MANAGEMENT OF PROMOTIONAL ACTIVITIES IN THE SERVICE INDUSTRIES: A CASE STUDY OF NICON NOGA HILTON HOTEL, ABUJA

BY

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BEING A PROJECT SUBMITTED TO THE POSTGRADUATE SCHOOL, AHMADU BELLO UNIVERSITY, ZARIA, IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION {M.B.A}.

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DECLARATION

I hereby declare that this project is the product of my own efforts. It has not been presented in any previous application for a higher degree. The various sources of information not original to the study have been acknowledged in the references and bibliography. Any errors in the work are entirely my responsibility.

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CERTIFICATION

This project entitled, "MANAGEMENT OF PROMOTIONAL ACTIVITIES IN THE SERVICE INDUSTRIES; A Case Study of NICON NOGA HILTON Hotel, Abuja by **ISHOLA ALEGE** meets the regulations governing the award of the degree of Master of Business Administration (M.B.A) of Ahmadu Bello University, Zaria, and is approved for its contribution to knowledge and literary presentation.

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DEDICATION

To my late father, Mr. Elijah B. Alege

Who toiled daily to lay the foundation for my education
but did not live long enough to reap the fruits of his labour

And, my mother, Mrs. Comfort O. Alege for her love.

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A number of people contributed in one way or the other to make this project possible.

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ABSTRACT

Organisations are established to produce goods and services to meet consumers wants. Efforts must, however be made to sell goods and services to the ultimate consumers, since products locked up in wharehouses do not satisfy human wants.

In today's turbulent environment in which businesses operate, there is a need for better marketing if success is to be ensured. One element of the marketing mix that a firm can effectively use in its strategic decisions is promotion.

Unfortunately, there is a tendency to see marketing as being more relevant to sellers of tangible products.

This research was undertaken to show promotion in action (managerial aspect) in the service industries using NICON NOGA HILTON HOTEL, Abuja as a reference point.

The information gathered through questionnaire, interview and personal observation show that the hotel suffers from low room occupancy rate raverage of about 40%), it is yet to tap the potentials of television advertising, and its two sales representatives are considered inadequate to effectively cover its target market.

TABLE OF CONTENTS

	PAGE
TITLE PAGE	i
DECLARATION	ii
CERTIFICATION	iii
DEDICATION	iv
ACKNOWLEDGEMENTS	v
ABSTRACT	vi
TABLE OF CONTENTS	vii
LIST OF FIGURES	x

	PAGE
CHAPTER ONE	1
1.1 Introduction	1
1.2 Statement of the problem	4
1.3 Purpose of the Study	6
1.4 Scope of the Study	6
1.5 The Research Methodology	7
1.6 Limitations of the Study	7
1.7 Significance of the Study	8
1.8 Definition of terms	9
CHAPTER TWO: LITERATURE REVIEW	
2.1 Meaning of Promotion	1-
2.2 The communication Process	12
2.3 Strategic Planning in Promotion	13
2.3.1 Situation Analysis	16

2.3.2 Setting Promotional Objectives 16

2.3.3 The Promotional Campaign Concept 18

2.3.4 Determination of total Promotional Budget 19

2.3.5 Determination of Promotional Mix 20

2.3.6 Evaluation and control 22

2.4 Advertising 23

2.5 Personal Selling 30

2.6 Sales Promotion 35

2.7 Publicity 39

2.8 Public Relations 41

2.9 Meaning of Services 42

CHAPTER THREE: HISTORICAL BACKGROUND OF NICON NOGA HOLTON HOTEL, ABUJA.

3.1 background of the Company 50

3.2 Organisational Structure of the Company 51

3.3 Organisation of the Marketing Department 55

3.4 Hotel Facilities and Services 56

CHAPTER FOUR: ANALYSIS OF THE COMPANY'S PROMOTION

4.1 Objectives of the Hotal Promotional activities .. . 60

4.2 Determination of the Hotel Promotional Budget 61

4.3 Advertising 61

4.4 Personal Selling 64

4.5 Sales Promotion 65

4.6 Public Relations/Publicity 67

4.7 Customer Service 68

4.8 Feedback Mechanism 69

4.9 Observations 69

CHAPTER FIVE: SUMMARY, RECOMMENDATIONS AND CONCLUSION

5.1 SUMMARY 71

5.2 RECOMMENDATIONS 72

5.3 CONCLUSION 74

BIBLIOGRAPHY 76

LIST OF FIGURES

Figure 1: The communication process

Figure 2: Organisational Chart of NICON NOGA HILTON HOTEL, ABUJA.

Figure 3: Organisational Structure of the Sales and Marketing Department.

CHAPTER ONE

1.1 **INTRODUCTION**

This project is about promotion. But promotion itself is an integral part of the marketing functions. It, therefore, follows that to understand promotion, one must have a basic knowledge of marketing.

Essentially, marketing is a matching process. It aims at satisfying human needs and wants through the exchange processes. In other words, marketing matches products, services, and ideas with consumer needs. This broad objective is achieved through the performance of a group of activities. These activities which include marketing research, product planning, pricing, distribution, advertising, personal selling, sales promotion etc. have been grouped into four broad areas called the "four p's" of marketing. These four p's are product, price, place and promotion. When these activities are considered together, they make up what is known as the "marketing mix". And the process of actualising these activities within an organisation is called marketing management.

Marketing is pervasive; it is vital to all organisations and has strong influence on the society at large. Through marketing, organisations generate revenue, obtain information from the market and project their corporate image. To the

society, marketing provides employement, ensures maintainance of consumers' standard of living and affects societal values.

The systems approach to managment must be adopted if the marketing functions must be performed effectively and goals obtained. The thrust of the systems approach is that the whole is made up of a number of parts and that these individual parts must work together if maximum effectiveness is to be achieved.

However, in conceiving a marketing system, consideration must be given to environmental factors, only then can the marketing objectives be successfully realised. The marketing environment is made up of economic, demographic, socio-cultural, political/legal, ecological, and technological factors. These environmental variables are dynamic and must, therefore, be constantly monitored so that the marketing system could be adjusted as necessary. Infact, the major task of marketing managment is to plan and implement the necessary changes in the marketing system in response to changes in the environment.

Promotion which is the focuss of this research is just one element in the marketing system. It is basically a marketing communication. Marketing does not end with development of goods and sercices in response to consumers needs and wants, the consumers must be made aware of these goods and services and persuaded to purchase them. This is done through promotion.

The four major promotional tools are advertising, personal selling, sales promotion and publicity. These elements of the promotional mix must be combined in a strategic manner to help in the achievement of marketing objectives which in turn must be derived from the overall objectives of the organisation.

This research dwells on the managment of promotional activities in the service industries. The service industries are quite diverse. They cut across the business sector, the private non-profit sector and the government sector. Specific examples are airlines, banks, insurance firms, real estate firms, charities, churches, hotels and motels, post offices, courier firms, and educational institutions. This list is not exhaustive.

Services posses certain qualities that differentiate them from physical products. Hence, strategies for the marketing of services must be tailored to meet their unique features. In service marketing, primary demand is stimulated by promotional activities that communicate the benefits to be derived from the generic service. On the other hand, selective demand is stimulated by communicating the unique benefits of the seller's offering compared to his competitors. Also more efforts must be made to reduce post purchase doubt (cognitive dissonance) to reassure the customer that he has made the best choice and to stimulate him to make repeat purchase and inform others of his satisfaction.

1.2 STATEMENT OF THE PROBLEM

The service industries have witnessed a tremedous growth especially after the second world war. Unfortunately, service firms as observed by Kotler (1980) typically lagged behind manufacturing industries in their development and application of marketing until recently.[1] Among the reasons he adduced for this are; many service businesses are small and therefore, do not use modern managment techniques such as marketing which they think would be expensive or irrelevant, some service businesses are antagonistic to the idea of marketing and see the application of marketing to their services as unethical and unprofessional, and there were other service firms that had so much demand for years that they felt marketing was not necessary.

In Nigeria, during the oil boom era of the seventies, companies, found themselves operating in an expanding market and so, increasing sales performance was not too difficult. Moreso, when there was enough money to throw around. Consequently, little or no marketing was done (even by the manufacturing companies) beyond making goods and services available.

However, the situation has changed, the economy is in a recession, inflation has become intractable, the purchasing power of consumers has fallen, and competition has, unfortunately, become more keen in every sector of the economy. The turbulence in the environment in which firms

operate has further been, exacerbated by the introduction of the structural adjustment programme and the lingering political crisis occassioned by the annulment of the results of the June 12, 1993 presidential election.

Given this scenario, the attention of every firm is on how to maintain, if not increase its share of a declining market. And in this regard, more emphasis is being laid on marketing. Many firms have come to realise that their success and indeed, long-run survival depend on efficient and effective marketing.

One element of the marketing mix that has witnessed a flurry of attention of recent in the country is promotion. Organisations have come to term with the poverty of the "better mouse trap" theory.

But, it is one thing to realise the importance of promotion, knowing how to effectively use it as a competitive weapon is another. It is, therefore, germane to ask, how well is this important element of the marketing mix being managed? This question becomes more pertinent when one realises the saying in marketing "nothing happens until somebody sells something". And to sell requires a well thought out promotion effort as part of the marketing strategy. Sadly enough, some firms still see promotion as something to be done when there is enough money "to spare." Such firms' promotion are in the form of occassional burst which lack depth and focuss.

1.3 PURPOSE OF THE STUDY

Managing the promotional activities of a company involves more than spending money on the elements of the promotion mix. Each element must reinforce each other and complement other marketing efforts to ensure the attainment of organisational goals.

This research dwells on the conceptual and managerial aspects of promotion as applied to the service industries using the NICON NOGA HILTON HOTEL, Abuja as a case study.

Specifically, the research examines the following issues as they relate to the company under study:

- The objectives of the company's promotion
- Its campaign theme
- How its promotional budget is determined
- The emphasis placed on each elements of the promotional mix.
- Assess the company's promotion strategy
- make recommendations on the basis of findings.

In a nutshell, the research attempts to show promotion "in action", in the service industries.

1.4 SCOPE OF THE STUDY

Although, the service industries are varied, this study is restricted to NICON NOGA HILTON HOTEL Abuja which is in the hospitality business. The emphasis of the study is on the

promotional strategy of the company. No attempt is made to examine the totality of the marketing strategy of the hotel.

1.5 THE RESEARCH METHODOLOGY

This research is a case study. Primary data were collected through structured questionnaire administered to the hotel staff. The questionnaire was used to obtain relevant information on the historical background of the company and its promotional activities. In addition, personal interview was used to obtain more facts where response to some questions in the questionnaire were not explicit enough. Also, more information came to light through the personal observation of the researcher during his visits to the hotel.

Secondary data were collected from relevant journals and publications of the hotel. Such literature include the journal of the hotel called "The Hilton Gazette" and Hilton Hiliner" which is the international management magazine of Hilton international, the operating company.

1.6 LIMITATIONS OF THE STUDY

Research of this nature are usually not devoid of certain limitations and problems. One of these was the limited time available for the completion and submission of the project.

Added to this was the limited financial resources of the researcher which hindered a more extensive study of the subject matter.

Other problems encountered in the course of this research were the paucity of information on the service industries in the country and the failure of the company to divulge some information vital to this research but which it considered "sensitive" and "confidential".

1.7 SIGNIFICANCE OF THE STUDY

Competition as earlier mentioned has become keen in the service industries but services are not only competing within their respective fields, but also with other services and products for a part of the consumers' disposable income. Many law firms are being opened on a regular basis, the number of hotels and motels are increasing, and gone are the days when the Nigeria airways dominated the domestic routes like a colossus. Also, banks today must compete with increasing number of mortgage and savings institutions, community banks, finance and investment houses.

Today's marketing strategists must be alert to their environment and ready to adopt resources in response to changing consumer needs. They must communicate information to the market regarding their offerings and obtain information from the market through a feed back mechanism concerning the consumers perceptions and acceptance of their offerings.

Promotional clout is one of the competitive weapons that service businesses can use to build and project their market share. It is thus, important that both small and large firms

supplying services are aware of the benefits of promotion. Such benefits include creation and sustenance of positive corporate image, ability to establish the assurance of service level, demand creation and ability to secure higher margins.

The findings of this research will go a long way in helping the company under study fine tune its promotional activities as a necessary step to achieving its objectives. On a broader level other firms in the service industries will be able to draw lesson from this research.

1.8 DEFINITION OF TERMS

The following terms are used in this research in the sense in which they are explained below:

Flyer: A widely distributed handbill (leaflet).

Frequent independent traveller (F.I.T.): An individual traveller whose reason of visit is business related or of a personal nature and who is not travelling for a company or is not a member of a group.

