THE ROLE OF ADVERTISING AS AN ELEMENT OF PROMOTIONAL MIX

(A CASE STUDY OF KADUNA REFINING & PETROCHEMICAL COMPANY LTD)

BY

ASHIRU, KABI MATAZU
REG. NO. G93/BAP/7181

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CERTIFICATION

This research project titled The Role of Advertising As An Element of Promotional Mix by Ashiru, Kabir Matazu meets the regulations governing the award of the degree of Master of Business Administration (MBA) of Ahmadu Bello University, Zaria and is approved for its contributions to knowledge and literary persuit.

Signature of Supervisor	22/8/2000 Date
Signature of External Examiner	3rd July 2000 Date
Signature of H.O.D	23/8/00 Date
Signature of Dean, PG School, A.B.U. Zaria	11/11/02 Date

DEDICATION

This project is dedicated to my beloved wife Saratu Kabir Matazu and our little children Abdul-Hakeem, A'isha, Ahmad and Abubakar for missing me during weekends when family members mostly most freely interact with their bread winners.

DECLARATION

I hereby declare that this project is my own work that has never been submitted for another degree or diploma at any academic institution. Information sourced from the published or unpublished works of other people has been fully acknowledged in the text.

A.K. MATAZU
(AUTHOR)

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ACKNOWLEDGEMENT

All thanks and praises be to the Almighty Allah (S. W. A.) through Whose Guidance I have been able to successfully complete this research work in particular and the programme (MBA) as a whole.

I wish to express my profound gratitudes to the members of my immediate family i.e. my beloved wife Saratu and our lovely children namely Abdul-Hakeem, A'isha, Ahmad and Abubakar, I appreciate their patience in missing me at weekends during the period of the programme.

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Equally, colleages and friends that in various ways assisted me in the course of the programme include Abdullahi B. Mohammed of NNDC Kaduna, Sani Sambo of A.B.U., Zaria, Saleiman Jamo of PAN Ltd., Kaduna, Isah Ardo of Kaduna Polytechnic, Kaduna, A'isha Moh'd. Tata of N. Y. S. C. Kaduna, Moh'd. Ali Panshekara of K. R. P. C. Ltd., Kaduna.

ABSTRACTS

Just like any other product, petroleum products need to be advertised. This is to, among other things, ensure greater customer awareness through provision of required information about the products thereby enhancing the customers' wider acceptance and usage of the products.

Perceived non-challant attitudes of the manufacturers and marketers of the products in advertising or using wrong promotional mix in advertising the products by the few that cared to do so necessitated this research work.

Advertisement in NNPC/KRPC and by extension the Nigerian oil industry is perceived to be promoting the corporate bodies more than the products they produce. This research tries to ascertain whether such attitudes are deliberate corporate strategy adopted by NNDC/KRPC and the oil industry.

In conducting this research, stratified sampling technique was employed where the population, which comprises the products producers, marketers, consumers arc! advertising academicians/professionals totaling to 1000 people were either orally or formally interviewed through visiting their places of businesses.

At the end of the research work the researcher was able to draw some conclusions on which other researchers should try to re-establish and validate so that such conclusions could be more acceptable on their contributions to knowledge. These conclusions are:-

(a) that majority of the products consumers are influenced by advertisements more than packaging.

(b) that most advertisement were found to be more relevant to the well-to-do than to the vehicle owners/users;

(c) that the existence of relationship between advertisement and sales volumes is further confirmed;

(d) that kerosine, petrol and engine oil are found to be most popular products to the consumers;

(e) that in addition to promoting products, advertisements are found to be effective and efficient tool for promoting company image.

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CHAPTER ONE

1.0 INTRODUCTION

Getting products, services or ideas accepted by the target audience is the major preoccupation of a producer of products, services or ideas. The act of achieving this has been described by Iornem (1996) as promotion. He posits that the term promotion refers to all activities "designed and carried out to get your ideas, products or services accepted by the target group".

For promotion to be successful, it must be based on some key elements which together form what is known as promotional mix; comprising advertising, publicity, public relations, sales promotion and personal selling.

Advertising promotes ideas, services or products by focussing on a mass audience through extensive and intensive use of mass media.
Thus, advertising is an element of promotional mix that has the largest market coverage by which an awareness is created. It is also described as the best promotional mix for consumer goods. Advertising is therefore an essential marketing tool:

Advertising basically consists of all the activities presenting to a group, sponsored message regarding a product, service or idea.
Laconically speaking, advertising is the "use of advertisements or the business of creating, producing and circulating advertisements" while the advertisement itself is "a public notice or announcements offering services, goods for sale, information etc. On this note it is worth saying that for the purpose of this study the words advertising and advertisement will be used interchangeable within the context explained above.

1.1 BACKGROUND TO THE STUDY

While some people believe in the socio-economic importance of advertisements others view it as an unnecessary additional product cost that the customer is forced to pay for. This brings the question "who pays for advertisement?" Is it the advertiser or the ultimate consumer? At any angle one looks at it one thing is clear, that is the fundamental issue is how can advertisement (copies) be made or designed in such away that they benefit both the advertiser and his dear consumers. This has been the central issue that researchers in advertising have for long been trying to address. As observed by Benson-Gagar (1993) advertising as a tool of marketing "has been going on for at least five thousand years". Prior to the introduction of printing in Europe in the 15th century, advertising existed in forms only which included town criers and a wall signs. The selling of goods in those days involved personal salesmanship. The predominant forms of advertisement used were; use of the town criers that use to work the street telling the prospects about a product, service or idea and use of walls of buildings near important places.

The first departure from oral and sign forms of advertising was witnessed in the 1622 when the first English Newspaper, the Weekly News was published by Nicholas Bourn and Thames Archar. A Devotee of advertising, Joseph Addison in his efforts to develop advertising principles said in his letter that "the great art in writing advertising is finding out the proper method to catch

the reader without which a good thing may pass unobserved or be lost among commissions of bankrupt"

With the development of both the print and electronic media one can find advertisement on virtually everything one can imagine, provisions, clothing, food stuff, furniture, automobiles, heavy machinery to mention a few. In fact, they are so numerous that, as Benson – Gagar (1993) put it, "they are very negligently perused and it has therefore become necessary to gain sublimes and some times ridiculous". It is against this background coupled with the observed neglects of the use of advertisement as an element of promotional mix in promoting the products of the Kaduna Refining & Petrochemical Company Ltd. (KRPC) a subsidiary of the Nigerian National Petroleum Corporation (NNPC) that this research work is carried out.

The use of advertisements by NNPC/KRPC and by extension the Nigerian Oil Industry, has been mainly, if not solely informative with the sole purpose of creating awareness to the populace on the Corporation /Company and the industry. Of late, there is indication of the shift in the objective of advertisement in the oil industry. More attention, even though not yet adequate, is being given to products.

1.2 STATEMENT OF THE PROBLEMS

As rightly observed advertising "is often subjected to public criticism for operating in the public limelight, demanding incessant public attention as no other form of business activity does, can result only in subjecting it (advertising) to perpetual scrutiny and appraisal.

Advertising in the oil industry of a developing political economy like Nigeria tends to promote the corporate bodies more than their products. That is, it is more to being a tool for corporate social responsibility than being element of promotional mix. To determine whether such attitudes are deliberate policy adopted as a strategy by the NNPC/KRPC or the Nigerian oil industry or an act of omission on the assumption that *petroleum products do not need such a rigorous promotional efforts to be exhibited/performed by an advertiser.* Whatever be the case, it is obvious that consumers are deprived of the benefits of knowing all they deserve about the products, services or ideas they intend to buy denying them opportunity of making an informed choice amongst the competing or substitute products. Social failure to find means of an effective public information for effective decision making on choice among available alternatives was described by Prof. Raymond Williams as the justification for advertising. Benson – Gagar (1993).

