SALES STRATEGY ON CONSUMER PRODUCTS: A CASE STUDY OF 'TRADE' AND 'CONSUMER' JOBBERS SCHEME BY COLGATE-PALMOLIVE (NIGERIA) SERVICES LIMITED

BY

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DEPARTMENT OF BUSINESS ADMINISTRATION FACULTY OF ADMINISTRATION AHMADU BELLO UNIVERSITY ZARIA - NIGERIA

NOVEMBER, 1998

DECLARATION

I hereby declare that this project is original and a product of my research findings.

All materials used have been acknowledged accordingly in the references and bibliography.

Signed _____ 30-11-1998

UMAR YAHAYA KAWU — Date

CERTIFICATION

This project report titled "SALES STRATEGY ON CONSUMER PRODUCTS: A CASE STUDY OF 'TRADE' AND 'CONSUMER' JOBBERS SCHEME BY COL GATE - PALMOLIVE (NIGERIA) SERVICES LIMITED" by UMAR YAHAYA KAWU meets the regulation governing the award of the degree of MASTER of BUSINESS ADMINISTRATION (MBA) of Ahmadu Bello University Zaria and is approved for its contribution to knowledge and literary presentation.

Supervisor — Date: 25th Feb, 1999

Head, Department of Business Administration — Date: 2/02/99

External Examiner — Date: _____

Dean, Post-Graduate School — Date: 28/01/01

DEDICATION

My parents, wife, brothers and sisters.

ACKNOWLEDGEMENT

I thank God for guiding me throughout the duration of this programme (Alhamdullilahi).

My special gratitude goes to my supervisor Mr. J.K. YERE, whose patience and guidance saw me through this project.

I appreciate my wife's patience and understanding especially towards the end of the programme.

I owe much to my friends Ayuba, Abass and Nasiru for their Academic and Moral support.

I am also grateful to Alhaji M.K. Sulaiman, his wife and family for material and moral support.

Lastly, I thank the management of Colgate Palmolive (Nigeria) Service, Mr. Alimi O. Ma'ruf and all those who contributed to the success of this work but whose names were omitted due to space limitation.

UMAR YAHAYA KAWU

ABSTRACT

This study is designed to find out the overall effectiveness of Trade and Consumer Jobbers Schemes. The research attempts to determine the effectiveness of Trade Jobbers Scheme as distinct from Consumer Jobbers Scheme (and vice versa) using the percentage contribution to sales of core equities.

Colgate-Palmolive (Nigeria) Services, was chosen as the case study. The main instruments of data collection were sales record on all products from October 1997 to October 1998, Trade Jobbers monthly sales summary and Consumer Jobbers monthly sales summary.

The sales result test, which attempts to measure tha sales volume of core equities during the Trade Jobbers Scheme established a positive correlation between sales volume of core equities and the Trade and Consumer Jobbers Schemes. It was also established that a positive correlation exists between the sales volume of 2 of the core equities and the Consumer Jobbers Scheme and thridly between the sales of core equities and Trade and Consumer Jobbers Scheme when ran concurrently.

It was concluded that the Trade Jobbers Scheme yields higher sales volume if it is focused on core equities, while the consumer Jobbers Scheme is more effective if it focusses on few brands and a synergistic effect is achieved if both schemes are used concurrently.

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CHAPTER 1

INTRODUCTION

1.1 BACKGROUND TO THE STUDY

The term 'sales strategy' varies in definition from one part of the organisation to another and from one market segment to another. For example Davies submitted that "The Brand manager in pillsbury is usually described as a strategist and sales is his or her execution arm"[1]

As a general rule sales strategy is directed at specific customers unlike the marketing strategy that is tied to target segments.

In a depressed economy characterised by changes in consumer behaviour as a result of dwindling purchasing power, the competent sales manager must device sales strategies that will positively impact on sales of especially, new products or brand(s).

An assesment and recording of strategies in use is necessary to measure their success or otherwise to maximise the benefits of successful strategies and avoid repetition of those whose results are unsuccessful. By this exercise the market planners

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1. Robert T. Davies, "Marketing management: Becoming A market-Driven company". The portable MBA, Ed. Collins & Devanna John Wiley and Sons - 1990 p. 203.

and executors will be placed on a firm pedestal to contribute to the achievement of the corporate goals and objectives.

1.2 STATEMENT OF THE PROBLEM

Sales volume and where applicable profit are essential indices for evaluating the effectiveness of sales strategies. However, all elements of the promotional mix including personal selling are interwoven creating difficuties in evaluating sales strategies as they may derive from personal selling.

Despite these difficulties, contemporary sales management places high premium on evaluation of sales strategies.

The sales - response function is one important tool for evaluating sales strategies. However Kotler submitted that "In estimating sales response functions some caution must be observed. The sales - response function assumes that other variables remain constant over the range of the functions..."[2]

With this background in mind, the researcher felt the need to study and find out how the twin strategy of Trade and

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2. Philip Kotler - Marketing management - Analysis, Planning, Implementation and control 9th Edition (prentice Hall 1997). Appendix 1 A-4.

consumer Jobbers schemes have individually and collectively contributed to sales volume in the Nigerian Marketing environment.

1.3 HYPOTHESES

(I) Sales volume of products refered to as core equities (i.e Ajax 350g and 600g, Axion 250g, Protex and Colgate Dental cream) promoted by the Trade Jobbers is higher during the scheme as compared to other periods.

(ii) Sales volume of two of the core equities Axion 250g Colgate Dental cream promoted by the consumer Jobbers is higher during the scheme than other periods.

(iii) Sales volume of core equities promoted by both consumer and Trade Jobbers is higher during the period than when there was none of the schemes.

1.4 OBJECTIVES OF THE STUDY

(I) The main purpose of this study is to find out the overall effectiveness of Trade and consumer Jobbers schemes.

(2) Determining the effectiveness of Trade Jobbers scheme as distinct from consumer Jobbers scheme (and vice versa) using the percentage contribution to sales of core equities.

(3) To make a financial assessment of Trade and Consumer Jobbers Schemes by determining the cost of implementation as a

percentage of sales

(4) To make an Analysis of the strengths and weaknesses of the Trade and Consumer Jobbers schemes and make recommendations for improvements.

1.5 SIGNIFICANCE OF THE STUDY

The evaluation of sales strategies will help management not only to know if they are effective, but also why they are effective, thereby serving as an essential guide in sales management.

From the organisation's point of view, the main purpose of formulating effective sales strategies is to increase sales volume and by extension maximise profitability. Therefore, an assesssment of effect of sales strategies on sales volume and profitability is desirable to enable management to select efficient and effective sales strategies and maximise the use of same, while avoiding unproductive strategies.

The result of the evaluation will enable us conclude as to the effectiveness and efficiency of Trade and consumer Jobbers schemes as sales strategies on Consumer products.

1.6 SCOPE OF THE STUDY

The research topic - "Sales Strategy on Consumer products: A case study of 'Trade' and 'Consumer' Jobbers schemes by Colgate - Palmolive

(Nigeria) Services Limited", was choosen because the researcher intends to study the twin strategies out of the array of sales strategies available.

1.7 LIMITATIONS OF THE STUDY

(1) The reseacher intends to concentrate on the study of the twin strategies of 'Trade' and 'Consumer' Jobbers schemes to the exclusion of other sales strategies.

(2) There are many consumer companies in Nigeria but the researcher is concentrating on Colgate-Palmolive (Nigeria) Services Limited only.

(3) The 'Trade' and 'Consumer' Jobbers schemes is running concurrently in 13 sales Areas in Nigeria, but data from Sokoto Area will be used because of easy accessibility and ready availability of data.

(4) The data used in the study is for October 1997 to October, 1998 sales period only because of time constraint.

(5) Financial impact of the 'Trade' and 'Consumer' Jobber schemes on the companies turnover and profitability could not be carried out because Colgate - Palmolive Company at present makes her sales through a local Nigeria Company - International Equitable Association (see History of Colgate Palmolive Company).

1.8 DEFINITION OF TERMS

(1) Sales Strategies:

Refers to the techniques used by sales persons drive consumers towards commitment in purchasing their products. [3]

(ii) Jobber:

A middleman who buys from wholesales dealers and sells to retailers only [4]

(iii) Trade Jobber:

A middleman who buys products from wholesales dealers and sells to retailers only [5]

(iv) Consumer Jobber:

A middleman who buys from wholesales dealers and sells directly to the consumer i.e. the end user. [6]

(v) Numeric Distribution:

The percentage of sales outlets that displays a particular brand for sales. [7]

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3) B.O.Ehigie and S.S. Babalola, Understanding CONSUMER BEHAVIOUR, 1st edition (New Bornene Enterprises 1995) P. 127

4) The New WEBSTER'S DICTIONARY of the English language LEXICON PUBLICATIONS INC P9 BD 58

5) COLGATE-PALMOLIVE, Sales and Distribution Policies and Procedures and Strategy '98 for Nigeria.

