69	8	77
Do your retained and satisfied customers refer others to your company product?	70	7	77
Is the profit generated from sales promotion effort better than the losses incurred?	68	9	77
Total	190	41	231

Source: Fieldwork

Expected frequencies

$$Fe, 1, 1 = \frac{77 \times 190}{231} = 63.33$$

$$Fe\ 1, 2 = \frac{77 \times 41}{231} = 13.67$$

$$Fe\ 2, 1 = \frac{77 \times 190}{} = 63.33$$

231

Fe 2, 2 = $\frac{77 \text{ X } 41}{231}$ = 13.67

Fe 3, 1 = $\frac{77 \text{ X } 190}{231}$ = 63.33

Fe 3, 2 = $\frac{77 \text{ X } 41}{231}$ = 13.67

Table 4.18: Computation of chi-square (X^2)

	Fo	Fe	fo-fe	(fo - fe)2	$\frac{(fo-fe)2}{fe}$
1	69	63.33	5.67	32.15	0.15
2	8	13.67	-5.67	32.15	2.35
3	70	63.33	6.67	44.49	0.70
4	7	13.67	-6.67	44.49	3.25
5	68	63.33	4.67	21.81	0.34

6	9	13.67	-4.67	21.81	1.60
					$X^2 = 8.75$

Source: Fieldwork

Degree of freedom = (r -1) (c - 1)

Where r = number of rows

C = number of columns.

df = (3-1) (2-1)

= (2) (1)

= 2

Critical value of X^2 at 2 degree of freedom under 0.05

Significance level = 5.991

Decision Rule:

Since the calculated value of chi-square (X^2) calculated of 8.75 is greater than the table value of 5.991 under the distribution table, we also reject the null hypothesis which states that there is no significant relationship between the extent of sales generated and advertising activities applied, thus we conclude that the alternate hypothesis which states that there is a significant relationship between the extent of sales generated and advertising activities applied is accepted.

4.7 Discussion of Findings

From the study it was discovered that the buyers of the company's products consist of all income classes of the society that is the high income class the middle income class and the low income class because everybody looks for the company's products. While advertisement, personal selling, public relations and sales promotion are used to attract customers to the company's product, but advertisement is the main instrument used.

It was also discovered that customers of PZ Company respond favourably to the advertising efforts of the company. The results of the findings indicate a relationship between sales return and advertising efforts of the company. This shows that the advertising activities of the company help in generating sales and contribute greatly to the overall sales performance of the company. Customers' turnover rate is high as a result of the company's advertising activities.

The retained and satisfied customers of the company refer others to the company product in other word more customers are been attracted to the company and its product because the satisfied customers make good remarks about the company's product. And the profit gained from the advertising efforts is better than the losses incurred because the cost of carrying out the advertising activities is lesser than the profit gained.

From the result of hypothesis one, the null hypothesis was rejected, which therefore means that there is a significant relationship between advertising and organizational performance.

Again, the result of hypothesis two shows that the calculated chi-square result is greater than the critical value. This resulted in the rejection of the null hypothesis. That implies that there is a significant relationship between the extent of sales generated and advertising activities applied.

Findings especially from literature review shows that advertising has effect in encouraging the purchase of large units of the company's products. Advertising activities have also helped in building brand loyalty by giving sellers the opportunity to attract loyal and profitable set of customers from competitors

4.8 **Summary of Findings**

It is important here to note that these findings are made in relation to the scope of the study and the result of the chi-square analyzed. Advertising activities applied by the company have significant relationship with the company's performance.

Also the advertising activities of the company have significant effect on the extent of sales generated by the company. The role of advertising on the sales volume of a product is very important because oftentimes consumers' decisions as regards what to buy is motivated by what has been seen heard of or practically used.

Advertising helps in that it carries the message far and wide to a scattered target audience that the advertiser or producer could not have reached at once so easily.

It was gathered from the responses of the respondents who filled the questionnaire that the organization is unrelenting in its efforts to ensure effective advertising programmes for their various services and products. In the mind of the consumers the company was also using advertising strategies suitable for the company as well as the market in which it exists.

More so, the findings reveal that the advertising position of a product or service is strong in the mind of the consumer in order to encourage repeated purchase of the product, so that the competitors will not have an edge over them. This also creates brand loyalty and product differentiation.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter summarized the major points of the preceding chapters, made valid conclusion and offer recommendations aimed at solving the problems identified and areas of further studies.

5.1 Summary

In chapter one, effort was made to trace the background of study and it was stated the role of advertising on the sales volume of a product is very important because oftentimes consumers' decisions as regards what to buy is motivated by what has been seen heard of or practically used.

Advertising helps in that it carries the message far and wide to a scattered target audience that the advertiser or producer could not have reached at once so easily.

The major problem of this research is that consumer products companies in an effort to make profit from sales apply advertising in other to facilitate the sales of their products and sometimes these efforts organized do not yield the required result. At times the expenses incurred in organizing these advertising campaigns exceed the revenue realized. The study seeks to know how the efforts of PZ Company have helped in the realization of both the company's marketing target and overall performance of the organization.

The second chapter attempted to review a wide range of literature from relevant material gathered, to assist in defining, explaining and understanding the topic under study.