Of all the relative advantages of advertisement it is considered as an agent of debasing society through encouraging some negative tendencies.

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For example Mr. White – Head is of the opinion that advertisement is bound in the long run to stereotype in children and young people.

All these, present problem that should be critically appraised, through a research work.

1.3 HYPOTHESES

The assumptions to be tested in the 4th chapter of this research work are:

i Consumers' choice of a product among competina products is largely influenced by packaging than advertisement.

ii Advertisements (copies) are meant for the well -to -do.

iii Sales volume is directly proportional to advertising budgets.

iv Advertisements stimulates products demand.

1.4 SIGNIFICANCE OF THE STUDY

As the present advertisement in the NNPC/KRPC and indeed Nigerians oil industry is assumed to have some conceptual, principles and practical limitations, this research is timely especially with the competition that the NNPC/KRPC products are just about to be subjected to due to the Federal Government granting of licenses for the construction of private refineries. Therefore, the research work will play a significant role in addressing the issue of the need for greater customer awareness and all the required knowledge about the products to enhance their wider acceptance and usage.

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It will also help advertisers in designing their advertising objectives that will be more relevant to the consumers.

1.5 LIMITATIONS & SCOPE OF THE STUDY

Just like any other research work this one has its own limitations with the main being restricting the research to the advertisement on the NNPC/KRPC products on print and electronic media instead of including all the petroleum products. This is partly because the products produced by NNPC/KRPC are almost all the products available in the industry and partly because of limited resources mainly finances and time. The scope of the study is to critically appraise all advertisement on NNPC/KRPC products.

1.6 PURPOSE OF THE STUDY

The study is principally to:-

a. Identify advertisement copies NNPC/KRPC uses with a view to ascertaining their relevance.
b. Identify the right advertisement (copies) to be used by NNPC/KRPC Taking into account the media selection.
c. Establish the relevance of advertisement to products sales volumes.
d. Make recommendations.

1.7 OPERATIONAL DEFINITIONS OF TERMS

To facilitate readers easier and faster understanding of key or principal variables/words, operational definitions for such variables, words and phrases are provided below while abbreviated letters and words are explained in Appendix "A".

For the purpose of this project the following variables, words and phrases (arranged alphabetically) are used as explained below.

Advertisement - A public notice or announcements offering services, goods for sale, ideas etc.

Advertising - the use of Advertisements or the business of creating, producing and circulating Advertisements.

Brand - "a name, term, symbol or special design, or some combination of these elements, intended to identify the goods or services of one seller or a group of sellers" Stanton (1981).

Branding - an act of making brand.

Commercials - is a colloquial meaning of advertisement commonly used by electronic media.

Consumer - A buyer of products that directly consumes/uses the product(s) for personal, domestic and or organisational needs.

Copy - a copy "includes the word messages, whether for print, radio or television. In the print advertisement, it consists of the printed words except, perhaps, for those words forming part of the registered mark: Akpan (1998).

Customer - a prospective or current buyer of product(s).

Need - a desire for a product(s) that is motivated by ability and willingness to buy a product.

Packaging - "general group of activities in product planing that involve designing and producing the container or wrapper for a product". Stanton (1981).

Promotion - The use of advertising, personnal selling public relation other selling tools used in reaching target markets for product(s).

Time – out - a colloguial used by electronic media to inform the listeners to wait for some commercial messages after which the programme currently going on will continue.

Vehicle owners - refers to the petroleum products consumers that consume the products in their private vehicles.

Vehicle users - these are people that use/consume petroleum products for the use of commercial vehicles. They don't actually own the vehicle. Most of them are either commercial vehicle drivers or family vehicle drivers.

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CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 INTRODUCTION

Marketing like any field of social endeavour has been defined by various people at different times and occasions. One of such definitions defines the term marketing as the performance of all business activities that direct the flow of goods and services from the producers to the consumer and includes buying, selling transportation, storage standardization and grading, financing market information, risk bearing and pricing. While the marketing functions involved addressing each of the above aspects in details, the totality of the functions make up the marketing process.

However, it should be noted that the meaning of marketing may be much more than the above process. For example, Stanton (1981) posits that "Whenever you try to persuade somebody to do something – donate to the Red Cross, not litter the highways, save energy, vote for your candidate, accept a date with you (or may be even marry you) you are engaging in marketing".

He added that "any interpersonal or inter-organisational relationship involving an exchange (a transaction) in marketing". This means that to Stanton the essence of marketing is a transaction or exchange with the sole intention of

satisfying the customers' need and wants. In other worlds marketing can be said to have taken place whenever social units strive to exchange something of value with one another.

Defining the word marketing in a much more business sense Stanton defined marketing as "the creation and delivery of a standard of living which involves the following.

- Finding out what consumer want
- Planing and developing a product or service that will satisfy those wants.
- And then determining the best to price, promote, and distribute that product or services.

He finally laconically described marketing as "a total system of business activities designed to plan, price, promote, and distribute want – satisfying goods and services" for the present and potential customers.

The American Marketing Association defined marketing as "the performance of business activities that direct the flow of goods and services from producer to the consumer or user".

To understand the above definition, Akanet (1994) added that the understanding of key words in it becomes necessary these key words include the following:-

a. "Business" which means the production and distribution of goods and services for a purpose of making profit. The implies that marketing is undertaken by business organisation excluding governmental, charitable, religious and other non-profit making institutions. This seems to disagree with Stanton's (1981) definition in which the described"... donating to Red Cross... as marketing". It also contradicts what we are living witnesses today. It is a common knowledge today that all the three tiers of governments in Nigeria engage in commercial transporters. Moreso, some religious organisation engage in one sort of business or the other through which they make a very reasonable margin that will at least keep the business sustain itself profitably.

b. Directing flow of goods & services from producer to consumer – this indicates that marketing managers are only concerned with the flow of goods and services to consumer, meaning that all products are meant for consumers – in this sense customers. Here, Akanet (1994) observed that today's marketing requires much more than directing flow of goods and services to consumers by managers. Marketers must

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now know what their "customers' needs, wants and desires are then try to satisfy them".

Beckaman and Davidson in line with today's requirements of modern marketing, defined marketing as "the performance of all activities necessary for ascertaining the needs and wants of markets, planning product availability, effective transfer in ownership of products, providing for their physical distribution and facilitating the entire marketing process "Akanet (1994).

In the same line with Beckman and Davidson, Ryans defines marketing as "the determination of the needs and desires of the market so that goods and services can be provided to satisfy these needs and desires" Akanet (1994).

While the American Marketing Association's definition sounds selling – oriented, those of Beckman and Davidson and Ryans tend to be management – oriented and emphasize the needs and wants (desires) of the markets neglecting not-profit (business) organisations and fail to stress the exchange aspects of marketing.

According to Akanet (1984) what seems to be a more balanced definition was given by Burton Harcus where he defined marketing as

being "those activities performed by individuals or organisations, either for profit or non-profit, that enable, facilitate, and encourage exchange to the satisfaction of both parties". Both parties here refers to the producer and the consumer.

Even though the above definition appears to be a more balanced one that is, it is neither selling-oriented nor management-oriented it should be noted that achieving a fair exchange i.e. exchange to the satisfaction of both parties is a very difficult task. In fact, it is what distinguishes goal achieving marketing managers from other marketing managers.