6) Ibid

7) ibid

(vi) Sales Response Function:

Forecasts the likely sales volume during a specified time period associated with different possible levels of a marketing mix element, holding constants the other marketing mix elements.[8]

(vii) Core - equities:

This refers to a brand(s) that make the greatest contribution to the sales, growth and profitability of the organisation, in this particular study it includes Ajax 350g and 600g, Axion 250g, Protex soap and Colgate Dental Cream 75g).[9]

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8) Philip Kotler(1997) op cit P. A-3

9) Data on file Colgate-Palmolive Nigeria Services Limited.

CHAPTER II

2.0 REVIEW OF RELATED LITERATURE

2.1 SALES STRATEFIES

Sales strategy is a term which often has the question of semantics as an important aspect of its discussion. Sales strategies usually provide direction for sales management and sales team.

Ehigie and Babalola submitted that sales strategies have been adopted as complementary means of making the product available to the consumer through sales representatives of the marketing organisation.[1]

Sales strategy has personal selling as its platform and personal selling is one of the principal tools of promotion. The other element of the promotional – mix according to Kolter.[2] Includes;

Sales promotion, advertising, public relations and recently direct marketing. Each of these promotional tools will be discussed briefly to establish a framework for a detailed discussion of sales strategies as derived from personal selling which is the main focus of this research.

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1) B.O. Ehighe and S.S. babalola (1995) op. Cit. P. 127
2) Philip Kotler (1997) op. Cit. P. 92

It is pertinent to not that sales strategy as derived from personal selling is only one of the dimensions of the total marketing efforts. The marketing mix elements – product, price, promotion and place (Distribution0 must be harmonised into an integrated plan of action. Each element contributes or affects the overall objective of maximising return on investment if not on the short – run certainly on the long-run e.g. the best of promotions cannot move an over – priced or defective product.

2.2 PROMOTIONAL MIX

2.2.1 SALES PROMOTION

Sales promotion includes "those marketing activities other than personal selling, advertising and publicity, that stimulate consumer purchasing, and dealer effectiveness, such as display shows and expositions, demonstrations and various non-recurrent selling efforts not in the ordinary routine.[3]

The benefits of sales promotion includes communication, incentive and invitation.[4]

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3) Committee on definition, Marketing Definitions: A Glossary of marketing Terms (chicago American marketing Association, 1960) P.20.

4) Philip Kotler (1997) Op. Cit. P. 624-625

2.2.2 ADVERTISING

Advertising may be defined as "Any paid form of nonpersonal presentation and promotion o ideas, goods or services by an identified sponsor.[5]

Advertising performs at least seven basic functions for a Company; namely; information, entertainment; persuasion and reminder, others are reassurance, assistance to Company efforts.[6] and addition of value.[7]

2.2.3 PUBLIC RELATIONS AND PUBLICITY

Public relation evaluates public attitudes, identifies the policies and procedures of an individual or an organisation with the public interest and executes a programme of action to earn public understanding and acceptance.[8]

The appeal of public relations and publicity is based on three district qualities, viz; high credibility, ability to catch buyers off guard and dramatisation.[9]

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5) Philip Kotler (1997) Op. Cit. P. 604
6) M. Wayne Delozier, the marketing communications process, McGraw Hill New York, 1976 P. 216-219
7) Ivan L preston "Theories of Behaviour and the concepts of rationality in advertising" Journal of communication vol. 17 No. 3 P 211-222 sept., 1967
8) Engel, Warshaw and Kinnear promotional strategy 5th edition (Home wood, Illinois Richard D. Irwin 1983) P.40
9) Philip Kotler (1997) Op. Cit P. 625.

2.2.4 DIRECT MARKETING

There are many forms of Direct marketing – Direct mail, Telemarketing, Electronic Marketing and so on. They all share four distinctive characteristics namely: Nonpublic, customised, up-to-date and interactive.[10]

2.2.5. PERSONAL SELLING

Personal selling can be defined as: Face-to-Face interaction with one or more prospective purchasers for the purpose of making presentations answering questions and procuring orders.[11]

Personal selling is a special form of interpersonal communication whose goal is to "bring to the prospect' attention information that will satisfy a need and that will elicit a response hopefully in the form of a purchase.[12]

In terms of cost, personal selling is believed to be the most cost effective promotional tool at later stages of the buying process especially with respect to building up buyers' preference, conviction and action. The reason is

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10) Philip Kotler (1997) Op. Cit. P. 625,.
11) Ibid P. 604,.
12) Engel et al (1983) Op. Cit. P. 12

that personal selling according to Kotler. [13] has 3 distinctive benefits.

(a) **Personal Confrontation:** Personal selling involves an alive, immediate and interactive relationship between two or more persons. Each party is able to observe the other's needs and characteristics at close hand and make immediate adjustments.

(b) **Cultivation:** Personal selling permits all kinds of relationship to spring up, ranging from a matter-of-fact selling relationship to a deep personal friendship. Effective sales representatives will normally keep their customers best interest at heart if they want to maintain long-run relationship.

(c) **Response:** Personal selling makes the buyer feel under some obligation, for having listened to the sales talk. The buyer has a greater need to attend and respond, even if the response is a polite "thank you".

On comparative basis personal selling is a unique person to person form of communication as opposed to advertising, sales promotion and public relations, which are mass communication forms.

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13) philip Kotler (1997) Op. Cit P. 625,.

2.3 SALES STRATEGIES

2.3.1 DEFINITION

According to Hammermesh the term strategy is "one of the most widely used and abused expressions in business today.

This situation has lead to confusion as regards the definition of strategy.[14]

The term, strategy, is applied to different sphere of business leading to many varied and different definitions

There are many definitions of strategy, and by extention sales strategy to choose from, but the one that is most appropriate for this research work is that of Ehigie and Babalola.[15] They defined sales strategy as those techniques used by sales person to drive consumers towards commitments in purchasing their products.

2.3.2 SCOPE

Sales strategies have been employed as complementary methods of making the products available to the consumer or end users through the sales persons or representatives of the marketing company.[16] It is used in conjunction with other promotional tools; sales

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14) Robbert T. Davies (1990) op cit p.203

15) B. O Ehigie and S.S Babalola(1995) Op. Cit P 127

16) Ibid P. 127-129.

Promotion, advertising, public relations and direct marketing.

Sales strategies can be applied to consumer and industrial goods.

According to Berian[16] Each sales strategy programme should encompass four components.

(1) What is it? (description of the programme)

(2) Who is to do it? (People involved and their tasks),

(3) When is it to be done? (Completion date) and

(4). What is the estimates cost? (Price tag for the programme).

2.3.3. **IMPORTANCE**

The sales manager usually deals with specific customers in contrast to the marketing manager, therefore in formulating sales strategies the sales manager must manipulate a collection of selling factors to get various combinations.

In the words Berrian;[17] "such strategies provide direction for sales management and the sales team"

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16) Howard A. Barrian: (1995) "Sales management ", Encyclopedia of Professional Management. - Eds. Bittel & Ramsey P. 826

Fourth Grolier Printing

17 ibid P. 826.

2.4 FACTORS THAT CONTRIBUTE TO EFFECTIVE SALES STRATEGIES

Sales strategies provide direction for sales management and sales teams.

According to Berrian.[18] result oriented sales strategies must take the following factors into consideration:

(1) Be fixed firmly enough to operate over relatively long periods of time.

(2) Be identifiable and made clear in words and practice

(3) Capitalise on the sales department's competence and resources, both present and projected .

(4) Exploit competitive weaknesses when and where possible.

(5) Speak to the significant needs of customers and have the customers recognise that their needs are being addressed.

(6) Project whatever "branded" image and posture the company wishes.

(7) Motivate a high degree of commitment from the personnel who have to implement them.

(8) Take advantage of market place opportunities

(9) Be consistent with policies and systems of the company

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18) Howard A. Berrian (1995) op cit P. 826,.