Pull Strategy: A promotion strategy that calls for spending a substantial amount of money on advertising and consumer promotion to build up demand for the product.

Push Strategy: A promotion strategy that involves using the sales force (personal selling) and trade promotion to move (push) the product through the channels of distribution.

Premium: This is the offer of a merchandise item free or at a substantially reduced price to stimulate the purchase of the product being promoted.

Speciality advertising: It describes the practice whereby organisations give away free to customers products bearing the firm's name and probably, a brief advertising message.

Sweepstakes: These are games of chance which afford participants equal chance of winning something.

Copy: This refers to the word message of the advertisement.

REFERENCE

1. Kotler, P. (1980). Principles of Marketing. Prentice - Hall, Inc Englewood cliffs, p. 627.

CHAPTER TWO

LITERATURE REVIEW

2.1 *MEANING OF PROMOTION*

A company may undertake a good market analysis, develop the best product for the target market and set the right price, yet all its efforts may amount to nothing if it fails to inform and persuade or convince customers to buy.

The term "Promotion" describes all company's activities designed to communicate both with members of the target market and the middlemen to increase the chances that the planned pattern of sales takes place smoothly and efficiently.

According to Brink and Kelly (1963), promotion is "the coordination of all seller-initiated efforts to set up channels of information and persuasion to facilitate the sale of a good or service, or the acceptance of an idea"[1] Promotion is designed to change or reinforce behaviour and or idea through communications and as succintly put by Hasty and Will (1975), promotion is telling and selling [2].

Business organisations disseminate information to markets through promotion and receive information from them through feedback. A firm unleashes stimuli and provides the market place or segments of the marketing network with informative and persuasive messages through promotion in order to stimulate, re-inforce or modify behaviour. And through feedback, the maket place and marketing network transmit

information to a company.

Information received through the feedback mechanism are useful for the evaluation, direction, and control of promotion and indicate necessary adjustments that may be made in media, form or message of the communication as well as in the other elements of the marketing mix.

2.2 THE COMMUNICATION PROCESS

Promotion is essentially a marketing communication process, therefore, successful promotion can only be realised through effective communication. Marketing communications which require interaction between two or more people or groups, encompass senders, messages, media and recievers.

The sender or source of a communication according to Davis (1972) is the authority or creator of the message.[3] The source may be a manufacturer, retailer, wholesaler, salesman etc. It may also be charitable institution or government. Each of these institutions originates countless messages to appropriate targets about products, services, and ideas it is attempting to promote.

The source must have a message which is intended for a receiver. The message is the advertisment, or sales presentation or idea to be communicated. Its content is suggested by circumstances that gave rise to it in the first place. However, the form of the message is determined by those conditions and forces that affect its perception and

receptivity once it has been relayed. An important step in promotion is to determine the appropriate idea to communicate. Whether or not communication takes place depends on the relevancy of the intended message. In most cases, people filter out messages that are not related to their interests and in such cases, communication does not occur. Thus, there must be careful analysis of the target audience to ensure that the message is right for the purpose and audience.

To ensure effective communication, the message must be translated into a language or medium of expression suitable for transmission. This process is called encoding. Words, pictures, colour patterns, music etc. are examples of the sign and symbol systems that have been developed to represent ideas or objects. It should be noted that the devices used in encoding the message must mean the same thing to both the sender and receiver for communication to take place. Encoding is complicated by the fact that a word often has differnt meanings. There is the need for some degree of empathy while encoding the message if communication error is to be minimised. This is because an encoder who views the communication situation through the reciever's eyes is more likely to use the language and symbols meaningful to the receiver to convey the idea.

Coded meassages are transmitted or relayed through a medium or channel of communication. The channel is the link between the source and the receiver. It may be through

television, radio, newspapers, billboard, salesmen etc.

The receiver or destination is the individual or groups who are the target of the message. After receiving the message, the receiver must interprete it by reconstructing the original idea from the signs and symbols in light of their individual experiences or frame of references. This process is called decoding. However, if effective communication must be achieved, the message must be decoded in precisely the same way it was encoded. The decoding process begins immediately the receiver becomes aware of the message.

The feedback mechanism are clues that show whether the message is being received and the degree to which it is understood. The feedback may suggest modifications or changes in the presentation that would make the message more meaningful to the receiver and more consistent with the source goal. In face - to - face communication as in personal selling, such clues may include a frown, a raise eyebrow etc. However, when mass media are used, it is difficult to acquire feedback. In such cases, methods such as marketing research, attitude survey, opinion surveys, etc. could be used to obtain the necessary feedback.

The communication process is concerned with the dissemination of stimuli and their perception, impact, use, and effectiveness. Communication, however, cannot take place unless the message is perceived. Also, communcation is not totally effective except, it is perceived as the sender

intended. Infact marketing communication have meaning to the extent an individual's predisposition or experience permits him to see, hear, or read them. In this regard, Lazer (1971) has identified two predispositional factors which govern the relationship between a message and its recipient [4]. These factors are the sender set and the customer set. The sender set includes media, appeal, advertiser, copy, theme, layout, etc. while the customer set contains individual differences of people and their psychological and socio-economic situations.

Also, it should be noted that the communication process as described above can be distorted or disturbed by what is called noise. Noise as seen by Hasty and Will (1975) "is interference with communication that arises from situational disturbances, cultural and social barriers, or problems of interpretation arising from semantics".[5]

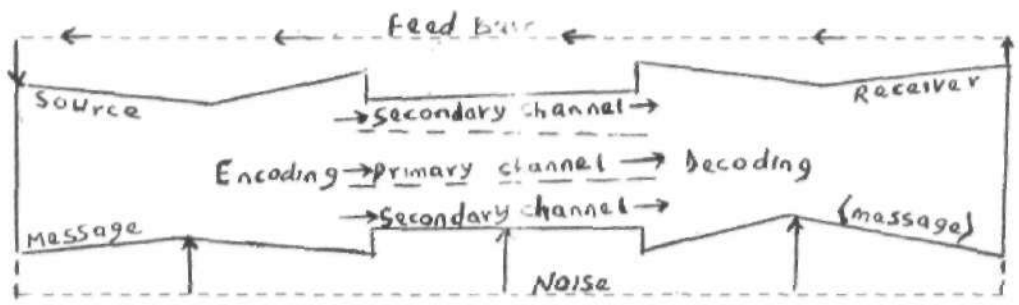


Fig. 1. A diagram of the communication process

Source: Adapted from; promotion; products, services and ideas 2nd Edition by Willian M KINCAID, JR- Charles E. Merrill publishing company, columbus, 1985, p. 27.

2.3 STRATEGIC PLANNING IN PROMOTION

2.3.1 SITUATION ANALYSIS

The first stage in designing a promotion strategy is the situation analysis. At this stage, the nature of demand and the various factors which impinge on it are examined. Environmental factors excert considerable influence on demand, yet they cannot be changed. They are the forces that act on the marketing system. It is therefore, imperative for a promotion strategist to have a thorough knowledge of the environment's actual and potential impact and make decisions accordingly. Such factors are culture, demography and nature of competition. Others are in the form of legal and socio-economic variables.

Through such an indepth analysis, the problem areas within existing programme are located and the opportunities and constraints or threats that the organisation has to face are revealed and the promotional tasks are defined.

2.3.2. SETTING PROMOTIONAL OBJECTIVES

After the situation analysis, the next step is to set out clearly the objectives of the promotion. Objectives are particularly significant to organisations because they provide incentive for action, they stimulate integrated or coordinated effort, and they facilitate evaluation of result. But objectives as observed by Kincaid. Jr. (1985) "are no good unless they are soundly conceived". He went further to

indicate that, "poorly conceived objectives often have a more adverse effect on performance than no objectives at all, even to the point of being counter productive". [6]

Since organisations do have more than one objective, it is important that there should be consistency or harmony among objectives. A part from this, a good objective must be stated in concrete and measurable terms, it must be reasonable and attainable, it must be clearly stated and understandable, and it must be written.

The ultimate goal of all promotional efforts is sales and to achieve this, the focus of promotion should be creating and increasing awareness, inducing trial and changing attitudes. Specifically speaking, Chisnall (1975) has identified other possible objectives of promotion to include the followings:

- to inform the market about the availability of a product or service.
- to develop primary demand for a type of product or service.
- to introduce special terms e,g price concessions.
- to create brand awareness and build brand loyalty.
- to increase frequency of use of a product or service.
- to encourage distributors to stock and actively sell the product.
- to promote new uses for a product.
- to create the corporate image of a company
- to announce new servicing arrangement. [7]

It is important to emphasize here that the promotion objectives must be consistent with the objectives of the other elements of the marketing mix which in turn must reflect the marketing objectives of the organisation.

2.3.3 THE PROMOTIONAL CAMPAIGN CONCEPT

In planning the total promotional activities of an organisation, it is important that managment have a campaign concept. A campaign consists of a number of promotional efforts built around a single theme or idea aimed at achieving specific goals. The theme or appeal of the promotional message (campaign) must be carefully selected to reflect the features and qualities of the product or service, the requirements of the target customers, and the motive that influence customers buying decisions of such product or service.

The promotional campaign could be organised on a national scale, alternatively it could be restricted to particular regions. Also, such campaign could be directed at the ultimate consumers or middlemen such as wholesalers and retailers.

Having a campaign concept is of a major benefit in that it allows marketers to treat all promotional efforts as part of a system, rather than as a series of independent and possibly conflicting events. However, the success of any campaign is hinged on how well the various elements of the promotional mix are coordinated and integrated to reinforce

each other.

2.3.4 DETERMINATION OF TOTAL PROMOTIONAL BUDGET

Having set the promotional objectives, the next issue to address is how much to spend on promotion. Setting the promotional appropriation is a difficult task due to the fact that management in most cases lack reliable standards for determining the amount of money to spend on each element of the promotional mix. More importantly, it is difficult to evaluate with accuracy the results of promotional expenditures. No wonder then, John Wanamaker, a successful merchant is reported to have said, "I know half the money I spend on advertising is wasted, but I can never find out which half."[8]

One method companies use to decide on their total promotional budget is the percentage of sales approach. In using this approach, the promotional budget is set as a percentage of past or anticipated sales. This method is perhaps the most commonly used owing to its simplicity. But Stanton (1978(has criticised this approach as "unsound and logically inconsistent" because "by setting promotional expenditures for one year on the basis of sale in the preceeding year, managment is saying that promotion is a result of sales, when, infact, it is a cause of sales."[9] The same absurdity still holds when the promotional budget is set as a percentage of future sales. In essence, the percentage

of sales approach actually reverses the intended relationship between promotion and sales.

Another method of setting the promotion appropriation is the objectives and tasks approach. Under this method, the budget becomes an offshoot of the specification of promotional objectives and tasks. The difficulty with this method lies in determining what promotional effort is required to achieve promotional objectives.

Promotional budget can also be based on competitive parity. The companies using this method base their promotional budget on what competitors are spending. Such companies determine what their competitors are spending and march it. The company may follow only one competitor, alternatively it may use the industry average where available.

Companies can also set their promotional budget on the basis of what is called "all-you-can afford". This apporach is based on ploughing all possible available funds into the company's promotional activities. The major flaw with this approach is that, it does not bear a direct relationship to what should actually be spent on promotion. Thus, managment may end up under spending or overspreading when this approach is used.

2.3.5 DETERNINATION OF PROMOTIONAL MIX

One other decision companies have to take regarding their promotional strategies is how to effectively combine the

various elements of the promotional mix. In other words, companies must decide on how to divide their total promotional appropriation among the main promotional elements. The main elements of the promotional mix are, advertising, personal selling, sales promotion and publicity.

Among the factors influencing choice of promotional elements is the size of the promotional budget. A company with adequate funds is better placed to make more effective use of advertising than a firm with limited financial resources. Infact, financially weak companies may resort to less efficient promotional methods.

Decisions on the choice of promotionlal mix are also influenced by the nature of the product. For instance, consumer goods require different promotional strategies from industrial products. Thus, while marketers of consumer goods will rely more on advertising, marketer of industrial products will rely more on personal selling. Even within the group of consumer goods, the choice of promotional strategy depends on whether the product is a convenience, shopping or speciality item. Other product attributes that will influence strategic choice are product complexity and extent of brand differentiation.

Furthermore, the nature of the company's target market as determined by its geographic spread, concentration, type and characteristics of prospective customers will impinge on its choice of promotional strategy.

Also, a company predilection for push or pull strategy will influence its choice of promotional mix. A company using the push strategy will use more of sales force and trade promotion to push the product through its channels of distribution. On the other hand, a company that relies on the pull strategy will have to spend a lot of money on advertising and consumer promotion to build up demand for the product.