In simple terms, the satisfaction of the producer is to produce products for consumer at a profitable level that meets consumers' requirements. On the other hand, the satisfaction of the customer is getting products that meet his requirements at a price he is willing and able to pay. In deed, bringing what seem to be two extremes together is not in any way an easy task. Yet, a marketing manager must achieve that. To achieve this, the knowledge of marketing concept is absolute necessity. The concept is a modern approach to marketing that developed with the evolution of mass production of goods and services which high competition among businesses.

It is a managerial philosophy aimed at mobilising, utilizing and controlling the total corporate efforts for the sole purpose of providing

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consumers' satisfaction as well as enhancing the profit level of the company.

Marketing concept has three important issues which include:-

a. Consumer satisfaction – this should be the main aim of any business organisation i.e. the firm must find out what the consumers needs and wants are then endeavour to satisfy them so as to guarantee profits generation. The concept calls for a customer orientation which can be expressed in the following terms:-

- The consumer is the king – he gets what he wants.
- The consumer is at the top of the organisation chart in terms of importance.

b. Making profitable maximum sales as oppose to making maximum sales should be the target of any business.

c. The intergration of management efforts in the organisation towards the attainment of individuals, customers and organisational objectives.

Writing on the third issue of marketing concept i.e the integration of management efforts in the organization towards the attainment of the individual, customers and organizational objectives. Akpan (1998) described it as 'action by management to offset actual and potential actions of competitors" know commonly as marketing strategy.

He then quoted W.F. Gluek's definition of Marketing strategy which described the term as "A unified, comprehensive, and integrated plan relating to the strategic advantages of the firm to the challenges of the environment. It is

designed to ensure that the basic objectives of the enterprises are achieved". Akpan (1998(furtehr described the Business strategy as having been defined or shaped by D.A. Aakar with the following elements or dimensions:-

i. **The product market in which the business is to compete**

Aakar defined the scope of a business by the products it offers and chooses not to offer, by the markets it seeks to serve and not to serve, by the competitors with whom it chooses to compete and to avoid, and by this level of vertical integration.

ii. **Level of investments**

A business scope or strategy can also be defined by its level of investment. What is the rationale of its investment. Is it investing to..

- grow (or enter the product market)?
- Maintain the status quo?
- Milk the business by minimizing investment?
- Cover as much of assets as possible by liquidating or divesting the business

iii. **The functional area strategies needed to compete in the selected product market.**

The functional area strategies used by companies in competing with others includes:-

* product line strategy
* positioning strategy
* manufacturing strategy
* logistical strategy
* pricing strategy

iv, **The strategic asset or skills that underline the strategy providing the sustainable competitive advantage (SCA)- this is** something a business unit does exceptionally well, such as manufacturing or promotion, which has strategic importance to that business. A strategic assets is a resources such as a brand name or installed customer base, that is strong reactive competitors (Aakar). The cost and feasibility of generating or maintaining assets or skills that will provide the basis for a sustainable competitive advantage must be considered in formulating strategy.

v. **Allocation of resources over the business units**

Human, financial and material resources internally and externally generated need to be effectively allocated.

vi. ***Development of synergistic effect across the business:-*** *This is* the creation of value by haring business units that support and complement one another.

2.2 PROMOTIONAL MIX

Akpan, (1998) is of the opinion that promotion "consists of communications that inform the potential customers of the existence of product and persuade them that this product has met satisfying capabilities". He further states that promotion has 3 dimensions viz:

a. Consumer dimension – here the consumer will always regard promotion as a source of product and its producer's related information.

b. Marketer dimension – to the marketer promotion is a means by which products can be sold thus it should be factual and also persuasive.

c. Societal dimension – here there seem to be varied views on what promotion should mean. For example, while the government will be concerned with false and deceptive tendencies, social critics may look at promotion as a way of adding an unnecessary cost of the product.

As mentioned earlier, Iornem (1984) lists promotional mix elements as advertising, publicity, public relations, sales promotion and personal selling. The choice of a promotional mix, according to Akpan (1998) is determined by the following forces:

(i) Market size and segmentation – for example when the market size is large and awareness is to be created the choice of advertising is more ideal.

(ii) Personal service – this obviously will require personal selling.

(iii) Competition.

(iv) The type of product

(v) Size of the budget

(vi) The life cycle of the product

vii. Type of strategy i.e. either pushing the product through channel of distribution or pulling demand from the market.

2.3 (ADVERTISEMENT DEFINED) DEFINITIONS

Just like any other field of social endeavour, advertising is variously defined by different people in different or even same situations. However, unlike in the objectives or purpose of advertising there seem to be a common or an acceptable concessus definition, at least for the purpose of understanding between the various users of the word.

Iornem (1996) defines advertisement as "any nonpersonal sales message which is paid for by a consultant or his firm". He added that what distinguishes publicity and advertising is that while publicity is not paid for advertising is. He further describes advertising as an element of promotional mix.

According to Mr. Akpan (1998) advertising consists of all the activities presenting to a group, personal, oral or visual openly sponsored message regarding as product, service, or idea.

Lazu (1962) in his book **Marketing** defines advertising as presentation of ideas, goods or services paid for by an identified or identifiable sponsor. A non-personal, mass education communication which has become a potent

means of mass education. There is also an arguement that in consumer goods adverising is given an ever widening task of creating consumer interest and loyalty to both company & product. It is the opinion of this writer that maintaining consumer's created interest and loyalty to company and the products it produces seem to be more difficult and critical than creating it. It is difficult because as a result of untruthfulness in some advertisements due to abuses and excesses. No wonder, of late advertisements have been criticized by consumers, the government, and business men. In recent years some remedies have been suggested by many outspoken members of the advertising industry Lazu (1962).

This, led to the establishment of codes for truthful advertising which principally cater for public interests.

Defining a good advertisement while answering journalist "question, Steve Omogafor who is the President of Association of Advertising Practitioners of Nigeria (AAPN) said that "advertising must be something aesthetic, decent, it must be persuasive, it must be pleasant to the eyes, to the ears and to your feel. It must respect you as a consumer, it doesn't talk down on you nor does it scream at you. It talks to you with gentliness that makes you feel important. Above all, it must be truthful". He conclusively said that act must generally be truthful, legal, decent and believable.

The study of advertising as an academic descipline is fairly new says Virginia (1998). Even though she didn't indicate how new it is by giving a time frame she mentioned that a manazine **Advertising Age** held a contest for the best

definition of the term in 1932 where the judges accepted the following contributions:

"Advertising is the printed, written, spoken, or pictorial representation of a person, product, serivce or movement openly sponsored by the advertiser and at his expense for the purpose of influencing.sales."

In 1938 the American Marketing Association defined advertsing as:

"... any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor. It involves the use of such media as: magazine, newspapers space, motion pictures, out door (posters, signs, sky –writing e.tc.), radio, car references, programmes, memos and circulars"

The success of advertisement, arques Virginia (1998) rests on three separate units whose responsility it is to take charge of advertising. The three units she added have entirely different roles that call for a special knowledge and skill. The three units are Advertiser, Advertising Agency and the Media.

Generally, the role of advertising can be summerised as follows.

Notifying the public about available goods and srvices.

Increasing business man's margin through creating awareness of the avaible goods & services among buyers.

- Creating room for preference for products by emphasising the unique benefit each of the competing products offers
- Enabling the consumers to make free economic choice by bringing alternatives (forcibly) to their attention.
- Providing the cheapest means of mass education between producer and consumer.
- Forcing manufacturers to rasise the standard of their goods and services so as to compete favourably.