2.5 TYPES OF SALES STRATEGIES

The competent sales manager must possess the ability to mainpulate a collection of selling factors to formulale effective sales strategies. Some of the more frequently used strategies discussed by Davies[19] is given below:

1. TEAM SELLING

It is easy to think of team selling examples such as the sales of a nuclear power plant, a communication system or a vocational school for the Third World. These selling scenarios are complex, requiring a variety of skilled selling and backup personnel: physicists, engineers, construction specialists and systems experts, to mention but a few. A lone salesperson would be overwhelmed were he or she to try to duplicate these specialty resources. As a result, selling teams are assembled. Hardly surprising is the consequent need to coordinate the activities of the separate individuals. Coordination is the responsibility of the team captain, a selling task at the most complicated end of the "difficulty continuum."

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19) Robert T. Davis (1990) Op cit p.204 - 212.

Some of these teams, as in HP, GE, Northrop, and certain military contractors, will exceed 150 to 200 people. Usually, the target sale is for a complicated system that calls for extensive warranties and guarantees, service modification, and time consuming postsale follow up.

The reliance upon a team rather than individuals is a strategic sales decision of considerable importance. Its impact upon operations is monumental.

2. KEY ACCOUNTS

Some customers are more desirable than others, be it due to size, profitability, prestige, or potential. To adapt from Pareto, 20 percent of the customers will produce 80 percent of the results. No matter what the exact percentage, in fact, critical accounts demand special treatment. This need complicates life for the sales manager who has two categories of accounts: the special and "the rest." The two cannot be handled similarly. The big ones, for example, want VIP treatment, special service, direct access, quantity incentives, fast response, and so on. As a result, the sales and support personnel, the traditional systems and procedures, the rules and regulations may all have to be modified. Business economics, alone, dictates that accounts cannot be treated as equals - small customers are expensive. Not surprisingly, it follows that the typical

sales department start with the needs of the special accounts and fits in the rest the best way possible.

Such favouritism may sound unfair, but it is the only workable way to nurture the key customers. Some organisations, for this reason, field two salesforces, one for the major accounts and one for "all others."

3. NATIONAL ACCOUNTS

In this strategy variation, we deal with special customers whose operations are geographically scattered. The accounts, in addition, may be key. The rub comes because the territorial boundaries of buyer and seller are unmatched; Safeway's regions are not the same as General Foods. This overlap complicates the matching process between buyer and seller. The customer may want regional programmes, while the seller is geared for a national campaign. Or, the seller prefers to deliver on Monday, but certain large accounts prefer Tuesday in selected regions. One solution in these cases is to assign national accounts to a dedicated group of sellers.

4. EXECUTIVE SELLING

When dealing with major accounts, it is natural for the seller to establish some executive to executive relationships. Although the salesforce continues to call on the regular buyers, the senior staff of each firm establishes personal contacts, not so much to sell but to facilitate

communication up and down the line. At the executive echelon, many broader business matters that may not be appropriate for the sales force can be discussed. For instance: (1) future service and support alternatives, (2) the intermeshing of promotions and advertsing programmes, (3) possible new product and market introductions, and (4) better mutual logistical support. Furthermore, each executive has the comfortable knowledge that his equivalent is only a phone call away.

An interesting variation to executive selling in special cases has proven effective: namely, the use of the chief executive as the head seller. We need go no further, as illustrative, than Lee Iacocca, the CEO who transformed a weak consumer attitude toward Chrysler into a positive identification toward himself. The same transference of the company image can be noted in William Hewlett and David Packard, Steven Bechtel, Henry Ford, Henry Kaiser, and Harold Geneen. The great risk, of course of such personal fealty is that the symbol will eventually disappear. Nonetheless, a number of institutions have successfully survived a return to the corporate institution, including Disney, Ford, and some airlines.

5. MANAGEMENT SELLING

A more debatable instance of sales strategy occurs when the field sales managers personally handle a sales. They double as salespeople.

The reasons given for such a selling role are time honoured. In "thin" territories where the management load is light, it is cost-efficient to ask the manager to accept some accounts. Moreover, the manager is probably a more experienced salesperson and can bring a higher level of skill to the territory. Occasionally, as a final explanation, some accounts insist on management attention.

However, the cost of executive selling can be high. The selling manager is competing with his or her own subordinates. A neutral stance is hard to maintain. The salesforce will easily conclude that their manager "has the best accounts" or" gets favoured treatment for customers from the home office. "The issue of how selling managers will prioritize their time is a sensitive one. When the crunch comes, these managers may move instinctively to protect their own accounts before attending to their salesteam And, finally, selling manager are apt to favour what they do best and fall back on sales prowess, which means they may never adequately develop their supervisory talents.

6. MULTILEVEL SELLING

Sales managers usually exhort their sales people "sell high and wide," meaning many lateral and vertical contacts - the essential charateristic of team selling. The contented sales individual can easily settle on a few comfortable contacts or avoid calling higher because that is "unfamiliar hard work and beyond the pale of us ordinary mortals." The stongest salesforces, to the contrary, establish a broad range of contacts and make a point of understanding what each customer level needs. Many a sure sale is lost because senior manager has other competitive preferences and manages to substitute his own candidate for the sure thing.

7. RECIPROCITY (A.K.A. "TRADE RELATIONS)

Of dubious legality is the sales strategy known as reciprocity: "You buy from me and I'll buy from you. "Buying and selling organisations, using specialized personnel, used to crosscompare volumes of sales and purchases at the pressure for new orders. Practitioners included steel companies, railroads, and large can manufacturers.

Such systematic trade-offs have all but disappeared. Nonetheless, the practice continues informally. Reciprocity is usually associated with commodities and not specialty items for which substitutes are uncommon. Interestingly, we have recently seen reciprocity practices at

the national level as during the United States- Japan semiconductor negotiations in 1988.

8. ORGANISATIONAL STRATEGIES

No comments about sales strategies would be complete without referring to the organisational structures. To illustrate, a salesforce can key in on geography, product, customer, task, or some combination. The implications of each are notable.

A geographic bent requires that each individual sell the full line within an assigned territory. Not bad, if the products and customers are homogeneous! Customer coverage, under these circumstances, seems to be better because the salesperson can usually sell something to somebody throughout the territory, so is encouraged to make more marginal calls.

In certain instances, an extensive product line includes some very technical items. This expanse means that the generalist salesperson is less in demand than the product expert, creating the practice of hiring separate salesforces for separate products.

In other circumstances, the company may opt to assemble the salesforces according to customer distinctions, such as utilities versus

process control industries, large accounts versus small accounts, or integrated versus nonintegrated operations.

One last organisational alternative remains: to assign the salespeople by "task." Food companies, like General Mills, normally have direct sellers who call on the large accounts, and merchandisers who handle the small buyers, as well as in-store presentation requirements. Some technical firms, like Motorola and Northrop, employ "bird dogs" who develop leads but are backed up by highly trained specialists who close the sales. It is also possible to distinguish between prospecting and maintaining business.

9. **SYSTEMS SELLING**

The sales transaction might revolve around essentially individual items or it might encompass entire systems. The system sale, which was mentioned earlier, is complex and requires a mix of skilled sales and support-people as well as an unusually high degree of coordination. Some systems are categorized as "turnkey" - the buyer is supplied with a ready-to-use installation. Examples include a new robotic production line, a dam for flood control and recreation, and a finished office building.

As we said earlier, the single sales representative likely does not have the background or expertise to close the system sale but is rather more

valuable as the quarterback for the team. In technical environments, this sales individual stresses the commercial requirements of the transaction, including such things as when to bring in support personnel, who to contact next, and when to move on the next phase of the sale.

10. POOLED SELLING

When a number of separate divisions sell similar technologies to a spread of customers, the excessive costs of separate salesforces can be allayed by sharing a common team, a pooled salesforce. It certainly helps in pooling if the sales tasks are reasonably similar among the divisions.

The General Electric Company, as a case in point, has an Apparatus Sales Division that is shared among dozens of operating divisions too small to support their own dedicated sales units. A recurring sore point with a pooled operation is insuring that each division gets its fair share of the selling effort. Some firms go as far as to draw up formal contracts between sales and the divisions, specifying the effort being "bought" or paid for by each.

11. SALES THROUGH INTERMEDIARIES

Another useful sales strategy is to use external intermediaries who specialize in one or more phases of the distribution chain. We are all familiar with retailers, wholesalers, manufacturers' reps, brokers, and sales agents, each of whom is an "outside expert."

The retailer, to make the point, is a specialist. Not many manufacturers can duplicate his retail merchandising skills. Just think of the unusual talents required of a Nordstrom, The Limited, The Gap, or L. L. Bean! The manufacturer is more often than not well advised to "hire" such go-betweens, the fee consisting of sales support programmes and retail markups.