Lastly, the stage of the product's life cycle will influence the promotional mix. As the product progresses from the introductory stage to the growth, maturity and decline stages, so must the promotional strategies change. For instance, advertising and publicity tend to be effective at the introduction and growth stages while sales promotion tends to increase relative to advertising at the maturity stage. At the decline stage, publicity is eliminated while advertising is reduced to a reminder level.

The effectiveness of a promotional programme depends largely on a coordinated and integrated approach to the management of the elements of the promotional mix. The individual forms of promotional activities should complement and reinforce each other. Also, the promotional strategy must be set to complement other elements of the marketing mix.

2.3.6 EVALUATION AND CONTROL

The promotional activities of a company should incorporate a feedback mechanism to enable it assess the

effectiveness of its strategy.

As earlier mentioned, the ultimate goal of promotion is sales, but it is difficult to separate the effects of promotion on sales since other elements of the marketing mix (product, price and place) affect sales. Hence, to assess promotion effectiveness, the focus should be on communication effects such as exposure, recall, and readership.

A post mortem analysis of the promotional strategy will enable the company to determine the strengths and weaknesses of its programmes so that corrective action could be taken as appropriate.

2.4 ADVERTISING

This is an important element of the promotion mix. Baker (1979) quoted the American Marketing Association as defining advertising as "any paid form of non personal presentation and promotion of ideas, goods or services by an identified sponsor."[10]

Advertising has become an inescapable, vital, and changing aspect of our life. Although, one can say that advertising as it is known today is relatively young, its principles can be traced to early civilization. Brewster et al (1954) reported that in early Hebrew, Greek, and Roman civilization, public criers proclaimed news of articles for sale as well as news of current happenings.[11]

The invention of printing changed the face of advertising. The development of modern advertising was also boosted during the period of rapid social and economic change - the industrial revolution. Some other specific factors that contributed to the phenomenal growth of advertising as noted by Dunn (1969) are: growth in productivity, technological developments, increase in income, growth of middle class, growth of transportation, increase in education, growth in research, growth of large scale manufacturing and service, remoteness of manufacturers from consumers and growth of specialized advertising organisations.[12]

There are different ways of classifying advertising, and it is important for promotion strategists and marketers to understand the various classifications since the type of advertising to use will depend largely on the advertising objectives. Dirksen et al (1977) mentioned five classifications of advertising.[13] The first group is National and Local or retail advertising. National advertising describes the advertising done by a manufacturer on a nationwide scale to stimulate ultimate consumers demand for his product while local advertising is the type done by retailers, the objective of which is to attract customers to their stores. The second classification is based on the audience to which advertising is directed and on this basis we have consumer advertising, industrial advertising, trade advertising, and professional advertising. The third category

of advertising is primary and selective demand advertising. Primary demand advertising is used to stimulate the demand for a classs (generic) of product such as milk and beer while selective demand is used to stimulate the demand for a particular brand of a product. Advertising can also be classified on the basisof whether they are direct action or indirect action. The direct action advertising urges the buyers to take action at once while the indirect action advertising is a form of long-range promotion often intended to create wants in the minds of consumers. The last group of advertising is product and institutional advertising,. Product advertising is designed to stimulate the market about goods and services while institutional advertising also called corporate advertising is designed to establish favourable attitudes and make friends for the company.

Advertising is different from other promotional activities in many ways. Wilmshurst (1986) identified three such ways; advertising presents a total controllable message, it delivers messages to large number of people at low cost per "contact", and it is a fast method of communicating with many people at the same time.[14]

The real goal of advertising is to sell by modifying the attitudes and behaviour of the message receiver. Littlefield and KirkPatrick (1970) indicated that manufacturers use advertising for three purposes which are; to create customers for the products they manufacture, to create goodwill, the

impact of which is upon sales, volume, and to reduce marketing costs, particularly product selling costs.[15] Additionally advertising could be used to support personal selling, reach people inaccessible to the sales force, improve dealer relations, and counter prejudice.

The overall aim of building sales can be achieved by using pioneering or educational advertising to build primary demand for the product or service through the conversion of non-users. Also, competitive advertising could be used to poach on competitors' customers by stimulating selective demand. And the purchases of present customers could be increased or expanded by using advertising to persuade them to incease frequency of use, variety of use, and quantity of average consumption.

Since advertising is a persuasive communication effort, it should move the consumer successfully through the buying stages. These stages are the awareness, interest, desire and action (AIDA). In other words, an advertisement must attract the attention of target audience, create interest in them, arouse their desire by convincing them that the product provides solution to their problem, and induce action by asking the target audience to do something (objective of the advertisement).

One vital decision area in advertising is the media, which describes the channels for carrying or transmitting the advertising message to the intended audience. The channels of

advertising should be selected carefully and correctly too, to ensure that they deliver appropriate message to the right audience as effectively as possible. In making media decisions, Norris (1984) indicated five questions that must be answered.[16] These are:

- who are your customers?
- how much money can you afford to spend?
- how often should you advertise and how much? Is your product seasonal?
- what kinds of media are your competitors using?
- what kind of product or service do you have for sale?

In addition to the above, it is important to consider the circulation of the media, the time and location of buying decision, objective of the advertisement, and communication effectiveness of the media. These should be considered along with qualitative factors such as prestige.

Among the media through which advertising messages (advertisments) could be relayed are newspapers, magazines, television, radio, outdoor, direct mail and business papers.

Writing an advertisment that can move consumers to act in a desired manner requires innovation and creativity. To create an advertisement entails the duties of writing the copy and in doing this the copy writer should consider the special features of the product that will appeal to potential buyers, the target audience, reachability of the target customers, the channel of distribution of the product and when the product

will be purchased and used. The headline of the copy (advertisment) should attract attention, win the readers' interest and lure readers into the text. Different types of headlines are used and they include; direct promise headline, news headline, command headline, curiosity headline and selective headline. The copy is basically an amplification of the headline and for it to be effective, the words used must be suitable, concise, clear and personal. The layout of the copy should systematically move the prospect towards the advertisement's ultimate goal.

One further activity that managment must incorporate into any advertising strategy is evaluation or feedback. The purpose of such evaluation is to see how well advertising achieves the goals assigned to it. Advertising could be conducted before, during or after the advertising campaign. The pretests are conducted before exposing target customers to the advertisement in order to gather information on their probable success and some of the popular tools that are used are consumer opinion, direct mail, test, sales experiments, mechanical methods and psychological scoring. The concurrent tests are conducted while the advertising campaign is actually underway. The post tests are conducted after the consumers have been exposed to the advertisement. Methods for post testing include readership (recognition) test, aided or unaided recall test, attitude modification inquiry tests, and sales movement test.

The above review centred on the practical aspects of advertising as they affect marketers. However, advertising has come under strident criticism. Critics of advertisement base their arguments on ethical and economic factors. Ethically, it has been argued that advertising encourages the development of materialism by deliberately focusing on those motives that are of least value to the society and therefore, least desirable in man. The use of fear to play on the emotion is seen as morally wrong and advertising messages are seen as half truths and exaggeration. Economically, it is argued that advertising is wasteful in promoting the sales of unnecessary products at the expense of economically desireable ones and that advertising adds to cost of goods and services.

The above criticisms notwithstanding, there is no denying the fact that advertising produces economic and social benefits. Intelligent use of advertising makes goods and services cheaper by arousing mass demand, thereby encouraging the use of large scale production techniques, the economies of which are passed to consumers. Also, most heavily advertised goods and services are not harmful to health. Infact, manufacturers constantly try to improve their products to have competitive edge over other brands. Branding which ensures identification of the product with the manufacturer serves as a guarantee of quality which must be maintained if the manufacturer is to exist in the long run.

2.5 PERSONAL SELLING

This consists of person - to person communication between sales person and their prospects. It involves the oral presentation of a sales message. Contrary to advertising which is aimed at groups, personal selling focuses on the individuals and therefore, involves interpersonal relations between the source and the destination.

Personal selling is particularly effective in building up buyers' preference, conviction and action. It has the distinctive advantage of allowing sales persons to tailor their messages to suit the unique characteristics of each prospect. Also, by observing and listening to their prospects, sales persons obtain immediate feedback as to the extent to which their messages are getting across and adjustments and corrective measures can quickly be taken if the message is not having the intended effect.

Bell (1972) has identified five types of selling. [17] The first is cold canvass selling versus lead selling. Cold canvassing involves calling on a prospect without knowledge as to whether or not the person has a need for the product or service. Lead canvassing on the other hand involves calling on propects known or suspected to be interested in the product. The second category of selling is planned versus canned selling. All sales presentations are planned to some degee but in the canned approach, the sales is presented in the approved format. Development versus competitive selling

form the third category. In development selling, future sales opportunities are cultivated while in competitive selling products or services are presented in direct competition with substitutes that are readily available in the market. The fourth category is missionary versus order selling. Missionary salesmen call on customers to build interest and demand and help resellers in building their individual selling programmes for the manufacturers. A missionary salesman does not accept orders except on very rare occasions. The duty of the order sales man on the other hand is making sales - getting orders. The last category identified by Bell is pre-transaction selling versus post transaction selling. Pre-transaction selling involves a conditioning of the prospective customer to the point where he is ready to buy, whereas the objective of post-transaction selling is keep a customer satisfied to ensure continued patronage.

In personal selling, objectives must be clearly set for the salesforce. According to Kotler (1980) sales representatives are expected to perform six tasks which are; prospecting for new customers, communicating with existing and potential customers, selling, servicing the customer, information gathering (market research), and advising the company on allocating scarce products to their customers in times of product shortages.[18]

Developing a salesforce strategy involves an understanding of the buying process and how the firm can take

a favourable position against its competitors. This requires the identification or clarification of the type of selling situation that the sales force must handle. Having identified the type of selling situation, the company can then proceed to use either direct selling in which the company employs its own paid staff (sales force) who call directly on customers or indirect selling in which the company uses third parties such as brokers, agents etc.

Another aspect of salesforce strategy is deciding on the structure and size of the salesforce to ensure effectiveness. Generally speaking, sales force could be structured on product, geographical or territorial, and customer basis. Alternatively, a complex structure may be used where the company sells a wide variety of products to different types of customers who are geographically dispersed. The optimum size of a company's salesforce could be determined using the workload approach which involves estimating the extent of the selling task and dividing this task by the amount of it that a single saleman might handle.

In order to attract and retain the right calibre of sales representatives, a company must develop an attractive compensation plan. Such a plan must not only meet the needs of the employee in terms of adequacy and regularity of income and equity of reward for contribution to the company, it must also meet the requirements of management in terms of control, economy and simplicity. Two decision areas confronting

managment in developing a compensation plan are what the level of compensation should be and what should be the components of the compensation. Essentially, the level of compensation should reflect the going market rate for the type of sales job, skills, abilities and knowledge required. The components of compensation are; fixed amount and variable amount and expenses. Three basic compensation plans are widely used. These are straight salary, straight commission, and combination of the two. But apart from its compensation system, management can use a number of motivators such as organisational climate, sales quota, sales contest etc to boost morale and ensure high productivity.

The success of personal selling as a promotional tool depends largely on the quality of a company's salesforce. Thus, selecting a good sales representative is a major task of managment and in confronting this task, management must determine those essential abilities, skills, knowledge and characteristics that potential salesmen must have and the weights to assign to them. Some of the qualities of a good salesman are high level of energy self confidence, empathy and intelligence.

It is important for training to be organised for new salesmen on the art of selling aimed at converting salesmen from being passive, order taker to active order getter. Such training according to Kotler (1980) should provide the sales force with information about the company, its products and

operations, its customers, competitors, field procedures, and the personal selling process which involves prospecting, qualifying, preapproach, approach, presentation and demonstration, objections handling, closing and follow up.,[19] Those on the job must be offered refresher courses and continous training to acquaint them with new products, new selling techniques etc.

How well a company carries out its personal selling plan depends to a large extent on the leadership and supervisory qualities of its managers. In this regard, Bell (1972) indicated that implementation of marketing plan must be brought about through what he called "the process of directive leadership" which involves checking organisational readiness to engage in the activity, issuing good intructions, explaining the strategic rationale of the instructions, transmitting bench marks of performance, following up on instructions, engaging in consultative direction, providing tactical leadership, and providing inspirational leadership.[20] Supervision is used to direct and motivate the company's salesforce to do a better job by using their time well. Two basic tools that are used to ensure effective and efficient utilization of salemen's time are the annual call schedule and time and duty analysis.

It is necessary to evaluate salesmen periodically and doing this requires a feedback system. Management can obtain required information through periodic reports from the

salemen, by personal observation, through customer complaints etc. The methods of evaluating sales force include; sales person-to -salesperson comparison, current - to - past - sales comparisons and using qualitative factors such as sales person's knowledge of the company's products and customers.