The researcher went further in reviewing existing literature on the importance of advertising asserts that it is an indispensible factor for any organizational survival especially in the face of the stiff competition. Furthermore, purposes of advertising were identified to include increase awareness, sales and improved overall company performance. The researcher also reviewed empirical findings of other research works that have similar topic to this study. It was found that advertising has contributed to the recent increase in sales and profit after tax of PZ for the past five years due to increased

advertising campaign resulting from increased advertising expenses. Advertising media used by PZ include both electronic and print media.

The third chapter brought out the various methods, the researcher used in collecting, presenting and analyzing data. The various research designs available were discussed in this chapter. The research work made use of historical research design and descriptive research design. Accordingly, data were gotten through primary sources which normally originate from the researcher himself through the administration of questionnaire for the specific problem or recorded by an eye witness and secondary sources which are published or documented materials. These are mainly text books, newspapers, journals and seminars proceedings.

Simple tables were used to present data and the analysis of the data was made using simple percentage and descriptive methods while the researcher chose chi-square statistical tool for the test of hypotheses.

In chapter four, data collected through questionnaires administered to selected staffs of PZ Cusson Nigeria, Zaria branch where presented in tables and were analyzed using simple percentage and descriptive methods. In this chapter also, the two hypotheses formulated were tested. It was discovered at the end of the test that the table value of chi-square (X^2) is greater than the critical value especially at 0.05 level of significant.

This is an indication that the sales generated have a significant relationship with the advertising activities applied and there is a significant relationship between the

organizations performance and advertising, and so the null hypotheses were rejected while accepted the alternate hypotheses.

Advertising strategies used by the company also helped in increasing customer's turnover rate and enhanced customers favourable response to the Company's products. It also has a long-term effect on the image of a brand or product as it allows for the development of favourable attitude toward the brand or product.

Chapter five summarized the entire work and made it clearer to understand, while not necessarily going through the whole work. In this chapter also, conclusion was drawn from the research findings and recommendations made were necessary.

5.2 Conclusion

On the basis of the findings of this study, it can be concluded that advertising has significant effect on organization sales turnover. The study found that advertising has helped PZ Nigeria tremendously in increasing sales turnover and profit respectively. The current study discovered that there is a significant relationship between sales, overall organizational performance and advertising and that the importance of advertising cannot be underestimated in achieving stated objectives especially in this global competitive environment.

5.3 Recommendations

Based on the findings, we hereby make the following recommendations:

1. Management of PZ should engage in electronic advertising so that they can have access to global market.
2. Management should ensure that the advertising campaign is such that creates effects on all classes of consumers other than targeting on a selected few.
3. Management of PZ should embark on companywide awareness of advertising through seminar and workshops to educate and intimate all categories of the employees on the strategy.
4. Management of PZ should improve budget for advertising every year in order to enable them meet their primary aims and objectives
5. Management of PZ Company should continuously evaluate and monitor advertising so as to ensure that the goals and objectives set are achieved.

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Appendix 1

Department of Business Administration,
Faculty of Administration,
Ahmadu Bello University,
Zaria.
25th February, 2013.

Dear Sir/Madam

I am an MBA Student of Ahmadu Bello University, Department of Business Administration. I am undertaking a research study on the topic "Impact of Advertising on the Marketing of Consumer Products and I have chosen your company as my case study.

It is purely an academic exercise and should be treated so. Kindly answer the questions on this questionnaire. All answers will be strictly treated confidentially. Your objectivity in answering the questions will be highly appreciated. Thank for your anticipated response.

Yours faithfully,

Aderonke Rasheedat DANIA

Instruction: Please tick or mark where applicable.

1. Sex:

a. Male [ ] b. Female [ ]

2. Age Distribution:

a. Below 25years [ ]

b.25 – 35 years [ ]

c. Above 46 years [ ]

3. Marital Status:

a. Single [ ]

b. Married [ ]

4. Designation:

a. Manager [ ]

b. Head of Department [ ]

c. Staff [Junior & senior] [ ]

d. Others [ ]

4. Qualification:

a. Primary School [ ]

b. Secondary School [ ]

c. NCE/OND [ ]

d. HND/BSC [ ]

e. Others [ ]

5. How long have you worked with the company?

a. Over 20years [ ] b. 10years [ ] c. 5years [ ]

d.1year [ ]

6. Who are the buyers of your products?

a. High income class [ ] b. Middle income class [ ]

c. Low income class [ ] d. All of the above [ ]

7. How do you go about attracting customers to your products?

a. Advertising [ ] b. Personal Selling [ ]

c. Public relations [ ] d. Sales Promotion [ ] e. All of the above [ ]

8. Do you engage in advertising?

a. Yes [ ] b. No [ ]

9. Do your customers respond favourably to your advertising efforts?

a. Yes [ ] b. No [ ]

10 Is there a relationship between your sales return and the company advertising efforts?

a. Yes [ ] b. No [ ]

11. How would you rate the contributions of advertising to your business so far?

a. Extremely high [ ] b. High [ ] c. Low [ ] d. Very Low [ ]

12. Do you think customer turnover rate would have been this high if you did not engage in advertising?

a. Yes [ ] b. No [ ]

13. Is the profit generated in relation to the advertising cost incurred better?

a. Yes [ ] b. No [ ]

14. How do your competitors react to your advertising campaign efforts?

a. Positively [ ] b. Negatively [ ]

15 Do your retained and satisfied customers refer others to your company product?

a. Yes [ ] b. No [ ]

16. Advertisement is a strong tool in taping into consumers buying power?

a. Strongly Agree [ ] b. Agree [ ] c. Undecided [ ]

d. Disagree [ ] e. Strongly Disagree [ ]