The preferred working relationship between the manufacturer and the outsider remains an issue for frequent debate. "Should we subcontract the function or do it ourselves?" "Should we grant an exclusive franchise or not?" "Do we treat the outsider as part of our team or on an arm's-length basis?" "Should we employ a mix pattern that makes use of oursiders and insiders?"

12 **THIRD-PARTY SALES**

The classic example of third-party sales is the ethical pharmaceutical house. The salesforce sells products into the wholesale and retail channels but depends upon the prescribing physician for consumer demand. The "sale" to the doctor is essentially educational. Without the doctor's recommendation the product will die.

NIKE, in its early days, offered another version of third-party selling. It sold to the specialty retailers but placed the shoes on the feet of expert performers whose victories and testimonials persuaded much of the public to imitate. Girl Scouts who sell cookies and ex-athletes who recommend a certain brand of beer are modern versions of third-party sales.

13. **BACK-END PROCESSING**

Volume selling would be impossible without an efficient, in-house servicing system. The compelling demands upon service and processing facilities are well illustrated in the typical brokerage firm. So volatile are the markets and so critical the logistics of handling each transaction that there would be no front-end sales if the back-end processing broke down.

To illustrate, such support needs exist in banks, large warehosue facilities, and airline reservation systems. These "invisible" mechanisms are essential to the sales strategy.

14 TELEMARKETING

Telemarketing is the up-to-date version of telephone selling and has become a much discussed selling component. Telemarketing goes beyond historic telephone selling because it combines a number of selling variables: a computer and customer data bank, special telephone operators, advertisements listing an 800 call-in number, direct mail coupons, and so on. In the normal course of events, the seller places an ad, describes the product benefits, and includes a return coupon as well as an 800 number. When a respondent telephones in, the receiving operator "calls up" the stored customer data base and initiates the sales interview. After the call, the customer data file is amended by the new information. The result is a more efficient sales presentation, including the substitution of the telephone sale medium for the expensive face-to-face sales call. Whereas the traditional salesperson can make may be 8 to 10 calls each day at an average cost of $150 to $200, the telemarketing sales expert can far exceed these call numbers and at significantly lower costs.

The underlying logic of telemarketing is that the scarce resource (a live salesperson) becomes far more productive, with only a small loss in personal selling relationships.

15 **DOOR-TO-DOOR SELLING**

In earlier days, the country was charaterized by cowboys, Indians, and travelling salesmen - snake oil salesmen they were called. In contemporary language, the travelling salespeople are known as direct sellers.

There are dozens of direct sale organizations-Fuller Brush, Electrolux, Stanley, Avon, Mary Kay, Amway. They field large salesforces (full-time and part-time) who are paid strictly on commission and are motivated by a large assortment of incentives.

The legitimate direct sales organization sells good products for generous markups and pays out large commissions and overrides. As individuals rise in the organisation, they begin to share in the commissions paid to the salespeople they have, in turn, recruited. Unfortunately, environmental developments have not all been friendly. For example, an increasing number of employed wives are without the time or need to supplement their finances. Additionally, people are increasingly nervous about opening their doors to strangers. For this reason, Avon and Tupperware parties have become an effective selling variation.

A few dishonest operators have given the industry a bad name. These pyramiding organizations sell the rights to sell memberships to new

buyers. No products are involved-merely "rights to sell memberships." The worst offenders have presumably been put out of business, including "Dare to Be Great" and "Holiday Magic."

16 **PRODUCT AND POSITION SELLING**

Three vastly different strategic postures are possible: innovation, application, and low cost. These three pretty well describe the evolution of firms over the product lifecycle-from innovation through growth to decline.

Also, the three suggest major differences in sales strategy. Product innovation requires a product-oriented salesforce that pushes technical differentiation. The selling message is transmitted from selling specialist to buying expert requiring considerable technical interchange. A need exists for selling and technical expertise.

In contrast, the application seller needs a customer comprehension. She is selling solutions and applications. The hardware is of no intrinsic value except as it helps solve consumer problems.

The low-cost operator, in the economy slot, is dedicated first and foremost to volume and minimum costs. Low costs fuel increased sales and consequently even lower costs. The efficiency approach is less a matter of selling and more of cost manipulation.

17 **SELF-SERVICE**

By now, we take self-service for granted-after all, it has been around for 60 years, at least in the grocery trade. Self-service means what it says-there are no salespeople. Thus, the inducement to buy depends upon shelf location, package attractiveness, brand reputation, colors, photographs, displays, adjacent brands, and so on. When well executed, a self-service store is a marvel of silent persuasion.

Needless to say, a self-service selling strategy imposes a number of requirements upon the seller having to do with the presentation of the product and its advertising and merchandising support.

18 **FULL-SERVICE SELLING**

Some sales strategies encompass a complete range of buyer services: wide choice, credit, delivery, trial, price concessions, options, replacement, postsale service, training brochures (ad infinitum). The salesforce is expected to offer a collection of values designed to differentiate the product and shift the buying focus away from price. Full service is quite expensive, but it gives the salesperson an arsenal of selling options.

19. **POST-SALE REINFORCEMENT**

It is true, unfortunately, that most sales strategies concentrate primarily upon before the sale and during the sale. Their weakness is the failure to recognize the importance of postsale reinforcement. After the sale unless it is a one-time-only transaction-is when the buyer's lingering reservations can be modified. The buyer, for example, may be unsure of his choice and, if it is a first time purchase be concerned about its wisdom. He needs a dose of reassurance. "Harry, did you notice that we offer a five-year guarantee?" "Harry, did you know taht IBM bought five of these!" Success in postsale reinforcement will pay off in increased "word of mouth."

20. **DECENTRALIZED SALES STRATEGY**

The seller's strategy depends considerably on where ultimate sales responsibility is lodged. A centralized company, for example, funnels all important sales decisions through the home office. Bureaucracy becomes a real bugaboo; response time stretches out. On the other hand, the centralized operation can better deliver a consistent set of operating decisions; local prejudices play a smaller role.

2.6 TRADE AND CONSUMER JOBBERS SCHEMES[19]

2.6.1 TRADE JOBBERS SCHEME

a) TRADE JOBBER: The Trade Jobber is a person who!:

I) Knows the market and is acceptable to primary channels.

II) is trained and assigned a territory

III) will increase awareness of all brands/products to retailers

IV) is responsible for delivery of stocks and collection of payment - Establishes continous cycle

V) provides market information, data and statistics

b) **OBJECTIVE OF THE TRADE JOBBERS SCHEME**

To obtain deep down distribution of products, and thus increase sales. The plan is to work with established distributors, put a Colgate - Palmolive financed salesforce under them and move their inventory, sales must be in cash both from Colgate-Palmolive to the Distributor and from the Distributor to the retailers.

c) Locations: The main 13 Cities in Nigeria (See Appendix I).

d) Organisation: One Colgate-Palmolive sales person responsible for coordinating the scheme is appointed in each main city.

e) Process: The step by step process should be as follows:

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19) *COLGATE-PALMOLIVE, Sales and Distribution polices and procedures and strategy - '98 for Nigeria.*

I) Identify the Distributors. Since over 80% of the sales are done in Nigeria through the open markets, this is the main outlet for the scheme. It is necessary to identify the different open markets in the city and determine how many distributors will be invited to participate in the scheme in each one of the markets. For the scheme to work the number of participants in each open market must be kept to no more than three or four. The total number of trade jobbers to be offered in each city should not exceed 25.

II) Recruitment: Once the distributors have been identified the recruitment of the Trade Jobbers Starts. These Trade Jobbers are attached to the Distributors. It is important to select people (men and women) that have a potential for further progress within the company. They must be literate, have the desire to work, be able to communicate with other people, be extroverts, like to work in the field. It is important that they should have guarantors since they will be handling money.

III) Compensation: The Compensation package for this group is as shown in appendix II. NOTE: Higher rates are paid for products considered to be core equities shown in asterisks.

IV) Training: Once they have been hired the training begins. It is important to make the training at the sametime and it should have both theoretical and practical sessions. The job of the Trade Jobbers consist of selling the distributors stock in smaller outlets for cash only. It is not important to sell big quantities, but to sell as many products of the portfolio as possible with emphasis on the new products; AXION, PROTEX, AJAX and COLGATE.

V) Supervision: The Colgate-Palmolive Sales person is responsible for the supervision of the Trade-Jobbers at the Distributors level and on the field.