In addition to the above roles of advertising, Virginia (1998) added that it also plays a crucial role of developing the "art" through direct and indirect "training of artists, models, actors, photographers, printers, broadcasters and musicians" and above all it provides employments to thousands of people.

On spending on advertising Jones et al (1980) said a lot of money is spent every year on adverytising in Nigeria for the purpose of achieving advertising objective which is *to call the attention of the public to a certain community, to introduce them to buy it and convince them that it is worth the price they are asked to offer.*

To do the above task, the advertiser will have to provide the customer with adequate information on the product(s) he is to buy. Also, the advertiser must be able to convince the customer of the need to buy the product. In achieving

this, the advertiser will have to identify the consumers' needs vis- a – vis the benefits deriveable from the products.

Writing on the third issue of marketing concept i.e the integration of management efforts in the organization towards the attainment of the individual, customers and organizational objectives, Akpan (1998) described it as "action by management to offset actual and potential actions of competitors" known commonly as marketing strategy.

He then quoted W. F. Gluek's definition of marketing strategy which described the term as " A unified, comprehensive, and integrated plan relating to the strategic advantages of the firm to the challenges of the environment. It is designed to ensure that the basic objectives of the enterprise are achieved" Akpan (1998) further described the Business strategy as having been defined or shaped by D. A. Aakar with the following elements or dimensions:-

The Product Market in which the Business is to Compete

Aaker defined the scope of a business by the products it offers and chooses not to offer, by the markets it seeks to serve and not to serve, by the competitors with whom it chooses to compete and to avoid, and by its level of vertical integration.

i. **Level of investments**

A business scope or strategy can also be defined by its level of investment. What is the rationale of its investments. Is it investing to:.

- grow (or enter the product market)?
- Maintain the status quo?

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- Milk the business by minimizing investment?
- Cover as much of assets as possible by liquidating or divesting the business.

iii. **The functional area strategies needed to compete in the selected product market**

The functional area strategies used by companies in competing with others include:-

- product line strategy
- positioning strategy
- manufacturing strategy
- logistical strategy
- pricing strategy

iv. **The strategic asset or skills that underline the strategy providing the sustainable competitive advantage (SCA)** – this is something a business unit does exceptionally well, such as manufacturing or promotion, which has strategic importance to that business. A strategic asset is a resource such as a brand name or installed customer base, that is strong reactive competitors (Aaker). The cost and feasibility of generating or maintaining assets or skills that will provide the basis for a sustainable competitive advantage must be considered in formulating strategy.

v. **Allocation of resources over the business units**

Human, financial and material resources internally and externally generated need to be effectively allocated.

vi. **Development of synergistic effects across the Business:-** this is the creation of value by haring business units that support and complement one another.

In support of the above assertion Bernstrain (1974) described advertising as "the origination and/or communication of ideas about product in order to motivate consumers towards purchase"

Despite the observed advertising excesses and abuses, modern business seem to be providing a very important growing share of the total selling efforts. This, according to Lazu (1962) has been noticeable in recent years in industrial marketing. In fact, to him " to day advertising not only broadcast original information on products or service but it also widens markets through reveal of new uses and attracting leads. Benson – Gagar (1993) added that "an advertisement must, therefore, arrest the attention and in addition create a permanent impression.

However, it should be noted that for an impression to be permanent it must be based on truth. Although permanent impression is almost impossible to be achieved, a lasting impression can be realised. This, calls for basing advertisement in the light of the purpose it is to serve –provision of information on the product and its uses.

Misleading advertisent in the name of persuasive function of advertising in most cases brings about consumer's wrong market decisions as observed by Professor Alstain Sedwick and Benson - Gagar (1993).

2.4 THEORITICAL FRAME WORK

Here, the researcher discusses some theories that are related to the hypotheses of the research to "fit in to the body of the existing theories that will serve as the pivot of the present study" Yusuf (1996).

2.4.1 Consumers' choice of a product among competing products is largely influenced by packaging than advertisement.

As stated by Aakar et al (1992) advertising is only one of the forces that influence sales. These forces or elements include price, packaging, distribution, production features, competition and changes in buyers' needs and tastes. In fact, Aakar believes that advertising objectives that emphasise sales are usually not very good for they do not provide quidance for decision makers.

Even though packaging can be an aspect of advertising, considering the way and manner petroleum products especially engine oil and related lubricants are packaged a lot of consumers may be attracted by the packaging style. Whether this assumption is true or not will be known after this research, from both marketers and consumars responses.

2.4.2 Advertisements are meant for the well- to- do.

The essence of advertisement is to massively communicate to all prospective users/consumers of products so advertised. Identifying the right medium through which prospective consumers could be massively educated, persuaded or convinced to buy the products has been an issue of serious concern to advertisers and their clients.

The present technological developments especially in electrical and electronic engineering has created room for heavy reliance on electronic and print media. This, created a situation whereby users of such media seem to be benefiting from the advertisment carried out in them (media).

2.4.3 Sales Volumes is directly Proportional to advertising budgets.

Discussing on the relationship between sales volumes and advertising budgets Aakar et al (1992) opinioned that theoretically advertising budgets decision is based on economic marginal analysis which can be easily expressed. It states that a firm should continue to add to the advertising budget as long as the incremental expenditure are exceeded by the marginal revenue they generate. This marginal analysis is applicable to any of the marketing mix elements.

For each element, a resulting optimal expendiuture level could be obtained. When brought together you get for the total marketing mix. The marketing

budget for each could be scaled down when the sum of the total expenditures exceeded the available resources.

Each subhead (element) is constrained on the basis of the marginal revenue generated by the last amount in its budgets.

Using Aakar's example above the last amount put in to personal selling generated N2,000 of brand contribution, while the last money of advertising generated N3,000 of brand contribution, it may be desirable to redirect resources from personal selling to advertising.

There are some identified practical difficulties in applying marginal analysis – as it generally considered sales as a function of advertising expenditure thereby seeing advertsing as the only in put with immediate sales as output and that "the assumption that sales are determined solely by advertising expenditures is obviously faulty in practically all situations".

Benson – Gagar (1993) found out that direct relationship exists between sales volumes and advertising bugets, that is, the higher the budgets the more sales revenue it generates.

However, determining what share of the total sales increase is attributable to advertising vis – a – vis shares of the other promotional mix eletments has been a problem to advertisers and their clients.

Towards achieving this, an improved approach of setting advertising budget was developed where premise that sees advertising as a long term investment was established. Here, the total amounts spent are amortised over a period of years the same way machinery and equipment are amoritised. Sales increases are then measured as a return on the investment.

Also, a scientific approach that Lazu (1962) called "so – called task method" of setting advertising budgets was developed where company sets an objective and then determines as closely as it can how much it will cost to achieve the objective.

Financial allocations are made to all other promotional mix elements the balance to advertising. It is called scientific because it sets a precise objective/goal, isolates tasks and then alloocates the required amount to realise the objective.

At any rate, absence of any general agreement as to what is or is not legitimate to advertisie has been the main difficulty in applying scientific method in determining advertising budgets and measuring its effectiveness.

2.4.4 Advertisement stimulates products demand

On this hypothesis research conducted by Aakar et al (1992) revealed that perhaps the main purpose of a free market place and a free society is the freedom to select or not to select a particular brand. This freedom, some people believe, is circumscribed by what Aakar called "power" of advertising which simply means that advertising is so effective that it can influence a buyer's decisions towards purchase of a product. Moreso, a more general claim of the power of scientific advertising to persuade people to believe things and behave in ways neither in individual nor society's best interest.