2.6 SALES PROMOTION

The ultimate objective of marketing communication activities which is to generate profitable sales volume requires that the product or service is actually purchased by customers. The goals of creating awareness and generating positive attitudes are in consonant with this objective of sales volume. However, the creation of awareness and positve attitudes is not a guarantee that the final steps of actual buying behaviour will ensue. Sales promotion, therefore, aims at generating sales volume by encouraging customer to actually purchase the product.

Peterson (1977) quoted the Amerian Marketing Association as defining sales promotion as "those marketing activities, other than personal selling, advertising, and publicity, that stimulate consumer purchasing and dealer effectiveness such as displays, shows, expositions, demonstrations and various non-recurrent selling efforts not in the ordinary routine. [21] They are "below the line" short term efforts aimed at ultimate consumers to increase buying action and middlemen to increase selling efforts.

Sale promotion is one of the most flexible tools a marketing communication strategist could use. They can be implemented within a reasonably shorttime period, moreso, if they have been already planned for use in contingency situations. Also, many of the tools can arrest attention and break through habits of buyer inertia towards a particular product or service.

The use of sales promotion by a variety of organisations has grown rapidly in recent years.

Kotler (1980) has adduced a number of internal and external factors responsible for this growth.[22] Among the internal factors he indicated are; promotion has become more acceptable to top managment as an effective means to stimulate sales, more product managers are qualified to use sales promotion tools, and product managers are under greater pressure to obtain quick sales response. The external factors include; the number of brands has increased, competitors have become more promotion - minded, inflation and recession have made consumers more deal-oriented, trade pressure for more manufacturers' deals has grown, and there is a belief that advertising efficiency has declined due to costs, media clutter, and government control.

A company's sales promotion objectives must be within the framework of its marketing communication objectives. Infact Webster Jr. (1971) indicated that sales promotion must be carefully integrated and coordinated with other parts of the

total communication programme to achieve the ultimate objective of increasing sales of the product.[23] The specific objective of sales promotion will depend on the target market. For instance, the objectives of sales promotion directed at the consumers will include encouraging more usage by users of the product or service, building trial among non-users and wooing or switching other brand users to adopt the brand. On the other hand, the objectives of trade promotions (directed at middlemen) will include encouraging off season purchase, inducing trade members to stock new or larger volume and gaining entry into new retail outlets. These objectives are not by any means exhaustive.

There are a wide variety of sales promotion tools but the specific ones to use should be selected in the light of the nature of market, actions of competitors, objectives of the sales promotion and cost effectiveness. The tools of sales promotion directed at moving products "out-of-the-pipeline" (consumer promotion) include samples, coupons, premiums, trading stamps and price packs. On the other hand, some of the tools designed to move products from the manufacturer 'into-the-pipeline" (trade promotion) are buying allownace, merchandise allowance, advertising allowance, free goods and display allowance. Other sales promotion tools are business conventions and trade shows, contests, sweepstakes, games, point of purchase displays and demostrations.

Apart from deciding on the sales promotion objectives and tools to employ, managment must also take decisions regarding the size of the incentive, conditions for elligibility, distribution vehicle for promotion, timing of the promotion, its duration and the sales promotion budget.

Futhermore, it is important that sales promotion be pretested whenever possible to determine if appropriate tools have been selected, the optimality of the size of incentive and the effectiveness of the method of presentation. Pretesting could be done by asking groups of consumers to rank different possible tools based on their preference or trial test can be conducted in restricted geographical areas.

It is also important that sales promotion programme be effectively controlled and evaluated to determine how well objectives have been achieved and the measures necessary to correct deviations. The methods of evaluating sales promotion include sales performance movement, consumer panel data, consumer surveys and experimentation. Caution should, however, be exercised when using the results of sales promotion efforts because as Webster, Jr (1971) rightly stated, consumer response to sales promotion and deals can produce a "kinked" demand curve representing a short - term shift in demand without any real long - term change in consumer buying habits.[24]

2.7 **PUBLICITY**

This refers to impersonal communictions about the product or organisation by a third party not paid for by the organisation discussed. It has been defined by George (1952) as "securing editorial space, as divorced from paid space in all media read, viewed, or heard by a company's customers or prospects, for the specific purpose of assisting in the meeting of sales goals",[25] publicity is a uniques type of marketing communication in that it is information about the organisation and its products or services that is conveyed by the mass media as part of their editorial context. It is widely used in the promotion of products, ideas, places, services, persons, events, organisations etc.

Publicity has the main advantage of greater credibility because the source is percieved to be the medium carrying the message rather than the company selling the product or service. Also because the message is packaged in the form of news rather than as a sales - oriented communication, publicity can reach potential buyers who ordinarily are evasive to salesmen and advertisements.

The potential of publicity in the total promotional mix is enhanced when organisation has a newsworthy story on its product, service etc, when there is the need to stimulate the enthusiasm of salesforce and dealers, when there is need for credibility eg. a new product, and when the promotional budget is small.

In using publicity as aprqmotional tool, specific objectives must be set. Thereafter, the company generates favourable publicity for the company and its products or service by making a concerted and well planned effort to provide the press with newsworthy infromation about its activities products or services. It is also possible to create news worthy events through which the organisation can get a favourable mention in the media. However, disposition of the news release is completely in the hands of the media, consequently, there is some risk involve in the use of publicity in that the company loses control over the communication. Feature articles, backgroud editorial materials, speeches and newsconferences are other forms of publicity that can be effectively used.

Publicity, of course, can be favourable, or unfavourable. Thus, to ensure favourable publicity, there is the need for a basic understanding of the requirements for being effective, the characteristics of the target audience, and the persons and procedures influencing the use of publicity. Also, many organisations try to develop favourable working relationships with the media, as means of minimising the appearance of negative publicity.

The effectiveness of publicity can be measured by the number of exposures created in the media, change in product or service awareness or attitude and sales and profit impact.

Although, firms tend to give less attention to publicity relative to other promotional mix elements, when properly planned and implemented, it could be a vital marketing communication tool.

2.8 PUBLIC RELATIONS

Public relations has a longer term objective which is to promote the identity and reputation of the company. In other words the focuss of public relations is to develop a favourable image of the organisation and its products or services in the eyes of the public. A corporate image is the identity and reputation of the company in the minds of the publics whose attitudes are important to the company. Such publics include customer, employees, suppliers, the community etc. Corporate image is formed in the main on the basis of subjective evaluations and impressions of facts relating to the company as they are recieved from the publics.

A strong and positive corporate image is beneficial to the company in that it can aid the promotion of its products and services. Also, it can improve the effectiveness of the company's selling and advertising efforts and can be an important source of strenghts to middlemen. On the otherhand, poor and negative company image can hinder and even destroy the effectiveness of the other elements of the promotional mix.

Public relations activities include lobbying, couselling, corporate communications, sponsorship of sports and events and using promotion messages to persuade members of the public to take a desired position.

However, no serious image work can be done without a proper study to determine how the public percieve the organisation. some of the techniques for measuring attitudes such as survey can be used to assess corporate image. Such evaluations provide important information for the development of a public relations or image enhancement programme. It should also be noted that a poor image may not necessarily be a result of only inadequate communication effort. It can result from defects inherent in the product or service. In such situation, it is necessary to correct the defects before the corporate image could be enhanced through communication.

2.9 **MEANING OF SERVICES**

Services have become a vital aspect of consumers' life style. And because of their diverse nature, definitional problems ensue when it comes to grouping companies according to whether they are in the marketing of physical products or services. This is because a company's offering to the market place may be a mix of goods and services. The service component of such offer may be a minor or a major part.

To alleviate such definitional problems, Boone and Kurtz (1986) have suggested the use of product spectrum (a kind of

goods-services continuum).[26] Using this approach, four categories of offer can be distinguished: a pure tangible good, a tangible good with accompanying services, a major service with accompanying minor goods, and a pure service.

According to Stanton (1978), "services are those separately identifiable, essentially intangible activities which provide want-satisfaction and which are not necessarily tied to the sale of a product or another service." [27] He went further to indicate that to produce a service may or may not require the use of tangible goods and that when such use is required, there is no transfer of title to these tangible goods.

In the same vein, Busch and Houston (1985) defined service as "an act performed by an individual or organisation for the benefits of another or organisation."[28]

There are different ways of classifying services but kotler (1990) used four approaches. [29] He stated that services can be classified as to whether; they are people - based or equipment -based, they require the client's presence, they meet a personal need (personal services) or a business need (business services), and whether they are profit oriented or non profit oriented or privately owned or publicly owned (objective and ownership).

Services have some major characteristics that distinguish them from tangible products and affect the design of marketing programmes. These unique aspects of services as indicated by

Bessom and Jackson, Jr. (1975) are:

- the intangible nature of service that make a consumer's choice of competitive offerings more difficult than is encountered in product offering.

- the inseparableness of the producer and his services, which tends to localize service marketing and thus offers the consumer more limited choice of alternatives and

- the perishability of services, which prevents storage and increases the risks of service marketing.[30]

In addition to the above three characteristics, services are variable and, therefore, difficult to standardise.

A customer is an important asset of a service firm, but the problem of winning and keeping customers in the service industries is heightened by their special features, explained above. For instance, customers are often subject to post purchase doubts about the appropriateness of their choices, particularly if their decision or selection is questioned by others. In the case of tangible products, the prudence of a consumer's choice is reinforced by the physical objects purchased but, this tangible reinforcement is missing in the purchase of services. An unsatisfactory product can usually be returned but the consumer is unable to return a service. And because services cannot be seen, tasted, or experienced in advance, marketing of services necessarily requires the persuasion of potential customers to buy what are basically promises. What it takes to do this in the words of

Levitt (1981) is "to tangibilize the intangible".[31] And this, according to him requires the use of metaphors and similes as surrogates for the tangibility that cannot be experienced in advance.

All the elements of the promotional mix are relevant in service marketing. Advertising, personal selling and sales promotion can be used to stimulate primary demand. And selective demand can be stimulated through effective communication of the benefits of a sellers's offering over his competitors.

Also, retailers of services should recognise their human and personal dimensions. Such things as the person, personality and perceived behaviour of the seller as well as the appearance of their place of business, their location, reputation and relationship with customers are major inputs in the buying decision of a customer. No wonder then, that Bessom and Jackson, Jr (1975) affirmed that "in markets dominated by impersonal promotional persuasion, 'service with a smile' has greater strategic implications than many service marketers may realise."[32]

Because the output of a service firm is usually difficult to assess on a rational and perhaps economic basis, there is the need for marketers of services to maintain a positive public image. This calls for modern public relations, based on the firm's recognition of its interdependence with the social systems in which it operates.

On the whole, innovation and creativity should be the watchwords of service retailers in today's competitive market place. The marketing concept and the systems approach to marketing planning must be adopted. The firm must be willing to adapt its productive resources to meet changing consumers need, it must communicate information about its offerings to the target market, and it must constantly obtain information from the market through a feedback mechanism.

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CHAPTER THREE

HISTORICAL BACKGROUND OF NICON NOGA HILTON HOTEL, ABUJA

3.1 BACKGROUND

The relocation of the Federal Capital of Nigeria from Lagos to Abuja and the consequent mass movement of people necessitated the need for hotel of international standard to take care of the lodging and dinning needs of business travellers, leisure seekers, conference organisers etc. in the town.

NICON NOGA HILTON HOTEL which is fondly described by its staff as Nigeria's first luxury hotel was established to meet these needs.

This imposing 670-lettable room edifice is located in the 'heart' (central area) of Abuja, the new Federal Capital. It is situated on Aguiyi Ironsi Street, Maitama district, less than one kilometre from the ministry and embassy sites. The hotel is a forty minute drive from the Abuja International Airport. It was fully opened for business on April 21, 1987.

Its strategic location makes accessibility to many tourist attractions easy. Some of these local attractions are the famous Zuma rock which is an irresistible sight to visitors, Aso hills, Gurara Waterfalls, lower Usuman and Jabi Dams, The presidential lodges, and the ever bubbling Ibrahim Babaginda (IBB) International golf course.

NICON NOGA HILTON HOTEL, Abuja is owned by National Insurance Corporation of Nigeria (NICON) through its holding

company, NICON Hotels Limited and its foreign patner, NOGA. The hotel is being operated by HILTON International, the largest hotel company in the world with operational base in Watford in Britain pursuant to a management agreement. Thus, the name, "NICON NOGA HILTON" is derived from the abbreviation of the owning companies and the managing company.