2.6.2 **CONSUMER JOBBERS SCHEME**

a) CONSUMER JOBBER: The consumer jobber sells a bag of 'mix' of products house to house and street to street directly to consumer for cash only.

b) OBJECTIVE OF THE CONSUMER JOBBERS SCHEME: To create a 'pulling' effect. i.e stimulate direct consumer purchase and repurchase for some selected brands.

c) LOCATIONS: The main 13 Cities (See appendix I).

d) ORGANISATION: The Colgate - Palmolive sales person responsible for the Trade Jobbers Scheme is also

responsible for the consumer jobbers.

e) MECHANICS: At least one distributor will be appointed from where stock will be lifted. The Colgate-Palmolive sales person appoints the consumer jobbers to a specific place in the city where he plans to work that day. In the Pickup (vehicle) he will have bags of products (at least 4 products) ready, which would have been prepacked the previous day, with the help of the jobbers and distributors. In the area selected each jobbers will be given a plastic bag in which they can carry 10 offers. They will be told where to work and where the pick-up will be to source extra packs when they have exhausted their stock. When they want additional offers they must pay first for those that they sold earlier. Once one area is adequately covered the team moves to another area. At the end of the day the cash for that day's sales is paid and the offers for the next day are prepacked.

f) RECRUITMENT: The consumer jobbers will be literate, must not be afraid of knocking doors, talk to people and like selling.

g) COMPENSATION: The compensation of N15 is paid per pack.

h) TRAINING: The training like that of the trade jobbers is theoretical and practical. Once they have received the theory and practised among themselves the Colgate-Palmolive sales person goes with them to the field for actual selling.

I) SUPERVISION: Constant supervision is required if the Colgate-Palmolive Sales person has any reason to be away the best person in the group should be placed in charge until his return.

2.6.3 REPORTING

Both Trade and Consumer jobbers schemes require a weekly and monthly report to be effective. The Colgate-Palmolive Sales person must keep a daily track of the activities in both schemes.

2.7 EVALUATION OF TRADE AND CONSUMER JOBBERS SCHEMES

2.7.1 GENERAL

A combined report and evaluation of the trade and consumer jobbers is made using the 'management report' format (See Appendix III): It highlights Total Sales Target achieved versus Actual Trade Jobbers Sales Summary, Numeric distribution, consumer jobbers sales summary and others.

2.7.2 TRADE JOBBERS

For thorough reporting and evaluation of the trade jobbers scheme the following formats are used:

I) "Jobbers Effectiveness compensation summary" Appendix IV): It gives an idea of each jobbers performance and sales/cost relationship and total budgetary achievement and jobbers feedback.

II) "Trade Jobber Number of calls and effective calls (See appendix V): - It shows the daily calls made by each Trade Jobber and the corresponding results i.e whether positive or negative.

III) "Trade Jobber Daily Sales Report." (See Appendix VI): This shows daily purchase by brand and quantity per outlet for each jobber.

IV) "Trade Jobbers Monthly Sales Summary" (See Appendix VII): This shows monthly purchase by brand and quantity per outlet for each Jobber.

V) "Trade Jobber Claim Form" (See Appendix VIII): This shows the sales per product in comparison to previous months and accompanying compensation for the current month per Jobber.

2.7.3 CONSUMER JOBBERS

The report and evaluation of the consumer jobbers scheme is made using the "Consumer Jobbers Monthly Performance Summary" (See Appendix IX) - This shows the pack sold per day per consumer jobber and the total for the month.

CHAPTER III

3.0 RESEARCH METHODOLOGY

3.1 Choice of Method

The method of data collection was through sample survey.

The following were used as instruments of data collection.

I) Sales record on all products spanning thirteen month period i.e (October 97 to October 98), to find out the effect of Trade and Consumer Jobbers Schemes on products covered under the schemes jointly and separately.

II) Trade Jobbers Monthly Sales Summary (See Appendix VII).

III) Consumer Jobbers Monthly Sales Summary (See Appendix IX).

3.2 Justification for the Choice of Data Collection Method

The monthly sales per product was required for effective assessment of the Trade and Consumer Jobbers Schemes viz-a-viz Sales of the core equities which forms the pivot of the company's sales strategy.

Trade and Consumer Jobbers Monthly Sales Summary is needed to establish a relationship, if any between the Sales under both Schemes and the Total Sales Volume of all company produts on monthly basis.

3.3 Sampling

The population of all the Trade and Consumer Jobbers employed by Colgate-Palmolive in 13 Nigerian cities is the universal set of observation which forms the main concern to the researcher. However it is very difficult, if not impossible to collate and study all these jobbers.

3.3.1 Sampling Technique

The researcher used Sokoto as representative area sample base on the following criteria:

I) Availability of data

II) Adequate control on data collection and analysis.

3.3.2 Sample Size

The activity of 9 Trade Jobbers and 26 Consumer Jobbers in Sokoto Area was studied by the researcher because:

I) those were the maximum number available for each scheme throughout the duration of the study.

II) Sokoto is the area where the data is readily available and accessible to the researcher.

3.4 **Methods of Data Analysis**

The data collected within the sample were tabulated and treated as percentages.

CHAPTER IV

4.0 DATA ANALYSIS

4.1 CODING, TABULATION AND INTERPRETATION OF RESULTS

From the sample studied the following results were obtained and coded as shown in the following tables

TABLE 4.1 Product sales from October 1997 to October 1998

S/NO	PRODUCT DESCRIPTION	UNIT PACKS	QUANTITY SOLD (PACKS)												
			1997			1998									
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct
1	Green Truck Bar x 550g	30													
2	Modern Truck Bar x 550g	30													
3	Modern Truck Bar x 350g	33											100		395
4	Gren Truck Flat bar	30	720	137		400	150	1903	1523	1214	800	360		103	
5	Green Truck Mini Bar	20	2		265			1							
6	Green Truck Tablet x 100g	100	70		4	20	10						34		
7	Yellow Truck Bar	30						3							
8	Yellow Tablet x 100g	100	753	79	248	200	900	1471	841	1603	1101		830		1785
9	House Brand Soap 90g	80									16				
10	Artemis Elite Soap	100		213	330								450		2
11	Mr. Mighty Soap x 90g	100	815	10			1	55	240	452		400	160	197	398
12	Palmolive Soap 100g	72													
13	Protex (Imported)	24										28	18	2	14
14	Protex (Local)	72											5	1	16
15	Apollo Buck Detergent	10kg				6	132	20		25					
16	Mr Mighty Detergent	10kg											130	50	306
17	Apollo Buck Detergent	5kg			30										
18	Mr Mighty Detergent	5kg	510	52	70		510	211	430	96	294	401	80	230	
19	Mr Mighty Detergent	2kg													
20	Axion Dishwashing x 250g	36						4	1		1		55	43	15
21	Axion DWP x 500g	24													
22	Ajax Scouring powder x 350g	24			1			21		4	3	30	28	12	24
23	Ajax Scouring powder x 600g	18						6			1	5	14	8	1
24	Ajax Liquid x 500ml	20								3	2			65	40
25	Ajax Liquid x 750ml	16								1					
26	Colgate Dental Cream 75g	72								30	5	18	123	49	61
27	Colgate Toothbrush	240												3	2
28	Modern Truck Tablet x 100g	100												21	

Source: Data on File: Colgate-Palmolive Nigeria (Services) Limited.

Table 4. is the monthly sales of all Colgate-Palmolive products in cases i.e. packs over 13 month period (i.e. from October 1997 to October 1998).

The table shows that the highest monthly sales for all products occurred during the period of August to October 1998 which is the period during which the trade and consumer Jobbers schemes were in operation. However there were exceptions with respect to 5 products only namely Mr. Mighty detergent 10kg, 5kg, Apollo detergent 10kg and 5kg, and Green truck Flat Bar due to the following reasons.

1. Partial stock out of Mr. Mighty Soap, Mr. Mighty detergent 10kg and 5kg during the Trade and consumer Jobbers scheme.
2. Complete stockout of Apollo detergent 10kg and 5kg during the trade and consumer jobbers Schemes.
3. Discontinuation of production and sales of Green Truck Flat Bar during the Trade and Consumer jobber Schemes.

Table 4.2 Percentage contribution to sales of core-equities by the Trade Jobbers during the months of August, September and October, 1998.