However, studies have shown that there is a considerable overlap between what is considered to be ethical issues in advertising and the issues of manipulation, taste, and the effects of advertising on people's values and life-style.

To achieve such effects, a lot of investment in advertising must be made. In fact, Aakar et al stated that "during the 1st and 2nd years of brand's life heavy investments in advertisements is usually necessary to create demand for the product.

2.5 BRIEF PROFILE OF KRPC LIMITED AND ITS PRODUCTS

The Kaduna Refinery was commissioned in 1980 as the third Refinery in the country with an initial capacity of 100,00 BPSD in order to cope with the tremendous and growing demand for petroleum products. Constructed by Chiyoda Corporation of Japan, the Refinery was designed to process both imported and Nigerian crude oils into fuels and lubes products. The design capacity of the fuels plant of the Refinery was, in December of 1986 increased from 100,000 BPSD to 110, 000 BPSD.

A 30,000 MT/YR Linear Alkyl Benzene plant was commissioned in March, 1988. The plant was designed to derive its entire raw materials from the Refinery. In view of the interdependence of this plant and the Refinery, common goal and proximity the two were merged forming what is now known as the Kaduna Refining and Petrochemical Company Limited (KRPC).

The products of the company included:-

- Liquifide Petroleum Gas (LPG).
- Gasoline or Premium Motor Spirit (PMS) - popularly known as petrol
- Kerosine – for both aviation and domestic (cooking etc.) purposes.
- Diesel oil – used for heavy machines
- Fuel oil
- Sulphur
- Linear Alkyl Benzene (LAB) – a basic raw material for the production of powdered and liquid detergents.
- Benzene one of the feed stocks required for the production of L.A.B.

- Benzene one of the feed stocks required for the production of L.A.B.
- Heavy Alkylate – a by-product of L.A.B. widely used for the production of various thermal fluids like transformer oils.
- Kero – solvent – the lighter and of product of desulphurised kerosine that could be further purified to be used for the production of paint, varnishes, degreasers, surface coating agents etc.

In addition to the above petrochemical products and their derivatives KRPC produces high quality tins and drums. An eighteen (18) litre cans are produced basically for the purpose of packaging domestic kerosine meant for far distance locations like Sokoto, Maiduguri, Yola and the like. They are designed in such a portable size that guarantees safety and easiness in transporting the products. The drums are of 2 sizes a 200 –litre drum meant for storing and transporting products like bitumen to far places. There is also a 100 litre drum called "baby" drum that can be used in carrying base oils of different types and grades.

2.6. PETROLEUM PRODUCTS MARKETING

According to G. O. Alege in her article "Petroleum Products marketing in Nigeria" published in the PPMC publication of 1996 stated that the first petroleum imported in to Nigeria was "sunflower" tinned Household Kerosine coloured blue. It was imported by Mobil in 1907 and sold mostly in big towns like Lagos, Ibadan, Kano & Enugu.

As a result of finding crude oil in commercial quantities in Nigeria by 1957 many multinational like Shell Petroleum Development Company (SDDC), Texaco, Esso, British Petroleum widely marketed most of the white products

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including Gasoline or Petrol, Aviation Turbine Kerosene (ATK), Household Kerosine (HHK) and Gas Oil (Diesel).

Increased domestic need for the refined petroleum products necessitated the establishment of the first refinery in Nigeria at Port Harcourt with a 35,000 BPD refining capacity by British Petroleum and Shell in 1965. In 1971 the Federal Government decided to actively participated in oil business. This, led to the promulgation of the decree establishing the Nigerian National Oil Corporation (NNCO) and joining the Organization of Petroleum Exporting Countries (OPEC). In 1973 uniform pricing of petroleum products was introduced throughout the country and also the Petroleum Equalization Fund Board was established to manage the fund.

Up to 1987 various departments of the NNPC (the successor of NNOC) performed the supply and distribution of petroleum products in Nigeria However, from 1988 the PPMC a subsidiary of the NNPC has been responsible for the purchase of crude oil for Federal Government, transportation of crude oil to the refinery (through pipeline networks) and the distribution of the refined products to 21 depots across the country by the pipeline, ship, railways and tankers. Eight major marketing companies including National and Chemical Marketing Plc, African Petroleum Plc, Mobile Nigeria PLc, Total Nigeria Plc, Texaco Nigeria PLc, Unipetrol Nigeria Plc, Elf Oil Nigeria Plc and Agip Nigeria Plc control about 60% of the local market. About 1,490 independent marketers spread all over the country move the products from depots to their retail outlets by use of trucks (tankers).

O.S. Imoukhuede in his article titled "Business and Ethics of Petroleum Products Marketing Nigeria" published in the PPMC 1996 publication describes the business of petroleum products as entailing "products acquisition, storage, distribution and sales of petroleum products to the consumers. He added that towards realization of the overriding objective of

making profit through customer satisfaction an array of professionals ranging from engineers, scientists, technologist, economist, accountants, social scientists, medical doctors, marine captains, tanker drivers and employees in various facets of the business.

In the same article Imoukhuede defined ethics of petroleum products marketing "as the professional standards, industrial rules and regulations, principle, morality, decency, goodness, honour and virtues demanded by the economy as well as professionals that take part in the activities of the industry. He added that to better appreciation the impacts of ethics in the realization of steady and uninterrupted supplies of petroleum product evaluation of the roles and responsibilities of the different parties involved in the process becomes very crucial. Below is the list of all those involved in petroleum products refining, supply, distribution and marketing:-

NNPC

- Owned refineries that process crude oil into finished petroleum products.

PPMC

- Acquire crude oil for processing at the refineries.
- Distribute and sale the petroleum products at its deports to the licensed major and independent marketing companies.

Marketers

- Buy and sell petroleum products at their retail outlets to the consumers. There are currently (8) eight major marketers and 1,490 independent marketers engaged in the retailing of petroleum products at their outlets or fuel stations. Major marketers are those that own over 100

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outlets each while independent marketers own less than 100 outlets each.

Transporters

- For the movement of petroleum products from NNPC depots to the outlets, the marketers employ the services of transporters. They are all independent of NNPC's supervision.

Retailers

- These are persons of employed by the marketing companies to sell petroleum products at the outlets. They are either owners, as in the case of independent marketers or dealers as in the case of major marketers.

Department of Petroleum Resource (DPR)

- This is the arm of government under the Ministry of Petroleum Resources, responsible for the licensing and regulating the activities of the companies which process, store, distribute and sell petroleum products.

Department of Weights and Measure

- As man arm of the ministry of industry, it complements the role of the DPR in the calibration of the bulk meters at the refineries and depots as well as the meters at the retail outlets.

Military Task Force on Petroleum Products

- Established in 1984, they are military personnel charged with the security of Federal Government owned refineries, pipelines and deports as well as the surveillance of the distribution and dispensing of petroleum products nation wide. While the shore task force is concerned with the activities on land, the Naval Task Force patrol our

coastal waters to check illegal product diversion and across border smuggling. Most recently in March, 1994, State Military Administrators were also charged with the responsibility of ensuring that the products are delivered and dispensed at authorized outlets.

Customs and Excise

- This is the agency solely responsible for security of our borders, by preventing and checking smuggling of goods including petroleum products.

Nigerian Ports Plc

- They pilot ships, boats and crafts into and out of our territorial waters.