As a five star hotel which prides itself as the market leader in the hospitality industry in Nigeria, it provides a full range of hotel services of international standard. These services include accomodation, restaurants (feeding), meeting, banqueting, recreation, bars, business (secretarial) etc. Its target customers are the frequent independent travellers (FIT) who are individuals on business or leisure trip, tour and non tour operator groups, leisure and packages organisers, government and diplomatic bodies and international guests.

3.2 ORGANISATIONAL STRUCTURE

The hotel is structured along functional lines each of which is headed by a manager. The functional departments are the Foods and Beverages (F & B) which is responsible for the restaurants and bars in the hotel, sales and marketing which handles all the selling and marketing activities, the purchasing department which is responsible for acquiring the material required for effective functioning of the hotel and the personnel department which is in charge of recruitment, selection, placement, transfer, promotion, welfare, discipline

etc. of staff. Other departments are the training deparment which is in charge of the training and development of employees that can meet the challenges of providing both the quality and value for which the hotel customers will be happy to pay time and time again, the accounts department which is responsible for making financial projections, keeping financial records of transactions etc, the public relations department which liases with the general public, government organs to ensure a positive corporate image, the engineering department which is made up of the mechanical, electronic and electrical sections. The hotel also has the rooms division which is made up of the house keeping, laundry and front office departments.

At the head of the managment is the general manager who ensures that the hotel is operated in line with policies and guidelines of the managing company - Hilton international. The General Manager has the overall responsibility for the day-to-day running of the hotel and reports direct to the Hilton International Regional Manager.

Next in the hierarchy is the Executive Assistant Manager. As the name implies, he assists the General Manager in the running of the hotel and performs other functions that may be assigned to him from time to time. He reports to the General Manager.

Immediately below the Executive Assistant Manager are the functional heads. All functional heads except accounts i.e

the marketing manager, public relations manager, Food and Beverage Manager, Recreation Manager, Executive Chef, and Chief Engineer are under the Executive Assistant Manager. However, the laundry manager, the executive housekeeper, and the Front Office Manager report to the Rooms Division Manager who in turn reports to the Executive Assistant Manager.

The controller, Accounts who heads the accounts department reports direct to the General Manager.

Below the functional heads are assistant managers. And below the Assistant Managers are officers, supervisors, and other categories of employees.

ORGANISATIONAL STRUCTURE

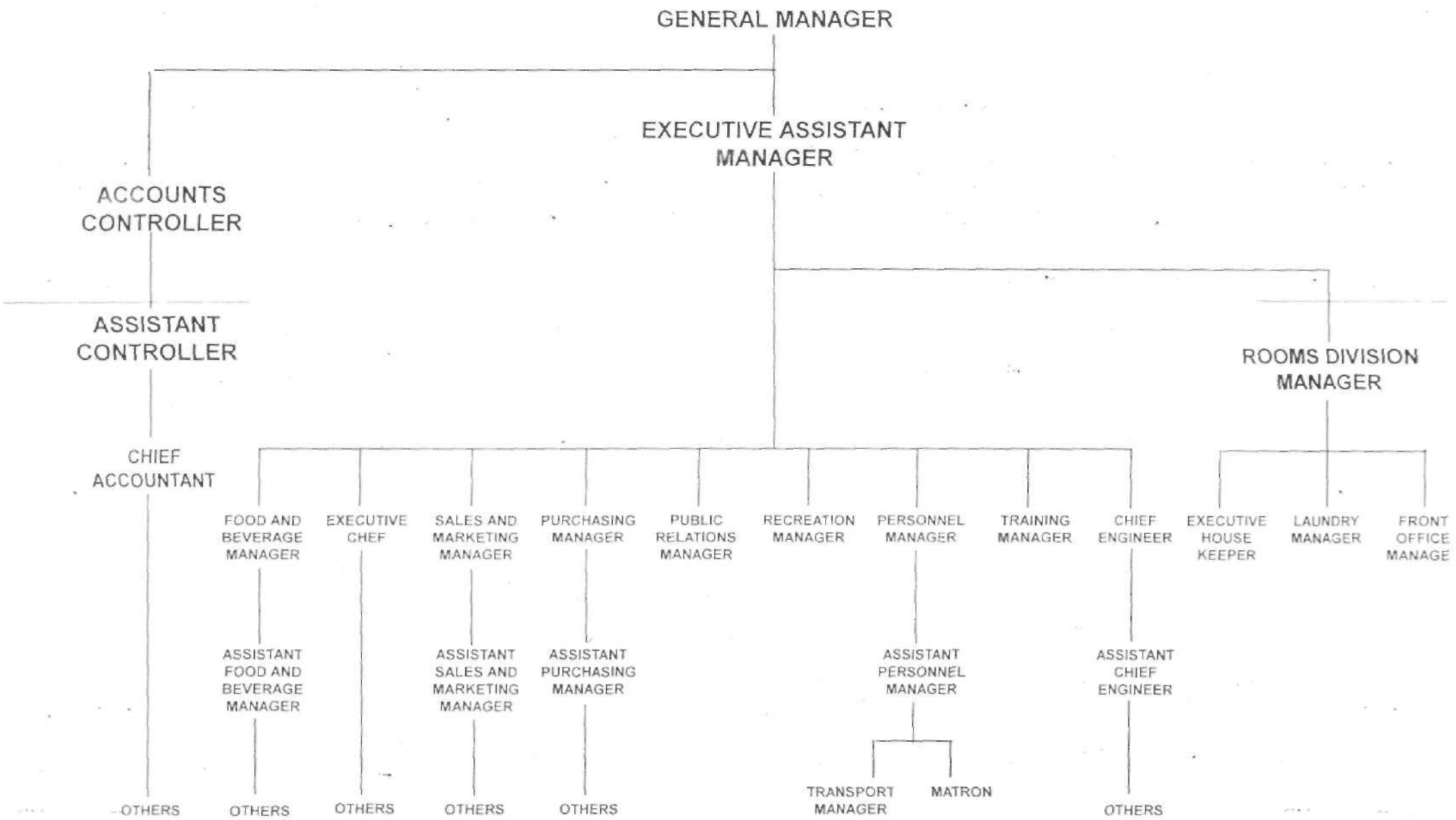


Fig. 2: *Source: Adapted from the information received from the Hotel*

3.3 ORGANISATION OF THE MARKETING DEPARTMENT

The sales and marketing functions of the hotel are combined under a single department called sales and marketing. The department is headed by a sales and marketing manager.

Below the sales and marketing manager is the Assistant Sales and Marketing Manager who performs such functions as may be delegated to him by the Sales and Marketing Manager. Also, he takes responsiblity for the department when the Sales and Marketing Manager is not around.

Following the Assistant Sales and Marketing Manager are the Sales Representatives. At present, the hotel has two sales representatives; one in Lagos and the other is based in Abuja. The sales representatives are charged with the responsibility of carrying out all personal selling activities in their respective territories.

Below the sales representatives are the supporting office staff.

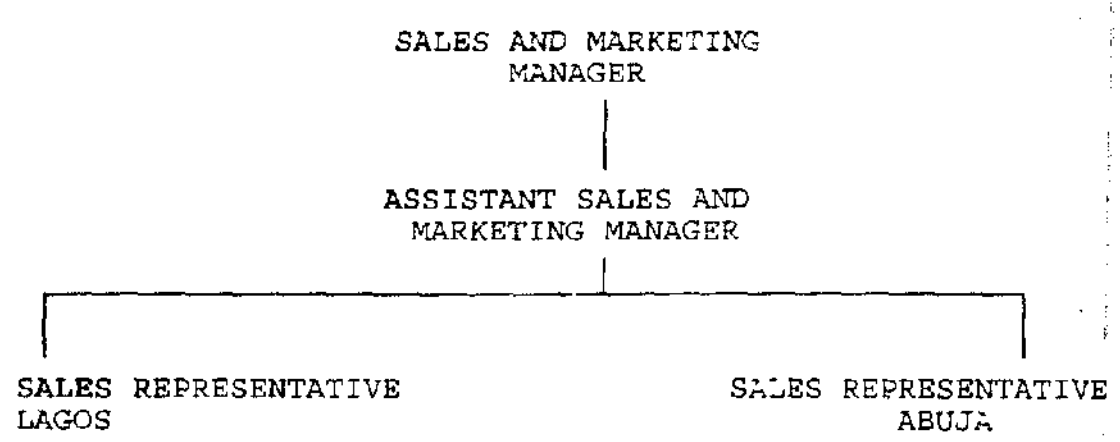


Fig.3. Source: Based on information obtained from the hotel staff.

3.4 HOTEL FACILITIES/SERVICES

The hotel facilities include the following: - 670 guest rooms. The rooms are classified into different, types which are superior twin, Deluxe Room, Executive Room and Alcove Room. Guests have the option of taking the single or double of each of the above types of room. In addition to the above, there are the Royal room types, the Executive Suites, Royal suites, pent house suites, Ambassador Suites, and presidential suites. Each of the above rooms attract different rates. All the rooms are equipped with private bath, minibar,, 2 telephones, radio, colour television, in-house movies and 24-hour satellite reception. In addition, special rooms are available for disabled guests and for non-smokers, there are non- smoking rooms.

- a lobby lounge
- casino operating with roulette and blackjack tables
- luxury banqueting facilities.
- lobby and shopping arcade
- worldwide mail delivery
- conference facilities
- exotic plant nursey
- Handicraft village

BUSINESS SERVICES

In addition to the above, the hotel provides the following excellent business services

- secretarial services
- telex/facsmile
- photocopying
- 4 track simultaneous translation
- cordless headphones
- exhibition booths

MEETING FACILITIES

In the area of meeting, the hotel has a meeting product tagged "HILTON MEETING 2000"

Among the meeting facilities availbale are.

- A congress Hall which can seat between 300 and 1200 people, with simultaneous translation facilities.
- 23 different meeting rooms which can seat any number from as few as 15 to as many as 300 people.
- State - of - the art audio and visual equipment full cinema screens and high tech overhead projectors.

RESTAURANTS

Restaurant is the power of every hotel. It is in this regard that the hotel has two charming restaurants. The first is called the 'Zuma Grill' which offers international and Nigerian cuisines. There is also the Bukka Restaurant or coffee shop which provides buffet meals and a la carte. In addition, the hotel provides room services on 24-hour basis.

BARS

The are three bars and a night club in the hotel. These are

- The lobby bar
- The capital bar which provides afternoon tea and snacks.
- Fulani bar which serves light snacks all day plus barbecue.
- Safari Night Club

HOTEL LEISURE

The hotel has the following recreation and relaxation facilities:

- A large hexagonal swimming pool
- 3 floodlit tennis courts and resident coach
- 3 squash courts
- Fitness centre with gynasium, sauna and massage
- Volley ball court

- Mini golf
- Badminton
- Basket Ball court
- Table tennis etc.

Customers have the opportunity of making their reservations and booking through accredited travel agents, hotels operated by Hilton International or direct at the hotel and its Lagos Sales Office.

The prices of some of the above services and facilities are indicated in appendices 1-5. These prices are, however subject to change without notice.

CHAPTER FOUR

ANALYSIS OF THE HOTEL'S PROMOTIONAL ACTIVITIES

4.1 OBJECTIVES OF THE HOTEL PROMOTIONAL ACTIVITIES

The hotel business is highly capital intensive. Investment in hotel facilities is large and the fixed charges make up a substantial proportion of the total costs. There is, therefore, the need for a high rate of occupancy if a profit is to be made.

To ensure high occupancy rate in today's highly competitive market place and dwindling disposable income of consumers consequent upon the economic recession the country is passing through, there is the need for creative marketing. Not only must the firm differentiates itself in terms of the core and pheripheral services offered, it must communicate effectively with the market through its promotional activities.

The promotional activities of the hotel are focussed on its core areas of business which are individual room sales, group busines such as meetings, seminars, conferences, group tour leisure package, and food and beverage. The ultimate objective is to ensure high sales. However, other specific objectives are:

- creating awareness about the facilities and services of the hotel.
- attracting customers into the hotel.

- inducing guests to utilize more of the hotel's facilities.

- informing target market above special offers and packages.

- building a positive public image.

4.2 DETERMINATION OF THE PROMOTIONAL BUDGET

The hotel spends several millions of naira per year on its promotional activities. The promotional appropriation is based on the objective and task method. However, what is actually spent is contingent upon the availability of fund.

4.3 ADVERTISING

As a business facing a rougher and tougher world, the role of advertising as a competitive weapon is recognised by the hotel management. Quite a lot of money is spent yearly in advertising the services of the hotel. Infact, advertising gulps a greater chunk of its promotional budget (about 50% . advertising is used by the hotel to keep its name in the front of the customer and also to stay ahead of its competitors.

Among other objectives, advertising is used by the hotel to inform its target customer about special offers, to persuade them to patronise the hotel, to "soften the ground" for its sale staff and to build up its corporate image.