S N	PRODUCT DESCRIPTION	MONTH								
		AUGUST			SEPTEMBER			OCTOBER		
		Total sales in packs	Sales by Trade Jobbers in packs	% contribution by Trade jobbers	Total sales in packs	Sales by Trade Jobbers in packs	% contribution by Trade jobbers	Total sales in packs	Sales by Trade Jobbers in packs	% contribution by Trade jobbers
1	Protex Soap	23	11	48	3	9	300	30	10	33
2	Axion Dishwashing Paste x 25g	55	1	2	43	7	16	15	3	20
3	Ajax, Scouring Powder 350g and 600g	42	32	76	20	13	65	25	13	52
4	COLGATE, Dental Cream 75g	123	36	29	49	36	73	61	15	25

Source: Data on File, Colgate-Palmolive Nigeria (Services) Limited

Table 4.2; shows the percentage contribution to sales of core-equities; namely protex Soap, Axion Dishwashing Paste x 250g; Ajax Scouring Powder (350g and 600g) and Colgate dental cream 75g; by the Trade Jobbers.

From the table the percentage contribution to sales of protex Soap by Trade Jobbers range from 33-48%, the 300 % contribution recorded in September is an

aberration due to an overage of unsold stock from the preceding months.

The percentage contribution for Axion, dishwashing paste by Trade Jobbers is 2-20% while for Ajax Scouring powder the percentage contribution by Trade Jobbers is 52-76%.

And the contribution by Trade Jobbers for Colgate dental cream is 25-73%

Table 4.3 Percentage contribution to sales of the core equities Axion and Colgate Dental cream by the Consumer Jobbers Scheme during the months of August, September and October,1998.

S N .	PRODUCT DESCRIPTION	MONTH								
		AUGUST			SEPTEMBER			OCTOBER		
		Total sales in packs	Sales by Trade Jobbers in packs	% contribution by Trade jobbers	Total sales in packs	Sales by Trade Jobbers in packs	% contribution by Trade jobbers	Total sales in packs	Sales by Trade Jobbers in packs	% contribution by Trade jobbers
1.	Axion Dishwashing Paste x 250g	55	55	100	43	28	65	15	10	67
2	Colgate Dental Cream 75g	123	27	22	49	14	29	61	5	8

Source: Data on File, Colgate-Palmolive Nigeria (Services) Limited

Table 4.3 shows the percentage contribution to sales of 2 of the Core equities namely Axion Dishwashing paste 250g and Colgate Dental Cream 75g.

The table shows a percentage contribution of 65% - 100% to the total sales of Axion by the Consumer Jobbers during the period August to October, 1998 while the contribution to sales of Colgate Dental Cream for the same period is 8%-29%.

Table 4.4 Cost of Trade and Consumer Jobbers Schemes as a percentage of monthly and total sales.

S N .	Month	Total monthly sales (₦)	Cost of T.Js Scheme (₦)	Cost of T.Js as % of total sales	Cost of C.J (₦)	Cost of C.Js as % of sales	Total cost of T.J & C.J. Scheme (₦)	Total cost of T.J & C.Js as % of tatal sales
1	August	₦2.06m	32,206.50	1.6%	29,775	1.4%	61,981.50	3%
2	Sept.	₦1.07m	28,335	1.6%	15,555	0.9%	43,890	2.6%
3	Oct.	₦2.77m	38,284.50	1.4%	5,370	0.2%	43,654.50	1.6%
	Total	₦6.53m	98,826	1.5%	50,700	0.8%	149,526	2.3%

Source: Data on File, Colgate-Palmolive Nigeria (Services) Limited

Table 4.4 shows the cost of Trade and Consumer Jobbers Schemes as a percentage of monthly and total sales.

From the table, the cost of the Trade Jobbers Scheme as a percentage of monthly sales ranges from 1.4%-1.6% (average 1.5%) while for the consumer jobbers scheme the range is 0.2% to 1.4% (Average 0.8%).

Taken together, the total cost of both schemes, Trade and Consumer Schemes, as a percentage of total sales is in the range of 1.6% to 3% (with an average of 2.3%).

4.2 Test of Hypotheses

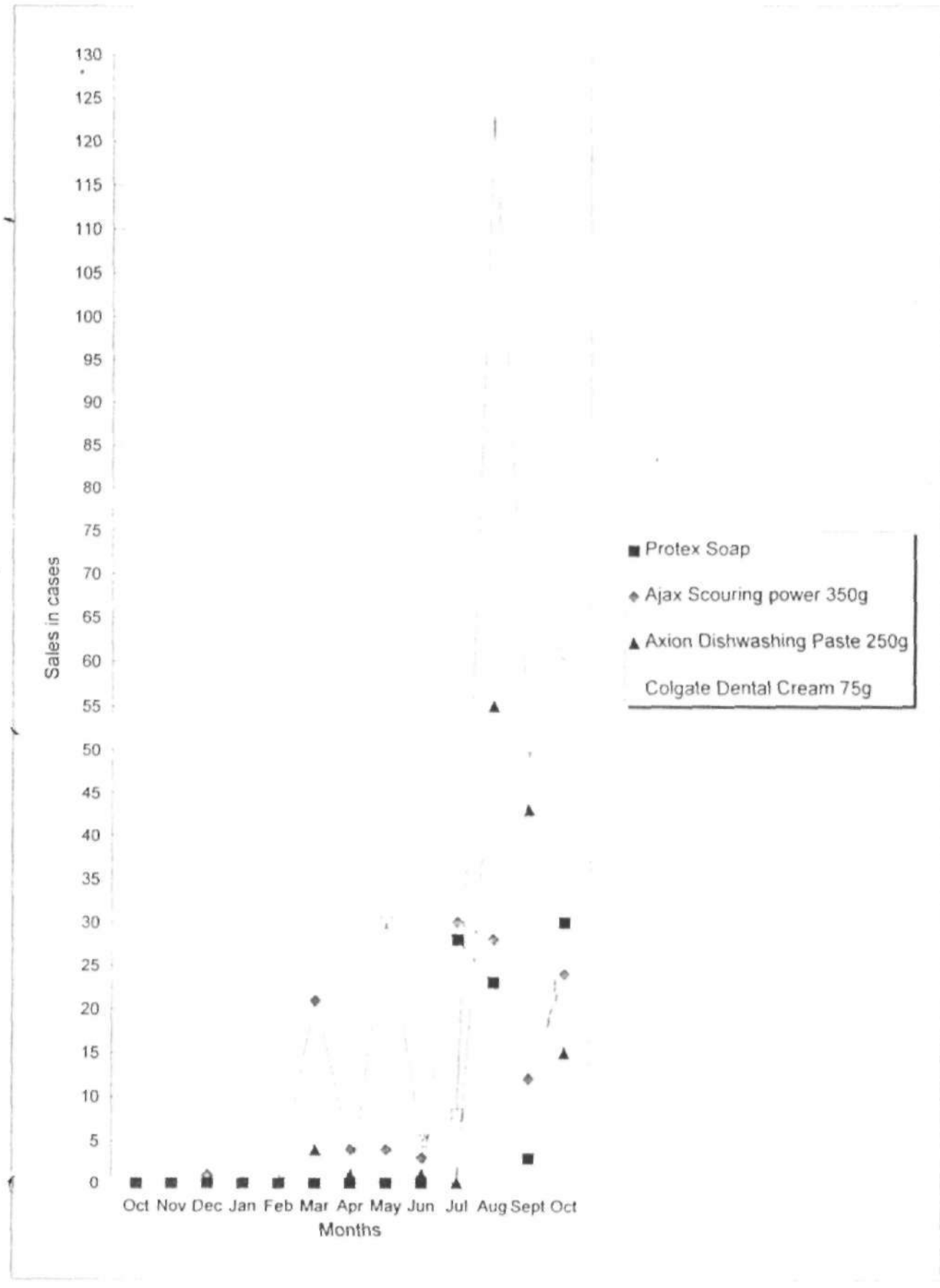
Using the "sales results" test, which measures the sales volume during the Trade Jobbers scheme as compared to other periods (i.e. when there was no Trade Jobbers Scheme); hypothesis I can be tested. Hypothesis I states that: "Sales volume of products, refered to as core-equities, promoted by the Trade Jobbers is higher during the scheme as compared to other periods". The hypothesis is accepted because the data in tables 4.1, 4.2 and figure 4.1 shows that sales volume of core-equities increased during the Trade Jobbers Scheme. This is so because there exists a positive correlation between the sales volume of core equities and the Trade Jobbers Scheme.

Hypothesis II states that "Sales volume of 2 of the core - equities being promoted by the Consumer Jobbers is higher during promotion as compared to other periods". The hypothesis is accepted because there is a positive correlation between the sales volume of 2 of the core-equities Axion 250g and Colgate Dental Cream and the Consumer Jobbers Scheme see table 4.1, 4.3 and Figure 4.1.

Finally the third hypothesis (i.e. III) states that "Sales volume of core equities

promoted by both consumer and Trade Jobbers is higher than when none of the scheme exist. The hypothesis is also accepted because there is a positive correlation between sales of core equities and the Trade and Consumer Jobbers Schemes.