NEPA PLC

- Supplies power to our depots pump stations and retail outlets. The inability to cope with the requirement has often hampered fuel supply potentials nationwide.

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

The population of this research work comprises of users and marketers of any petroleum products. This, by implication means the whole society (Nigeria) because directly or indirectly every member of our society today uses one petroleum product or the other.

For example, the use of petroleum products does not stop at the direct consumers of the products like vehicle owners/users and manufacturing plants operators, but also the general members of the society like rural areas dwellers who use kerosine for various domestic purposes.

However, while the population of this study is the Nigerian society there is no gainsaying the fact that such as population can best be covered by use of sample.

By population the researcher means "that group (usually of people) about whom we want to be able to draw conclusion" Yusuf (1996) while by sample it means part of population selected from the real population which is almost impossible to be studied.

The selected sample of this research work as follows:-

a. Petroleum Products consumers

b. Petroleum Products marketers

c. NNPC/KRPC staff responsible for the advertisements of petroleum products.

d. Advertising professionals and academicians.

It is the belief of this researcher that the above selected sample will provide true representation of the study population. Also, important conclusions about the population could be inferred from the sample analysis.

Due to the nature of the selected sample a stratified sampling technique was employed to ensure securing reliable data for the research. In collecting the data three methods were employed namely methods provide the best means of getting desired responses from the respondents (i,e subjects of the study).

Three principal methods were employed for the purpose of data collection for this research work, they include oral interviews, questionnaire and research field visits. However, three 3 methods can be further grouped to two main sources namely *primary sources and secondary source* of data collection

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3.1 PRIMARY SOURCE

To get first hand information for the research, the researcher employed oral interview, questionnaire and research visit techniques.

3.1.1 ORAL INTERVIEW

Oral interviews were conducted with people involved in advertising the NNPC/KRPC products. It should be stated here that the advertising function of NNPC/KRPC products is combine efforts of personnel from the NNPC Group Public Affairs Division at the Headquarters and the personnel of the KRPC Public Affairs Department. These two sets of personnel along side various advertising agents and those responsible for advertisement in the mass media were orally interviewed.

3.1.2 QUESTIONNAIRES

Set of questions technically called questionnaires were formulated and served to some selected individuals from NNPC/KRPC, the advertising agent/experts and the petroleum products marketers and consumers.

3.1.3 RESEARCH VISITS

Series of visits were conducted to the NNPC Headquarters, KRPC head office to source for relevant documents. References were made to the previous and current NNPC/KRPC advertisements (copies) on print and

electronic media. Such copies were thoroughly studied so as to make an informed assessment.

Generally, regardless of the method of data collection used, respondents are grouped in two.

a. NNPC/KRPC Public Affairs Department advertisement personnel and advertising agents/experts.

   In this group, all the oral interviews, questionnaire questions and observations are designed to produce the respondents' responses on how products advertisement are carried out by NNPC/KRPC Public Affairs Department. Also they are designed to allow knowing whether the advertisement are relevant taking into consideration the nature of the products, marketers and consumers. This is to provide room for a valid comparison between theory and practice.

b. Products marketers and consumers. Questions in this group are designed to produce responses of the products marketers and consumers to ascertain the relevance of the advertisement to their respective marketing and consumer needs.

3.2 SECONDARY SOURCES

In addition to the primary sources of data collection, secondary sources comprising mainly print media were extensively used. For this purpose textbooks of eminent scholars on advertising were consulted. Also consulted were journals and magazines on advertising and related areas. It is worth

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mentioning here that NNPC/KRPC in-house publications and libraries were heavily used.

3.3 OTHER SOURCES

Even though not employed in this research, it is still considered pertinent to mention that, there are other advertising research techniques apart from the ones used in this research. For those who may be interested in conducting similar research or continue on this one, the knowledge of such techniques becomes imperative. Some of these techniques include:-

3.3.1 PRINT

In print media technique, says Benson – Gagar (1993), a pre-testing service (in which test advertisement are placed in to magazines) are used. Such publications are circulated to the various identified audience. Such audience are then interviewed on the media and the advertisements used to ascertain the "effects of advertisement on them". In determining this, 3-score relationships are prepared. They are:

i. Noted – Determines the percentage of readers (audience) who acknowledge reading/seeing the advertisements in the prints;
ii. Seen – Determines the percentage of the audience who correctly identify and relate the product with the advertiser; and
iii. Read most – Determines the percentage of the audience that admit reading more than half of written material in the advertisement.

At the end, the average scores for each product class for a period, usually a year, are shown. Also, the average score for each product class can separately be shown on sex basis.

This method has a unique advantage of enabling the advertiser to compare the effects of his/her advertisements against that of the competitor.

3.3.2 BROADCAST SERVICES

The commercials (adverts) are produced on a small screen projector then taken into the intended representatives' homes for viewing. Although these techniques ensure the audience's near complete attention, it lacks the natural conditions for which it is supposed to be designed for.

3.3.3 ON-AIR TESTS

Under these tests commercials are conducted on a regular VHF/UHF stations or cable television channels. Some individuals are "recruited" to watch the commercials while being aired. The "recruited" respondents are thereafter contacted and asked about the commercials to ascertain it effects on them.

Just like in the case of the print media technique, this technique also creates what Benson-Gagar called a "real-word atmosphere" whereby commercials can be appraised with a quite reasonable degree of relevance and accuracy.

3.4 RESEARCH APPROACH

3.4.1 PRIMARY DATA

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For any academic research to be accepted, it must be based on a sound and reliable primary data sources through which the needed data are collected. Such sources usually provide more relevant and reliable data to the issue at hand. Unfortunately, it is becoming increasingly difficult to get data from such sources for various reasons among which financial (cost) is very crucial. One of the numerous ways of primary data collection is, of course, conducting *personal interviews* with some individuals and or groups so as to get preliminary idea of how people feel about a particular product, service or idea. Through this a more formal and extensive interviewing approach/research instrument that will eventually be taken to the field could be developed.

A questionnaire is also another means of data collection that comprises of oral interview, questionnaire, research visits and observations. Under the questionnaire, a set of questions are served to some advertising practitioners petroleum products marketers, NNPC/KRPC Public Affairs Department staff. For the purpose of this research, the questionnaire principally consists of a set of questions presented to target respondents for the possible responses. The questions were carefully chosen/selected. The questions' forms, wording and sequence have been cautiously selected taking into consideration the contextual and normal meanings of not only every question but also every word in a question. All questions were structured in such away that each contributes towards realization of the research main objectives. Close-ended questions were employed meaning that all the possible answers to the

questions are pre-specified from which the respondents make choice(s). All questions are fashioned out in simple and clear phrases to facilitate easy understanding.

In any case, the essence of whichever method is employed, is to have access to the target audience. To achieve this, the researcher has many options of varying easiness and efficiency. The researcher can reach his audience by use of telephone, mail or interpersonal interviews. To get data quickly, a telephone seems to be the best method. However, its relative cost and lack of room for detailed explanation renders the method less effective. In Nigeria the unreliable nature of our communication system rules out the relevance of mailing method. The personal interview method seems to provide a more advantageous setting for the researcher. More question and additional observations on the respondent are at the researcher's disposal. However, it has the disadvantage of being expensive and a subjectivity tendency.

3.4.2 SECONDARY DATA

Ironically, researchers, in most cases, start their research with secondary data instead of primary data. According to Benson-Gagar this is to "see whether their problems can be partly or wholly solved" at least cost. All researchers need do is to source for relevant sources of information like textbooks, Journals etc. on advertising for the purpose of gathering experts opinions on the subject matter.