The hotel advertisement is built around a campaign concept. Its current slogan is "LET'S SPOIL YOU A LITTLE"

The slogan is aimed at conveying to the target customers the quality of service the hotel provides. It suggests a feeling of surrender to luxury and total care - a kind of home away from home. The sales and marketing department of the hotel handles its advertising in conjuction with its advertising agency which at present is Access communication Ltd.

Hilton International also has its own slogan around which it builds regional advertisements for the hotels under the group's management. The slogan is "TAKE ME TO THE HILTON" which is reinforced with "THE HILTON. THE HOTEL". The advertising agency of Hilton International is saatchi and saatchi.

Extensive advertisement is run by NICON NOGA HILTON hotelin some of the national newspapers and magazines which are selected based on readership profile and circulation. See appendices 6 and 7 for samples of its newspaper advertisement.

In addition to the above, the hotel uses the direct mail medium to reach target customers. The hotel has a mailing list of select prospects,corporate customers, groups, travel agents etc. which are sent Hotel brochure, flyers and other printed literature. This medium is particularly important in promoting what the hotel management describes as the world's finest hotel meeting product, "HILTON meeting 2000". This is a package specially designed for group meetings, seminars, conferences etc so that, "when Hilton do the work, you do the business" In advertising this product, Hotel brochure,

current room rates, banquet brochure, tariff, list of audio visual equipment etc are sent to target groups with a covering letter containing names of some organisations that the hotel has successfully hosted to lay credence to their expertise in handling annual general meetings, conferences etc. see appendices 8 and 9.

Also a lot of flyers most of which are in colourful design advertising special events and offers are widely circulated among its target customers. Such flyers are strategically placed in the hotel rooms, bars, restaurants and lobby where guests can have easy access to them. The flyers are also sent to some outlets such as accredited travel agents.

Speciality advertising is another tool that is being used by the hotel. Hundreds of t-shirt, ballpoint pen, stickers, calender, complimentary card holder etc. bearing their name, logo and some cases brief advertising message are given out free to their customers.

Other advertising media used by the hotel are television which is seldomly used and bill board which are erected in selected cities and airports. And at the hotel's lobby, there is a board on which events happening in the hotel are displayed on daily basis for the attention of guests.

It is important to note here that every advertisement of the hotel bears its distinctive logo.

4.4 PERSONAL SELLING

Personal selling is another element of the promotional mix that is extensively used by the hotel. Personal selling affords the opportunity of lively, immediate and interactive relationsjip between the hotel's sales personnel and customers. Also, it permits selling relationship to spring up and provides a forum for feeling and getting immediate response form the customers. Personal selling is used more for the group business sales such as the hotel's "meeting 2000".

Because of the importance attach to this promotional element, the hotel sales staff are carefully selected. Such staff are expected to have reasonable educational qualifications and must have such personal qualities as high level of energy, abounding self confidence and ability to carry people along.

At present, the hotel has two sales representatives covering Lagos area and Abuja respectively. This is in addition to the Sales and Marketing Manager and the Assistant Sales and Marketing Manager.

When in the field, the sales staff are expected to find and cultivate new customers, communicate information about hotel services to existing and potential sales customers and win sales. In addition, they gather relevant information from the field that serve as necessary input in the formulation of the hotel's marketing strategy. Also, the sales

representatives prepare periodic sales report for managment use. They are given monthly and annual sales budget which they are expected to meet.

All new sales staff are nurtured and trained to Hilton standard. Training is a continous programme in the hotel. The training department organises in-house as well as external training for staff. Deserving staff are also sent on Hilton International training programme in Kenya and London.

The essence of the various training programmes is to acquaint the sales staff with modern marketing techniques and principles, development in the tourism business, and necessary skills required to keep the hotel in the forefront of the hospitality industry.

Personal selling activities consumes about 15% of the hotel's promotion budget.

4.5 SALES PROMOTION

The hotel has also realised the importance of sales promotion as a tactical tool for attracting customer into the hotel. The hotel makes use of short term incentives aimed at increasing individual room sales group business and food and beverage sales.

Since the hotel business is affected by seasonal fluctuations, sales promotion is used mainly to promote seasonal events like Easter, Christmas and New Year during which special packages are offered.

The sales promotional tools commonly used by the hotel are; price packs which are offers of a certain amount of money off the regular price; discount; free food and drinks and complimentary room. For instance, during the 1995 Easter season, guests of the hotel were offered up to 50% discount on rooms and suites in addition to free casino chips per room worth N300.00 and 20% discount on beauty hairdressing saloon.

For group business, such as meetings, seminars and conferences, the hotel gives group discounts and concessions based on the number of guests involved. Also, complimentary rooms and meals are given to "contact persons" and deserving individuals and groups.

In addition to the above, the hotel has a special fly away weekend package called "2 for 1 WEEKENDS". This package is arranged in conjuction with ADC airlines and it is aimed at ensuring high Occupancy rate at weekends. It is a low budget package which includes a return ticket to Abuja from Lagos or PortHarcourt, a welcome drink, deluxe room and complimentary airport shuttle. The current rate for the package is N7500.00 for guests from Lagos and N11,00.00 for guests from PortHarcourt arriving on friday and departing on sunday.

It is instructive to note that these special offers and packages are advertised widely to the target customers. About 30% of the hotel's promotion budget is spent on sales promotion. See apendices 10, and 11 for samples of these special offers.

4.6 PUBLIC RELATIONS/PUBLICITY

In recognition of the interdependence of the hotel and the environment in which it operates, the hotel has a public relations department which is charged with the responsibility of building a strong and positive public image. The department which is headed by a Manager is responsible for corporate communications, relating with the press to place news worthy information in the news media and dealing with relevant groups and government officials and organs on issues of interest to the hotel.

As part of its public relations activities, the hotel organises annual sporting events which include the NICON NOGA HILTON open golf championship and the NICON NOGA HILTON under 18 open tennis championship. These events are given wide coverage by the press. For instance, "Vanguard" newspaper of friday October 6, 1995, reported on its page 5 that the prize money in the professional category of the 1995 golf championship was N400,000.00 and trophies for winners in the amateur group cost the hotel N160,000.00.

The hotel is also alert to its social responsibility. Quite a lot of financial and material resources are expended in this regard. For instance, at the Karu (Abuja) Motherless Babies home fund raising ceremony, the hotel donated N200,000.00. In 1993, a wheel chair, one Adlar Shoe Sewing Machine and one Bench Grinder for smoothening shoe sole was given to a disabled person to enable him establish a business.

And early in 1995, the hotel donated items worth N600,000.00 to nine disabled homes or centres and individuals. These and other stories are reported in the 'Hilton Gazette' vol.1 No 10 of January - April, 1995.

The journal of the hotel, "The Hilton Gazette" affords it additional opportunity of publicising events and activities of the hotel.

4.7 CUSTOMER SERVICE

Customer service is a crucial determinant of the success or otherwise of any firm in the hospitality business.

The personnel of the hotel are its living symbols and therefore, the attitude and service rendered by its Managers, Clerks, Bellboys, Porters and other employees contribute to the guest's satisfaction and attract repeat business. In the light of this, all category of staff are highly trained and motivated to give excellent and efficient service to guests.

From reservation to arrival and departure, guests are given personal attention. Reservation is fully computerised and integrated. All guests on arrival apart from being welcomed at the door, are excorted to their respective rooms by a bellman. and on the day of checking out, customer's luggage is taken to his car.

Notices and suggestions in the rooms, laundry bags, menu etc, and tactful personal suggestions are used to help sell additional services offered by the hotel.

4.8 FEEDBACK MECHANISM

To be able to stay ahead in the dynamic and competitive hospitality industry in which the hotel operates, there is the need for constant inflow of information to serve as input for improving its services.

The guests for whom the hotel exists are better placed to assess the facilities and services provided by the hotel. It is in realisation of this fact that the hotel has developed a guest questionnaire. The questionnaire covers every area of the hotel services and guests are encouranged to complete and drop it with the guest relations Hostess..

4.9 OBSERVATIONS

The economy of the country has been bedevilled by quite a lot of problems in the recent past and the deepning recession has so far defied all economic policies and measures aimed at stemming it. The high inflationary rate coupled with the high exchange rate of the naira have weakened the purchasing power of consumers. Thus, virtually, every sector of the economy is affected by low capacity utilization consequent upon dwindling demand for goods and services. The hospitality industry which NICON NOGA HILTON Hotel belongs to is not free from this misfortune.

One of the observations arising from this research is the fact that individual room sales is the highest contrubutor to the sales volume of the hotel. Ironically, the hotel suffers

from low room occupancy rate. At present, the hotel average room occupancy rate is about 40%. Although, during festivals and special events, the rate can be as high as 70-80% such booms are exception rather than the rule.

Furthermore, competition in the hospitality industry is becoming more intense in Abuja. Apart from existing strong competitors, like Abuja sheraton, Agura Hotel, Sofitel Hotel, and Ibro Hotel, More Hotels are springing up rapidly to fight for a share of the dwindling market.

The peak period of the hotel's business is August-December while its slow period is January -April. Promotional expenditures are adjusted in response to these fluctuations. More money is expended on promotional mix during the peak season.

Motivation is an important requisite for getting extra effort from salesforce. however, apart form the general compensation package for all its categories of staff, the hotel has no additonal or special incentive meant only for its sales staff. Its reward system is straight salary.

Also, emphasis has not been placed on television advertising. It appears the managment of the hotel is yet to appreciate the great potentials of television as a promotional medium, even for firms in the service industries.

It is the considered opinion of the researcher that the two sales representatives of the hotel in Lagos and Abuja respectively are inadequate to cover its target market.

CHAPTER FIVE

SUMMARY, RECOMMENDATIONS AND CONCLUSION

5.1 SUMMARY

This research examined the conceptual and managerial aspects of promotion in the service industries using NICON NOGA HILTON Hotel, Abuja as a case study. The questionnaire method coupled with interview and personal observation were the methods used in collecting data for the study.

The foundation for the study was laid in chapter one. In it, the statement of the problem, the purpose of the study, scope of the study and its significance were discussed. Also, the limitations of the study such as the refusal of the hotel to release some informations vital to the research were discussed.

Furthermore, it was indicated that promotion is basically a marketing communication and that designing a promotional strategy involves situation analysis, setting the promotional objectives, determining the campaign theme, setting the budget, determining the promotional mix, implementation, evaluation and control of the programme. The elements of the promotional mix as discussed are advertising, personal selling, sales promotion and publicity and public relations. Also, the meaning of services and their special characteristics - intangibility, inseparability of production from consumption, variability, and perishability - which affect the design of marketing programmes were discussed. These are

contained in chapter two.

In chapter three, discussion was on the historiacl backgroung of the hotel, its organisational structure as well as the full range of facilities and services in the hotel.

The Hotel's promotional activities were examined in chapter four. The ultimate aim of its promotion is to increase sales and its promotional activities are built around the slogan, "let's spoil you a little." Advertising especially through newspapers, direct mail, brochures, flyers and billboard are extensively used by the hotel. So also is personal selling. In addition, alot of sales promotion is used as short term incentives to attract customers and its public relations department handles activities relating to its public image.

Among the findings of this research are the low room occupancy rate in the hotel. increasing competition within the hospitality industry and the inadequacy of its number of sales representatives.

5.2 RECOMMENDATIONS

In line with the findings of this research, the following recommendations are made as a way of improving the promotion strategy of the hotel.

- The present room occupancy rate of about 40% means that over 400 rooms are left unoccupied on

the average and when one considers that empty rooms do not generate income, the need to attract more customers becomes imperative. In this regard, it is recommended that the risk associated with service perishability should be reduced by giving more generous reduction on room rates.

- The hotel should have more outlets where its fly away weekends package can be purchased. At present, the package can only be purchased at ADC Airlines Booking Offices in Lagos and PortHarcourt, thereby cutting off potential customers in other locations of the country.

- Special package should be created for honeymoon makers. The hotel stands to gain from this, if the package price is generous enough. A lot of weddings are contracted on daily basis in the country.

- Television presents a veritable medium for showcasing hotel services and facilities especially when one considers its advantages of sound sight and colour. The hotel should, therefore explore the opportunities in television advertising.

- Although, it is understandable why the hotel spends more money on promotion during the peak season, it should be realised that the essence of promotion is to increase sales. This being the

case, it is considered prudent to recommend that the hotel should spend more on promotion especially sales promotionduring the slow period than is being done at present.

- It is further recommended that special sales incentive be introduced to the sales staff to motivate them towards greater performance. Also, there is the need to increase the strength of its salesforce.

- Above all, more efforts should be made towards reducing opertaing costs, In the face of dwindling sales, one way of improving profitability is to cut operating costs. But this should not be done to the detriment of quality service.