Figure 4.1: Sales of Core-equities in cases from October 1997 to October 1998.



4.3 HISTORY OF COLGATE PALMOLIVE COMPANY

Colgate - Palmolive company is a multinational company that operates in 110 countries with an annual turnover of 7.6 billion United States Dollars (USD) in 1997.[1]

Colgate - Palmolive company parades brands that are giants in their market segment. They include: Colgate Dental Cream which is one of the most respected tooth paste world wide. Palmolive soap is another well known brand of Colgate - Palmolive. Others include Axion, Dishwashing paste available in 250g and 500g packs. Ajax Scouring powder in packs of 350g and 600g. We also have Protex antibacterial soap for body odour due to sweat and bacteria skin infections.

In Nigeria Colgate-Palmolive started her operations before independence but had to leave the country during the civil war. The company took the decision to return to Nigeria in 1995 by entering into partnership with a local Nigerian Company International Equitable Association (IEA) who are the manufacturers of popular soap and Detergent brands such as Truck Soap, Artemis Soap, Mr Mighty Detergent and Apollo Detergent amongst others.

At present all the sales of Colgate-Palmolive products in Nigeria are made by the International Equitable Association and such are posted in the financial books and records of I.E.A. A fact that makes the direct financial assessment of the operations of Colgate-Palmolive almost Impossible. Estimates shows that the company has an annual turnover of over ₦3.B.(Three Billion Naira).

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1) Data on File. Colgate-Palmolive Nigeria (Services) Limited

The sales Department of Colgate-palmolive is fully developed and distinct from the marketing department with a sales director at the Apex of the organogramsee Colgate - Palmolive organogram (Appendix x).

The Zonal, Regional and Area managers are directly involved in the management of the Trade and Consumer Jobbers Schemes in addition to their normal and routine managerial duties.

The Trade and Consumer Jobbers Schemes run consurrently in 13 Nigerian cities (Appendix I).

Colgate-Palmolive has depots in Lagos, Aba, Kano and Sokoto from where it service and meet product demand of her various customers in Nigeria (Appendix I).

Other promotional tools employed by Colgate-Palmolive company in Nigeria includes the use of Billboards, metalpanels, posters and stickers. And also event marketing programes such as sponsorship of miss Nigeria beauty pagent in 1998 by palmolive soap. Trade deals is also one of the promotools used by Colgate - Palmolive in Nigeria.

Plans are afoot to integrate Colgate-Palmolive and International Equitable Association(I.E.A.) into one Company by the end of 1998.

CHAPTER V

SUMARY, CONCLUSIONS AND RECOMMENDATION

5.1 SUMMARY

Sales strategy varies in definition from one organisation and market segment to another. Whatever the definition there is a general consensus that it is the techniques used by sales persons to drive consumers towards commitment in purchasing their products.

In a depressed economy that leads to changes in consumer behaviour, it is imperative for the sales manager to formulate wining sales strategies to succeed in the market.

It is this fact that informed the study; to find out the effectiveness of the 'Trade' and 'Consumer' Jobbers schemes in relation to sales volume in the Nigerian marketing environment.

Because all elements of the promotional mix are interwoven difficulties do arise in evaluating sales strategies. Despite the difficulties, contemporary sales management places high premium on evaluation of sales strategies.

Three hypotheses were developed which associated sales volume of core equities to the twin strategies of 'Trade' and 'Consumer' jobbers schemes.

The procedure was the sample survey method hinged on purposive, non-probability random sampling.

Sokoto sales area was selected as the representative town based on availability of data and adequate control on data collection and analysis. The area of study is the 'Trade' and 'Consumer' jobbers schemes in 13 Nigerian Towns. The main instrument of Data collection were sales record on all company products spanning a thirteen month period (October '97 to October '98); Trade jobbers monthly sales summary and consumer jobbers monthly sales summary, A total of 9 Trade jobbers and 26 consumer jobbers were studied. After the statistical test the first hypothesis was accepted based on correlation between the sales volume of core-equities and the Trade jobbers scheme activities.

The second hypothesis was also accepted based on correlation between the sales volume of two of the core equities (Axion 250g and colgate Dental cream 75g) and the activities of the consumer jobbers.

Finally the Third hypothesis was also accepted based on correlation between the sales volume of the core equities and activities using the twin strategies of Trade and consumer jobbers schemes.

5.2 CONCLUSIONS

The conclusions drawn from this study were that:

1. The 'Trade jobbers scheme will yield better results, higher sales volume, if it is focused on key company products or brands i.e. the core equities.
2. The 'Consumer' jobbers scheme is more effective if it focuses on few brands i.e core equities like we have in the 'Trade' jobber scheme.
3. There is a synergistic effect if the 'Trade' jobbers scheme is used concurrently.

with the `Consumer'jobbers scheme. The former serving as a `pull' strategy while the later is a sought of `push' strategy.

4. The operation of the `Trade' and `Consumer' jobbers scheme could serve as a promotool for the company and her products because of the modalities of the scheme.

5. The twin strategy of `Trade' and `Consumer' jobbers schemes could be used along side other elements of the marketing mix to achieve market penetration within a very short time.

6. Financially speaking the twin strategy of `Trade and `Consumer' jobbers schemes has a very low sales to expense ratio which makes them very attractive strategies.

5.3 RECOMMENDATIONS

From the study, certain recommendations are required to guide in the formulation of maketing decisions and corporate goals.

They are:-

a. `Trade' and `Consumer' jobbers schemes are very effective if well spread in a given country but the choice of core- equities should vary from one state / town i.e sales area to another taking into consideration, demographic differrences and economic status amongst other factors.

b. Concurrent operation of `Trade' and `Consumer' jobbers schemes in a given location appears to yield better results (sales volume), but it seems the operation of both schemes will be smoother, it the consumer jobbers scheme preceeds the

'Trade' jobbers scheme by say one month, before they run concurrently thereafter.

c. Though products being sold under the 'Trade' and 'consumer' jobber schemes have lower prices as compared to those under the normal distribution chain, In a depressed economy like that of Nigeria, there is need for an added value for the consumer with respect to products sold under both schemes e.g Toilet soaps could have `free' satchet of hair shampoo or petroleum jelly or the toothpaste could have `free' tooth brush; and such free gifts should be communicated to the consumer to stimulate more purchases.

d. Where sales expense is an issue the twin strategies of Trade and Consumer jobbers could be used to achieve rapid market peneration and achieve rapid sales.

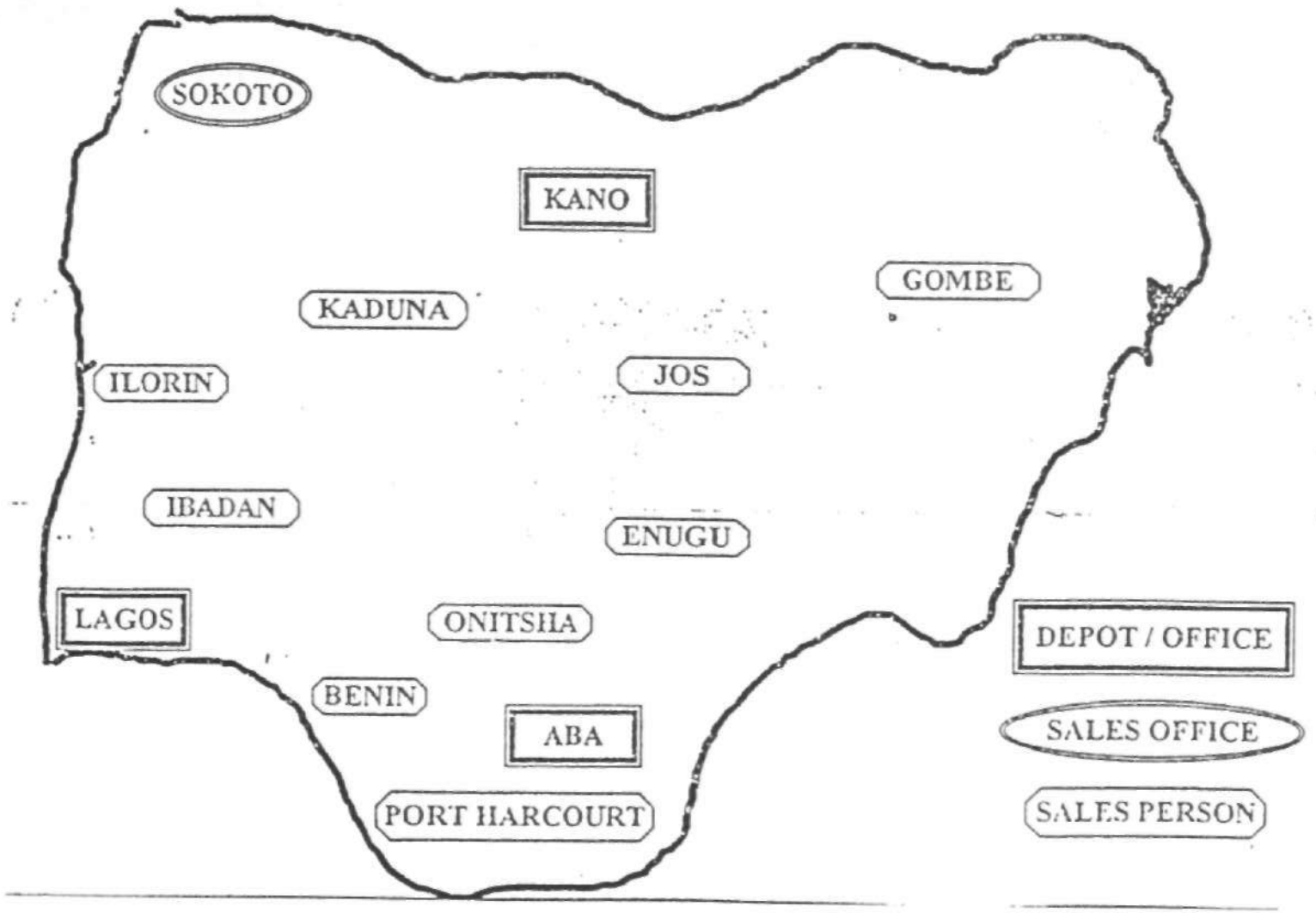
e. `Trade' and `Consumer' jobbers schemes should be carefully planned and executed viz-a-viz other elements of the marketing mix.