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However, inaccuracy, incompleteness, unreliability or even non-existences are some of the problems of secondary data. In this research all the sources of secondary data used are of proven quality, accuracy, reliability and in most cases complete. A part from the few authoritative textbooks & Journals consulted, all the other sources are the NNPC/KRPC publications. In achieving this, NNPC/KRPC library and the Department of Business Admin. A.B.U. Zaria Libraries were extensively used.

CHAPTER FOUR

4.0 DATA PRESENTATION AND ANALYSIS

The data collected for the purpose of this research based on the methods and sources discussed in the preceding chapter are presented and analysed in this chapter. In other words, the collected data are translated into clear and simple terms in this chapter, so clear and simple that it should be understood by an average reader.

Descriptive and tabular forms of data presentation are used, while the percentage form of data analysis is also used.

As earlier stated in chapter 3, questionnaire and interview questions were served to the two (2) selected groups of respondents namely:-

(a) Public Affairs Department Staff of the NNPC/KRPC and advertising agents/experts – comprising professionals and academicians in advertising field, and;

(b) NNPC/KRPC Products marketers and consumers.

All the questionnaire and interview have the same type of questions and are designed to trigger responses that will bear direct relevance to the hypotheses of the research listed in chapter one. In other words, all the questions are designed to confirm/prove the hypothesis statements of this research true or false.

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4.1 DATA ANALYSIS AND INTERPRETATION

As mentioned earlier in this chapter questionnaire and personal interview questions were served to the selected respondents for the purpose of getting their responses. The two techniques bear direct relevance to the hypotheses of the research work. This is to enable the researcher to confirm/prove the validity or otherwise of the hypotheses.

As Benson – Gagar (1993) mentioned hypothesis "is a statement of problem, ideas, intentions made by a researcher which he subjects to proper scrutiny and logical analysis based on sample of opinions and data collected from people so interviewed".

The four (4) hypotheses designed for this research work are analysed below.

(a) HYPOTHESIS ONE

Consumers' choice of a product, among competing products is largely influenced by packaging than level of advertisements.

To confirm or prove whether the above hypothesis is true or not the petroleum products marketer and consumers were specifically asked to respond to the question that their choice of the products they use daily is based on the way such products are packaged instead of the way they are advertised by simply ticking yes, no or no idea. See Appendix "B" .

The essence of the question is to find out whether packaging has any influence on customers choice of the petrolum product.

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TABLE 1

Table showing responses on the influence of packaging on products choice.

NUMBER SERVED	YES	NO	NO IDEA
1000	300	600	100
100%	30%	60%	10%

Source: *Data collected from respondents.*

A total of 1000 respondents were either served with the questionnaire or interviewed. Of the number, 900 representing 90% actually responded. Six hundred (600) respondents which represent 60% responded that packaging does not influence their choice of petroleum products they use.

In fact, some of them are not even bothered with how the products are packaged. It seems the main concern of such people is the products rather than the way they are packaged. This may be due to the nature of the products market – which is the seller's market as a result of lack of substitute products. But, this is not applicable to all the petroleum products. For example engine oil. The way engine oil is packaged in no small measure influence the users' choice. However, 300 or 30% of the respondents admited that packaging influences their choices of products. Among them, especially the educated elites cited example of engine oil as one of the products whose packaging influences their choices of the product.

The remaining 100 which represent 10% of the total responded by either ticking no idea or leaving all the 3 options blank.

(b) HYPOTHESIS TWO

Advertisements (copies) are meant for the well-to-do.

In ascertaining the validity or otherwise of the above hypothesis the officers responsible for advertising the products and the adverts experts/professionals were asked of the group of people amongs vehicle users/owners, less-privilaged and well-to-do that gets the message (advertisements) as intended. See Appendix "C".

Principally, the question is designed with the aim of identifying the segment of people that gets the message of the advertisements best with a view to, when the need is established, modifying the advertisement to cater for all the relevant segments.

TABLE 2

Table showing responses on segment of people that gets advertisement best

NO. SERVED	VEHICLE USERS	LESS-PRIVILEGED	WELL-TO-DO
20	6	4	10
100%	30%	20%	50%

Source: *Data gathered from the responses of the respondents.*

From the above table, out of the 20 or 100% interviewed, 10 or 50% of the number responded that well-to-do benefit most from the advertisemet followed by the vehicle users/owners (consumers) that has 6 respondents representing 30% then the less-privileged that has 4 respondents or 20%. By less-privileged the researcher means people who have no access to the

equipment through which advertisements are made e.g radio, television and print media. This further confirms Benson-Gagar's assertion that "Advertising messages mostly get to the elites and the well to do because they live in the towns and cities where there is electricity to play radio and television".

The well-to-do here refers to the people who have access to the equipment through which they can hear watch and or read advertisements which may include radio, television and print media.

It may also be because no serious consideration is given to the geographical coverage and medium selection.

At any rate, what is important is that users should be exposed to the medium through which they are to be communicated. This is to ensure that they become fully aware of content of the messages (advertisements).

:) HYPOTHESIS THREE

Sales volume is directly proportional to the advertising budgets.

To establishe the true or false of the above hupothesis, NNPC/KRPC Public Affairs Officers in change of advertisement of the company's products were asked whether budgets on advertising affect their sales. The question was to enable the researcher to know whether there is a direct relationship between advertisements and sales volues of products. See Appendix "C"

TABLE 3

Tables showing responses on direct relationship between adverts budgets and sales volume

NUMBER SERVED	YES	NO	NO IDEA
20	15	5	0%
100%	75%	25%	0%

Source: *Data collected from respondents*

Fifteen (15) or 75% of the twenty (20) respondents interviewed responded in the affirmative that advertising budgets affect products sales volume. However, the remaining 5 or 25% of the respondents express their reservations over the absolute effect or influence of advertisements budgets over the sales volume. They argue that there are other factors like the nature of the products whether it is necessary or luxury goods and season for the need of the products. For example, one of them pointed out that whether you advertise or not kerosine will sell during he raining season due to the fact that fire wood is difficult to get at that season.

In any case, it is worth mentioning here that care should be taken while planning for promotional budgets. The pricing, marketing and other related policies should be taken into account. It is without doubt that skilfully managed promotion achieves a lot with a reasonable budget. At any rate, one will not be wrong to say that advertisement is carried out because it is a tested profitable venture.

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(d) HYPOTHESIS FOUR

Advertisement stimulates product demand.

To find out whether demand for a product(s) can be stimulated by advertisement, marketers and consumers of the petroleum products were asked on how they first come to know about the products they sale/use. Three possible options were given to them as their source of information namely as a result of the need for the product, through advertisement on T\' Radio, magazine, Newspapers and similar sources and from friends. See Appendix "B"

TABLE 4

Table showing responses on what stimulates demand between need, advertisements

NO. SERVED	NEED	ADVERT	FRIENDS
1000	600	300	100
100%	60%	30%	10%

Source: *Data collected from questionnaire sent to respondents*

Out of the 1000 marketers and consumers interviewed 600 or 60% responded that they came to know about the products they use as a result of the need for it, while the remaining 300 or 30% responded that they happened to know about the products through advertisement. The remaining 100 respondents representing 10% of the total came to know through friends. This indicates that most consumers of the petroleum products are yet to feel the impact of advertisements on the products.

It was further observed that whenever the need arises most consumers have no significant preference on the available alternative products. This may be because most of the petroleum products do not have brands. For example, petrol is petrol whether sold in Total, Texaco, Unipetrol, Mobil, AP, Agip or Himma filling station.