5.3 CONCLUSION

No doubt, promotion is an important element of the marketing mix. It is a requisite for any firm that aims at corporate survival.

Although, innovative promotion stimulates sales, it should be realised that a good product or service is at the core of successful business. A solid foundation built on products and services is the key to surviving the rigours of competition. No amount of promotion can sell an inherently bad or defective product or service.

Therefore, to successfully compete in the turbulent

environment in which NICON NOGA HILTON HOTEL, Abuja operates, nothing short of total excellent service must be offered. Its corporate goals can only be achieved through attention to details and maintenance of standards.

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QUESTIONNAIRE

Dear sir,

Iam a post graduate student in the department if Business Adminitration, Ahmadu Bello University, Zaria undertaking a research work on the management of promotional activities in the service industries, a case study of NICON NOGA HILTON HOTEL, Abuja.

The study is being undertaken as part of the requirements for the award of the Master of Business Administration (M.B.A.) degree. I am, therefore, soliciting your help in filling the attached questionnaire.

All information supplied will be used for academic purposes and will, therefore, remain confidential.

Thank you

1. When was NICON NOGA HILTON HOTEL, Abuja established?
   ---
2. Indicate the owners of the Hotel and the percentage of their equity holding respectively----------
   ---
3. What are the objectives of the Hotel?----------
   ---
4. Outline the full range of services offered by the hotel
   ---

5. Who are your target customers?----------

---

6. Who are your major competitors?----------

---

7. Briefly comment on the importance you attach to promotion in the marketing of your Hotel's services ----------

---

8. What factors determine your promotional strategy?

---

9. What are your promotional objectives?----------

---

10. What is your average monthly promotional expenditure in naira?----------

11. Put a tick ( ) in the appropriate box to indicate the method you use in setting your promotional budget out of the ones listed below:

Percentage of sales method

Competitive parity method

Objective and tasks method

All-you-can-afford-method

12. If there are other factors influencing the determination of your promotional budget, indicate them below

---

---

13. Is advertising used by your Hotel? ----------

---

14. If yes, what percentage of your total promotional budget is alloted to advertising?----------

15. Outline your Hotel's advertising objective

---

16. List on the media through which you advertise your services----------

---

17. What factors determine your choice of advertising media

---

18. What message is your slogan, "Lwt's spoil your a little" intended to convey to the target audience?----------

---

19. Is your advertising handled internally (by the hotel's staff) or externally (advertising agency)

20. If handled externally, who are your advertising of agency

---

21 What factors influenced your choice of the agency?

---

22 Is sales promotion used by your hotels?

---

23 If yes, what are the objectives of your sales promotion?

---

24. What percentage of your promotional budget is allocated to sales promotion?----------

25. What circumstances determine your use of sales promotion?

---

26. List all the sales promotional tools used by ydur Hotel

---

27. Do you use personal selling in promotion of your services?

-

28. If yes, what are your organisation's sales force objectives?----------

29. What is the strength (number) of your current sales force?

---

30. How is your sales force structured territorial, services type etc.

31. In recruitjng your salesmen, what personal trants or qualities do you look out for?----------

---

32. Indicate the manimum educational qualification you require from your salesmen----------

---

33. What functions do your salesmen perform?

---

34. Outline the type of training you provide for newly recruitedsalesmen----------

---

35. What training do you provide for existing salesmen?

---

36. Do you set sales quota or budget for your salesmen?

---

37. If yes, what determines such sales budget?

---

38. Put a tick ( ) in the appropriate box to indicate your type of salesforce compensation plan out of the ones listed below:

Straight salary

Straight ommission

Combination (salary and commission)

39. Indicate the non-financial compensation

---

40. How do you evaluate the performance of your salesmen?

---

41. What percentage of your promotional budget is alloted to personal selling? ----------

---

42. Do you have a separate public relations department or is. It being handled by your marketing department----------

---

43. What functions are performed by your public relations department?

---

44. Mention some of the programmes your organisation unders to enhance its public image ----------

45. Rate the following in their order of contribution to your sales volume using a scale of 1-5. The box with 1

indicates the highest contributor and so forth

Individual room sales

Food and beverage

Group business/Meetings

Concessions

Others

46. High light specific activities your undertake to promote the following:

Individual room sales

Group business/meetings:

Food and beverage:

47. Use the instruction in No 46 to rate the following promotional mix elements in their order of importance to your organisation

Sales promotion

Personal Selling

Advertising

Publicity/Public relations

NICON NOGA HILTON HOTEL

ROOM RATES EFFECTIVE 1ST MARCH 1995 (Subject to change without notice)

ROOM TYPES	SINGLE			DOUBLE		
	RATE	INCLUSIVE	DEPOSIT	RATE	INCLUSIVE	DEPOSIT
SUPERIOR TWIN	N6000 $160	N6900 $184.00	N11000	N6500	N7475	N14000
DELUXE ROOM	N7300 $190	N8395 $218.50	N12000	N7800	N8970	N16000
EXECUTIVE ROOM	N8800 $200	N10120 $230	N14000	N9300	N10695	N17000
ALCOVE ROOM	N9300 $230	N10695 $264.50	N15000	N9800	N11270	N18000
ROYAL ROOM	N15900 $450	N18285 $517.50	N25000			
EXECUTIVE SUITE	N17500 $490	N20125 $563.50	N27500			
ROYAL SUITE	N21900 $550	N25185 $632.50	N32000			
PENTHOUSE SUITE	N35000 $800	N40250 $920.00	N50000			
AMBASSADOR SUITE	N39000 $900	N44850 $1035.00	N55000			
PRESIDENTIAL SUITE	N47500 $1150	N54625 $1322.50	N65000			

Naira rates are for residents of Nigeria only. US $ Rates are for Non Residents

"Inclusive" means 10% service charge and 5% VAT have been added

LOCATION

The Nicon Noga Hilton Hotel, a five star hotel located in the Central Area of the New Federal Capital, is situated on Aguiyi Ironsi Street, Maitama District, 42 Kilometers from Abuja International Airport.

ACCOMMODATION:

670 rooms including Presidential, Ambassador, Penthouse, Royal and Executive Suites. All rooms have, among other facilities, Minibar, Color T.V., In-House Movies, Satellite Channels and Direct Dial Telephone, Self Control A C thermostat.

OTHER FACILITIES

Meeting 2000 - Complete Meeting and Office Support Services. Specially trained Secretaries will arrange Typing and Word Processing, Laminating, Binding, Facsimile, Photocopying, Translation and Courier Services. Three Restaurants, Two Bars, Pool Snack Bar, Night Club, Outdoor Swimming Pool and Children's Pool, Fitness Centre, Gymnasium, Sauna, Massage, Three Tennis Courts and Three Squash Courts, Extensive Banquet and Conference Facilities.

P.M.B. 200, Abuja, F.C.T. Nigeria. Tel: (09) 5231811 Fax (09) 5232418 Telex: 91504 HILTON NG

The Nicon Noga Hilton is owned by Nicon Hotels Ltd. and operated by Hilton International Co. pursuant to a Management Agreement

Appendix 2

MEAL PRICES EFFECTIVE 1ST AUGUST, 1995

	ROOM SERVICE	BUKKA	BANQUET INCL. TAX	POOL	ZUMA	LOBBY BAR	ORIENTAL
CONTINENTAL BREAK FAST CHILD BELOW 12 YEARS	₦ 575.00	₦ 475.00 250.00	₦ 500.00 250.00				
HEARTY OF NIGERIAN OR BREAKFAST BUFFET CHILD BELOW 12 YEARS	₦ 725.00	₦ 625.00 300.00	₦ 625.00 300.00				
LUNCH BUFFET CHILD BELOW 12 YEARS		₦ 800.00 400.00	FROM ₦ 800.00				
DINNER BUFFET CHILD BELOW 12 YEARS		₦ 925.00 400.00	FROM ₦ 925.00				
SUNDAY BRUNCH CHILD BELOW 12 YEARS		₦ 725.00 350.00					
THEME NIGHT DINNER		₦ 1,025.00			₦ 1,025.00		₦ 1,025.00
BBQ LUNCH				₦ 775.00			
AFTERNOON TEA						₦ 200.00	

ALL PRICES INCL. 10% SERVICE CHARGE AND 5% V.A.TA

NOTE
SALAD BUFFET - LUNCH ₦ 450.00
DINNER ₦ 575.00

cc: Mr. K. McLaren — Head Cashier — Sales & Marketing
Mr. J. Kreitner — Executive Chef — Mr. Z. Dawitt
Mr. B. Hailemiriam — Ms. E. Emein (for action) — T. Loew/D. Akpan

BANQUET TARIFF
AS PER AUGUST 1ST, 1995

				₦
SET MENU	A - 3 Course (Conferences)			725.00
	B - 4 Course			975.00
	C - Gala Menus			
	Prices according to selection			
	From			1,050.00
	To			2,000.00
BUFFETS	D - Plated Buffets			
	Nigerian			675.00
	Mixed			775.00
	E - Regular Buffet Menus	1		800.00
		2		875.00
		3		950.00
	Gala Buffet	4	from	1,250.00
	F - Theme Buffet Menus (Nigerian, Italian, Asian, Arabic Indian International)			1,050.00
	G - Bar-Be-Que Menus	1		1,000.00
		2		1,100.00
COCKTAIL	H - Cocktail Menus	1		475.00
		2		550.00
		3		600.00
	Mediterranean	4		775.00
	Asia	5		775.00
HAMPERS	1 - 4 Types	I)		
		II) Subject to current		
		III) Market prices		
		VI)		
TEA & COFFEE BREAKS AND SNACKS	J - Menus	1		150.00
		2		200.00
		3		250.00
		4		350.00
CHILDREN'S PARTY	K - Menus	1		350.00
		2		400.00
BIRTHDAY PARTIES	L - Menus	1		350.00
		2.		400.00

All prices include 10% service charge and 5% V.A.T

cc : V. Ogun-Aremu, D. Ajiboye, T. Loew, D. Akpan, Executive chef

A B U J A
N I C O N N O G A

HILTON

PRICES OF ADDITIONAL FACILITIES

1.	Booth	-	1,000.00 per day
2.	Buss Rental	-	At prevailing rate
3.	In-House Bank	-	7,500.00 per show
4.	Hostess + Uniforms	-	1,000.00 per day
5.	Audio Recording (you provide tapes)	-	200.00 per tape
6.	Baby-Sitter (minimum of 4 hours)	-	150.00 Per hour
7.	Cultural Troupe incl. meals	-	12,000.00 per show
8.	Photographer - we get one for you upon request		
9.	Video Recording - we will get one for you upon request		
10.	Outside Catering transportation	-	7,500.00 within city per day
11.	Outside Catering transportation	-	15,000.00 up to 150kms per day
12.	Outside Catering transportation	-	30,000.00 from 151 kms per day
13.	IDD Line	-	At prevailing rate
14.	Name tag paper material, Golden Stand	-	50.00 per name
15.	Banners: 4m x 1m, 6m x 1m	-	1,500.00
16.	Name plates on plastic material Golden Stand	-	50.00 each
17.	1 Bouquet of flower	-	400.00 each
18.	1 Garland with flowers	-	300.00 each
19.	Corsage (Roses)	-	250.00 each
20.	Flowers in bowls (decorations)	-	350.00 each
21.	Renting of glasses, table cloth, flowers in water	-	300.00 per day
22.	Renting of 1 table + 6 chairs	-	600 per day
	- Cost of 1 (one) chair only	-	30.00 only
	- Cost of 1 (one) table only	-	400.00 per day

P. M. B. 200, Abuja F. C. T. Nigeria Tel: (09) 5231811 to 828 Telex: 71504 HILTON NG Fax: (09) 5231839

Appendix 5

A B U J A

N I C O N N O G A

HILTON

AUDIO VISUAL EQUIPMENT

Flipchart (Pen and Paper)	200.00 per day
Conference Pad & Pen with Folder (per delegate)	75.00
Microfiche reader KODAK 321 A	250.00 per day
Overhead Projector "L'enterprise"	400.00 per day
Caroussel slide projection (Bell & Howell 820 AX)	400.00 per day
Viewgraph Episkop A.H	225.00 per day
166mm fixed film sound projector	800.00 per day
166 mm filmsound projector (portable Bell & Howell) 2678 AS)	600.00 per day
Screen 2m x 2m used with above equipment	No charge
Screen 2m x 2m used without above equipment	350.00 per day
Speaker's desk with microphone	220.00 per day
Microphones + Wireless	180.00 per day
Video player + Monitor (VHS)	600.00 per day
Tripod plate (30 x 45) used with above equipment	No charge
Additional T.V. monitors	400.00 per day
Simultaneous Translation (4 track) Congress Hall Only.	20,000.00 per day
Head phone (Local)	50.00 per person per day
Head phone (International)	$5 per person per day

ALL ITEMS HAVE AN ADVANCE DEPOSIT OF N5,000 PER PIECE OF EQUIPMENT.

ALL PRICES ARE SUBJECT TO 10% SERVICE CHARGE AND 5% STATE TAX



Appendix 6

IN THE TRUE SEASON'S TRADITION...

Come to NICON NOGA HILTON for a memorable time, guaranteed to bring memories of a truly traditional Christmas and start the New Year in grand style.

CHRISTMAS CRACKER PACKAGE

From 22nd - 26th, December inclusive, stay a minimum of 3 Nights and surround yourself with fun on our **"CHRISTMAS CRACKER PACKAGE RATE"** of **N3,500** per Superior Room, Single or Double Occupancy per Night **In addition, extend your stay on any of the nights of 26th - 28th December for only N1,500.**

NEW YEAR BONANZA

End the old year and start the new year in style. a minimum of 3 Nights stay from 29th December - 1st January, 1996 for only **N3,500** per Superior Twin Room, Single or Double Occupancy. **In addition, extend your stay on any of the Nights of 26th - 28th December for only N1,500.** All these include a complimentary Fun Brunch on 1st January, 1996.

THE 1996 RATE

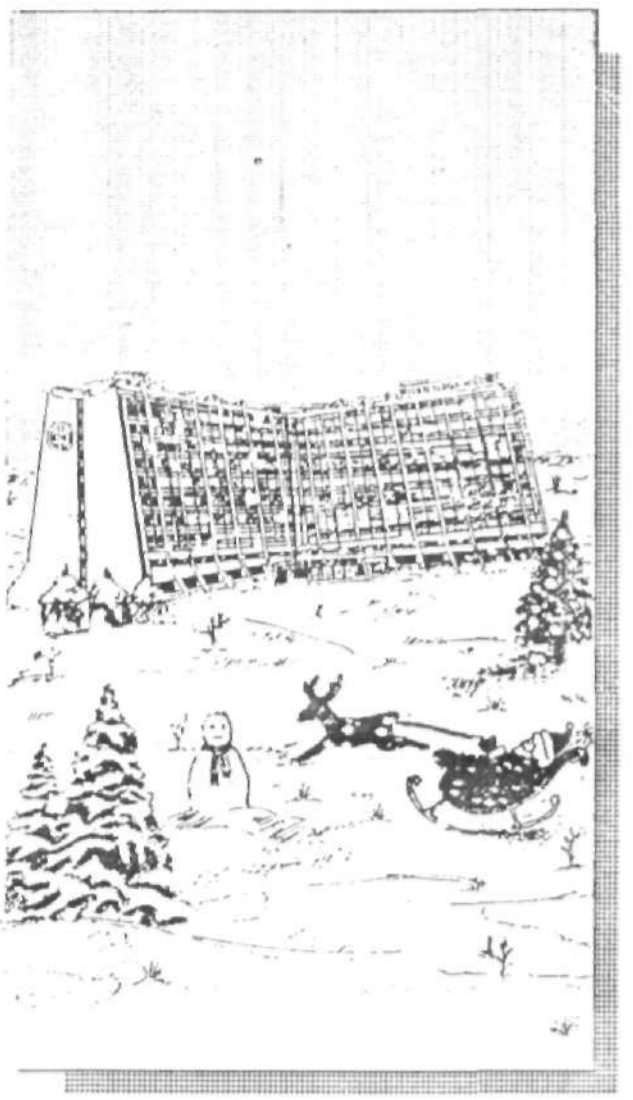
For Guest wishing to stay for New Year Eve only, we are delighted to offer our very special 1996 Rate of only **N1996** per person sharing a Superior Twin room including 1st January Fun Brunch.

SUITE SURPRISE

Spoil yourself a little by taking advantage of our big value festive Suite offer of a whopping **40% discount** on all **Deluxe Rooms and Suite types throughout the Christmas and New Year period.**

WHAT'S MORE?

from 22nd December, 1995 to 1st January, 1996 our hotel will be jammed with all sorts of fabulous Food and Beverage and entertainment programmes specially put together for the enjoyment of the entire family.



For enquiries and reservations please contact us in Abuja Tel: (09) 5231811-840, Fax: (09) 5232417-48 or in Lagos Tel: 01-611214 Fax: 01-611215

*** All rates are subject to availability and taxes of 10% service charge and 5% VAT.**

NICON NOGA HILTON HOTEL, ABUJA

"Let's spoil you a little"

THE PERFECT OPPORTUNITY FOR THAT SHARED SPECIAL MOMENT



You deserve a luxurious weekend away from the bustling and worries - at a price you can afford.

"2 for 1 Weekends" means exactly what it says. 2 nights for the price of 1 at the NICON NOGA HILTON hotel.

"2 for 1 Weekends" must be reserved in advance, and apply to those arriving on a Friday and departing on Sunday.

Surely, this is a perfect opportunity for you and your family this weekend!!

NICON NOGA HILTON
HOTEL ABUJA

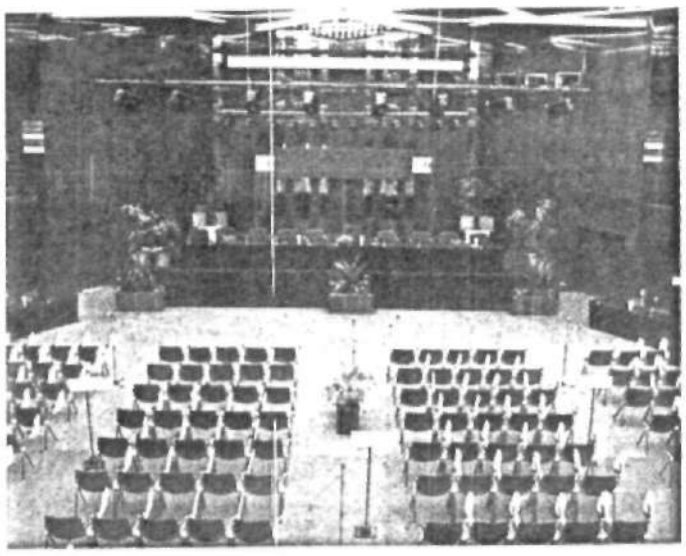
Offer subject to availability
ARRIVE FRIDAY
DEPART SUNDAY

Appendix 3

YOUR A.G.M. AT THE NICON NOGA HILTON HOTEL IS LIKE NO OTHER A.G.M.

The advantages are irresistible!!

* *Congress Hall that can seat between 300 and 1200 people.*
* *23 different meeting rooms which can seat between 15 and 300 people.*
* *State-of-the- art audio /visual equipment.*
* *Our Meeting 2000 facilities provide services such as Telex, Telegrams, Word Processing, Photocopying, Telefax.*
* *Ideal, quiet environment in a luxurious setting.*
* *Comprehensive fitness and recreational facilities.*

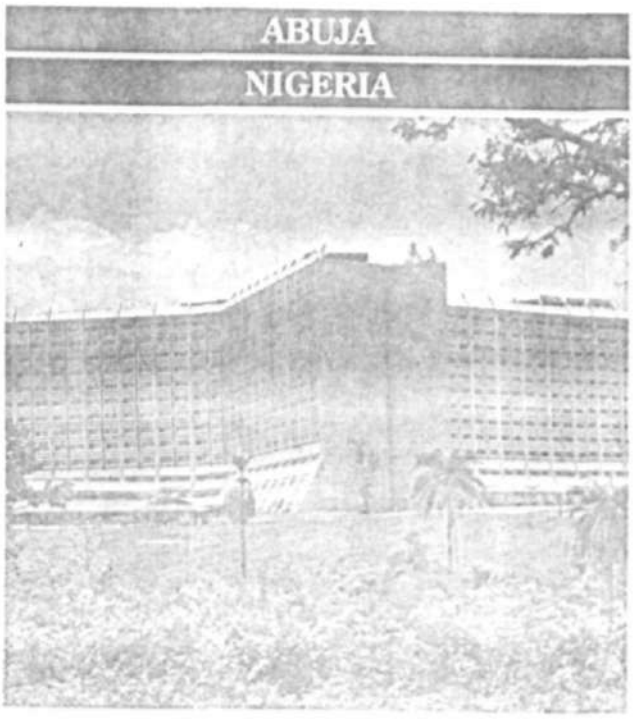


NICON NOGA HILTON HOTEL ABUJA

'Let's spoil you a little'

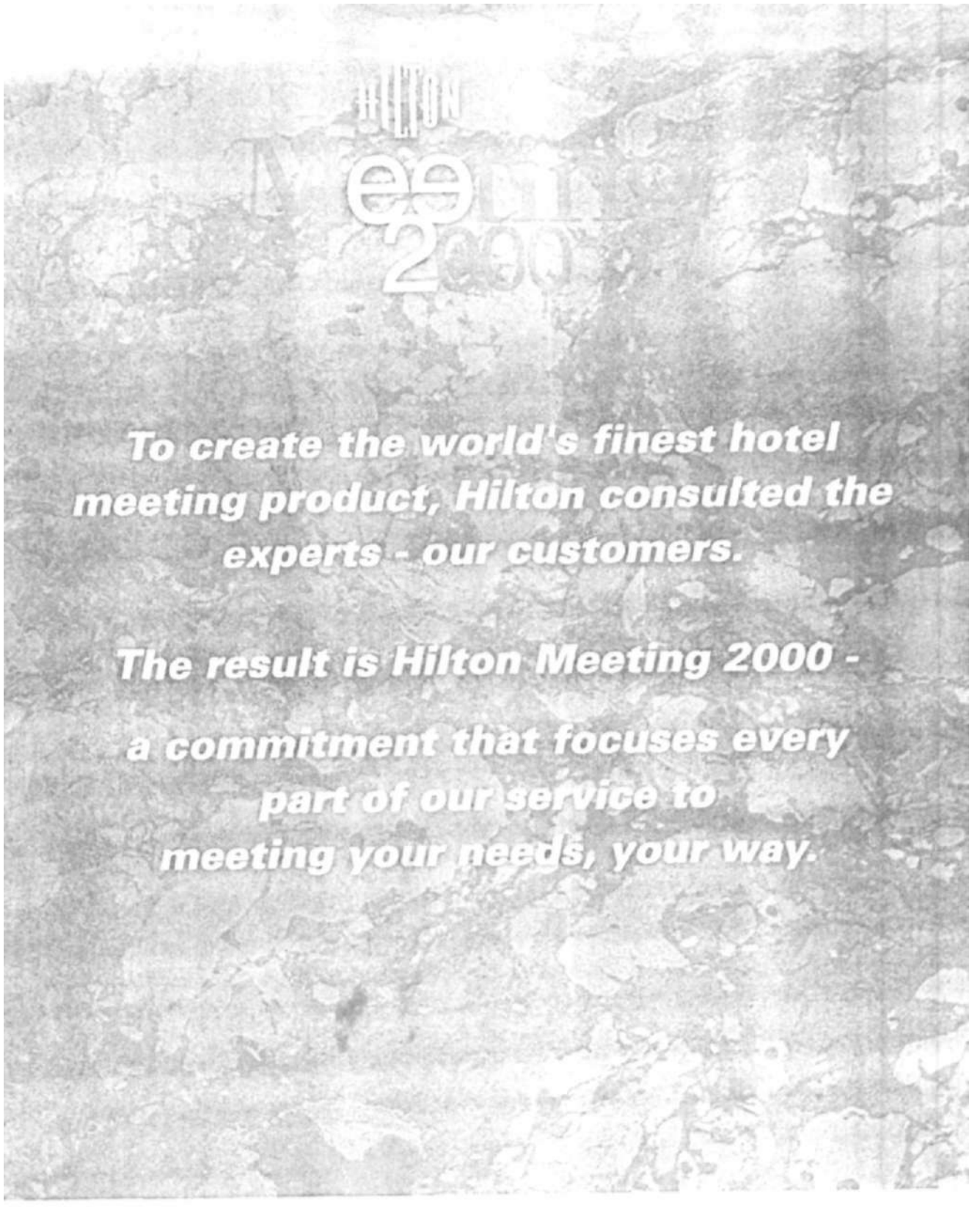
ABUJA

HILTON



SURRENDER TO PARADISE
THIS **EASTER**
at the
NICON NOGA HILTON HOTEL




HILTON
meeting
2000
To create the world's finest hotel
meeting product, Hilton consulted the
experts - our customers.
The result is Hilton Meeting 2000 -
a commitment that focuses every
part of our service to
meeting your needs, your way.