It can be said with almost obsolute certainty that it is only engine oil that has alternative, where almost all the major oil marketers like Total, Mobil, Texaco etc have their brands.

Whatever may be the reason(s) for the above responses, the fact still remains that advertisements are, among other things, designed to inform people of new brands of products or as a reminder on existing ones.

Also, it should be noted that the 300 respondents representing 30 % of the total that indicated that advertisement stimulates demand for products must equally have the need for the products. Which means, in addition to the need they realise the importance of advertisement in stimulating (not creating) their demand for the products.

4.2 GENERAL FINDINGS

- It was found out that majority of the products' consumers are influenced by advertisements more than packaging. That is to say, the type of containers, say plastic gallon or tin used in packaging engine oil has a little impact to the buyers' choice. This means that products like kerosine, diesel or even petrol can be sold with little or no expenditure on advertisment. However, it was also found out that among the vehicle

owners/users, are in addition to advertising, influenced by packaging and or branding.

- Most advertisements were found to be more relevant to the well-to-do than to the vehicle owner/users. Heavy use of media predominatly used by the elites and the well-to-do and the way advertisements copies are designed are some of the factors responsible for this.
- The existence of relationship between advertisements and sales volumes is further confirmed in this research.
- Kerosine, petrol and engine oil are found to be most popular products to the consumers.
- In addition to being a means of promoting organisation's goods and services, advertisements are found to be effective and efficient tool for promoting corporate image. In this research some people indicated in their responses that they came to know more about NNPC/KRPC and its products through advertisements. This seems to be in conformity with the consumer dimension of promotion (advertisement) where a consumer always regards promotion (advertisement) as a vehicle through which information requirements about a company and its products are ascertained.
- Also the company from time to time places advertisements in news media with the aim of enlightening the public about its activities especially on the areas of production level, distribution network and its contributions towards upliftment of its communities living conditions.

CHAPTER FIVE

5.0 SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 SUMMARY

Observed neglect of the role of advertisement (as an elecment of promotional mix) in promoting the products of the Kaduna Refining and Petrochemicals Company Ltd. prompted the researcher to conduct this research work. The current advertisements (copies) of the NNPC/KRPC products are perceived to have some conceptual, principles and practical short comings ranging from wrong choice of media for advertisement, wrong copy design and wrong timing. Unless these are carefully studied with a view to profering solution, the company may find it difficult to survive the competative market that will soon be in place as a result of establishing private refineries. In carrying out the above task, existing literature on the research topic has been reviewed. This is to provide a sound putting on the understanding of the research topic.

The interviews and questionnaire questions were designed to trigger desired responses from the products marketers, consumers, officers responsible for advertising the products and experts/professionals in advertising.

The collected data were presented in narrative and tabular forms. The presented data were analysed and interpreted through relating the findings to the hypotheses of the research thereby confirming/proving the validity or otherwise of the hypotheses.

The research found out that most of the products consumers' choices are influened by advertisements more than packaging. As aresult of wrong usage of advertisement copies for the products, most existing advertisements are found to be more relevant to the educated elites. Also, the existance of a direct relationship between advertisements budget and sales volumes is confirmed.

Advertisements is also found out to be an effective and efficient tool for promoting corporate image, in addition to its conventional role of promoting goods and services.

5.2 CONCLUSIONS

As an element of promotional mix advertisement has been found to be an effective and efficient means by which products and services, and their multiple uses are made known to the prospective consumers. This is achieved through mass communication to the target audience through use of the most effective medium for each group. Advertisement also assists both the producer and the consumer in producing and getting high quality goods and services respectively.

In the same vein advertisements proportionately increase producer's sales volume.

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However, advertisement has the tendency to influence consumers to buy products, goods or services they do not necessarily need.

Indeed advertisement, just like any social phenomenon, has its disadvantages which include:-

- Creating room for mediocrity in people's cultural taste (life) especially in children and young people through making them stereotyped in their thoughts and actions which often results in frustrations.
- Increasing the products unit cost.
- If not properly managed, advertisements can provide room for spending large sum of money (capable to being misspend) by corporate bodies. Careful budget monitoring and taking proper measures to define aims and objectives is the way out.

5.3 RECOMMENDATIONS

i. Advertisements (copies) should be designed in such a manner that they will be relevant to the generality of the petroleum products consumers, which invariably means advertisement that will carry message meaningful to the whole society. In that almost every body in the society uses the product(s) in one way or the other, as one of the NNPC's advertisements says "*we touch your lives in many more ways*"

ii. Based on the literarcy level of our society, more attention should be given to electronic media advertisements i.e. television and radio advertisements. This is to ensure widest coverage at a lower cost.

Messages should be directed to the target markets in various geopolitical areas by use of relevant media. In doing this, as much as possible the cost of advertisements should be minimized so as to avoid high product unit cost.

iii. A lot more has to be done in the advertisements (copies) so far being employed so that will convince the consumer that two competing products, say engine oils, are not the same thing. And that the packaging/branding are not just manufacturers gimick to confuse the buyer.

iv. Whatever advertisements (copies) is appraised to be relevant in a given market, it is so when it possesses the ability to bring profit to the producer of the product. At least advertisements should be able to improve sales to the level of upsetting its expenses.

v. A lot more has to be done on this research topic. In fact this is just to pave the way for a much more thorough research project on the topic.

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APPENDIX "A"

A.B.U	=	Ahmadu Bello University
BPSD	=	Barrel Per Stream Day
KRPC	=	Kaduna Refining & Petrochemical Company
MT/YR	=	Metric Tone Per Year
NEPA	=	National Electric Power Authority
NNPC	=	Nigerian National Petroleum Corporation
PLC	=	Public Liability Company
PPMC	=	Products Pipeline Marketing Company
U H F	=	Ultra High Frequency
V H F	=	Very High Frequency

APPENDIX "B"

Dear Respondents

RESEARCH QUESTIONNAIRE

I am conducting a research work on the Role of Advertising As An Element of Promotional Mix in advertising petroleum products. Kindly answer the questions below, to the best of your knowledge and honesty by ticking the option that best reveals your opinion among the options provided. Please, note that any information given here will be treated with the highest degree of confidentiality and will be used specifically for the purpose of the research mentioned above.

Thank You.

A. K. MATAZU

1. your choice/use of the petroleum products you use daily is influenced by
   (a) Packaging ☐ (a) Adverts ☐ (c) No idea ☐

2. How did you first come to know about the petroleum products you sale and or use.
   (a) As a result of the need for the product ☐
   (b) Through advertising in Electronic and print media ☐
   (c) Through friends ☐

3. Name the petroleum product(s) you are aware of

   _____

   _____

   _____

APPENDIX "C"

Dear Respondents

RESEARCH QUESTIONNAIRE

I am conducting a research work on the Role of Advertising As An Element of Promotional Mix in advertising petroleum products. Kindly answer the questions below, to the best of your knowledge and honesty by ticking the option that best reveals your opinion among the options provided. Please, note that any information given here will be treated with the highest degree of confidentiality and will be used specifically for the purpose of the research mentioned above.

Thank You.

A. K. MATAZU

1. To the best of your experience and professional knowledge which group of people gets the message of advertisements as intended

   (a) Vehicles users/owners ☐ (b) The less-privileged ☐

   (c) The well-to-do ☐

2. Do you subscribe to the saying that sales volume is directly proportional to the advertising budgets.

   (a) Yes ☐ (b) No ☐ (c) No idea ☐