f. `Trade' and `Consumer' jobbers scheme should be executed with sensitivity to the activities of competitors.

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COLGATE PALMOLIVE (NIGERIA) SERVICES LIMITED - SALES ORGANISATION



APPENDIX I

TRADE JOBBER COMPENSATION

S/NO	PRODUCTS	COMPENSATION NAIRA PER CASE
1.	COLGATE TOOTHBRUSH X 240	90.00
2.	AJAX 350g X 24*	80.00
3.	AJAX 600g X 18*	120.00
4.	AXION 250g X 36*	95.00
5.	AXION 500g X 24*	157.00
6.	ARTEMIS ELITE X 80	37.00
7.	MR. MIGHTY SOAP X 80	18.00
8.	HOUSE SOAP X 100	30.00
9.	GREEN TRUCK TABLET 100G X 100	22.50
10.	GREEN TRUCK TABLET 200G X 50	22.50
11.	YELLOW TRUCK TABLET 100G X 100	22.50
12.	GREEN TRUCK BAR X 30	100.00
13.	GREEN TRUCK MINI BAR X 20	21.00
14.	GREEN TRUCK FLAT BAR X 30	40.00
15.	MODERN TRUCK BAR 350g X 33	40.00
16.	APOLLO 10 Kg	25.00
17.	MR. MIGHTY DETERGENT 5KG	12.50
18.	PROTEX IMPORTED 100G X 24 *	40.00
19.	COLGATE DENTAL CREAM 75G X 72 *	130.00
20.	AJAX P.C 500ML X 20	110.00
21.	AJAX P.C 750ML X16	150.00
22.	PROTEX (LOCAL) X 72 *	100.00
23.	MODERN TRUCK BAR 550G X 30	90.00
24.	MODERN TRUCK 100G X 100 TABLET	37.50

NB: IN ADDITION, THERE IS TRANSPORT ALLOWANCE OF ₦50 SUBJECT TO MAXIMUM OF ₦1,200.00 FOR 24 WORKING DAYS.

*Core equities

APPENDIX II

MANAGEMENT REPORT

NAME _____ TOWN _____ MONTH/YEAR _____

SALES TARGET SALES ACTUAL

₦ MILLION _____ ₦ MILLION _____

TRADE JOBBER NOS _____ TOTAL T.J. SALES_____ AVE.SALES PER T.J_

NOS OF RETAIL OUTLETS COVERED BY TRADE JOBBERS _____

NUMERIC DISTRIBUTION

AXION	AJAX	PROTEX
PROTEX	_____	PALMOLIVE
COLGATE TOOTH PASTE		COLGATE TOOTH BRUSH

CONSUMER JOBBER NOS _____ TOTAL NOS OF PACKS SOLD

AVE.NOS OF PACKS SOLD _____

SALES IN CASES OF

GTB _____	AXION 250G _____
GTT 100G _____	AXION 500G _____
GTT 200G _____	AJAX 350G _____
MODERN TRUCK _____	AJAX 600G _____
YTT 100G _____	PROTEX 100G _____
CDC 75G _____	CTB _____

NUMBER OF NEW DISTRIBUTORS APPOINTED

MERCHANDISING ACTIVITY

POP

METAL PANELS

STICKERS

ANY OTHER POINTS

SIGNATURE AND DATE

APPENDIX III

JOBBERS EFFECTIVENESS COMPENSATION SUMMARY

MONTH

S/NO	NAMES	AREA OF OPERATIO	ATTACHED TO	SUPERVISED B	PREVIOUS MONTH ACHIVEMENT	CURRENT MONTHS TARGET	CURRENT MONTHS ACHIEVEMENT	COMPENSATIO
	TOTAL							

% ACHIEVEMENT OF TARGET _____

KEY ISSUES_____

JOBBERS FEED BACK SUMMARY

PREPARED BY _____ DATE_____

APPENDIX IV

TRADE JOBBER NOS OF CALL AND EFECTIVE CALLS

SL NOS	CJ/DAYS	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	TOTAL
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25																																	
TOTAL																																	

PREPARED BY DATE

APPENDIX V

TRADE JOBBER DAILY SALES REPORT

TRADE JOBBER NAME
TOWN
DATE
AREA NO:
ROUTE NO:

	OUTLET NAME	OUTLET TYPE	CALL RESU	AXIO 250G	AXIO 500G	AJAX 350G	AJAX 600G	PROT 100G	ARTE 90G	MM SOAP	HOUS SOAP	CDC 75G	CTB	GTB 550G	GTT 100G	GTT 200G	YTT 100G	APOLLO 10KG	MMD 10K	MMD 5KG	MTB 380G	MTB 550G	ORDER VALUE
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3																							
4																							
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21																							
22																							
23																							
24																							
25																							
	TOTAL/DAY																						
	CUMMULATIVE																						

SIGNATURE REVIEWED BY DATE

TRADE JOBBERS MONTHLY SALES SUMMARY

TRADE JOBBER NAME

TOWN

DATE

	OUTLET NAME	OUTLET TYPE	CALL RESU	AXIO 250G	AXIO 500G	AJAX 350G	AJAX 600G	AREA NO ROUTE NO PROT 100G	ARTE 90G	MM SOAP	HOUS SOAP	CDC 75G	CTB	GTB 550G	GTT 100G	GTT 200G	YTT 100G	APOLLO 10KG	MMD 10K	MMD 5KG	MTB 380G	MTB 550G	ORDER VALUE
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2																							
3																							
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25																							
	TOTAL/MONTH																						

SIGNATURE

REVIEWED BY

DATE

TRADE JOBBER CLAIM FORM

MONTH

NAME OF JOBBER _____

ADDRESS _____

AREA OF OPERATION _____

ATTACHED TO OFFICE _____ SUPERVISED BY _____

DISTRIBUTOR SUPERVISED BY

IN CASES	PREVIOUS MONTHS ACIVEVEMENT	CURRENT MONTHS ACIVEVEMENT	CLAIM RATE IN TABS/NAIRA	QUANTITY CLAIMED IN TABS/NAIRA
AXION 250G				
AXION 500G				
AJAX 350G				
AJAX 600G				
PROTEX 100G				
ARTEMIS 90G				
MM SOAP				
HOUSE SOAP				
CDC 75G				
CTB				
GTB				
GTT 100G				
GTT 200G				
YTT 100G				
APOLLO 10KG				
MM 10KG				
MM 5KG				
MTB 380G				
MTB 550G				
PROTEX				
TOTAL SALES				
VALUE IN NAIRA				
TOTAL AMOUNT				

JOBBERS SIGN _____ SUPERVISORS SIGN _____ APPROVED BY _____

APPENDIX VIII

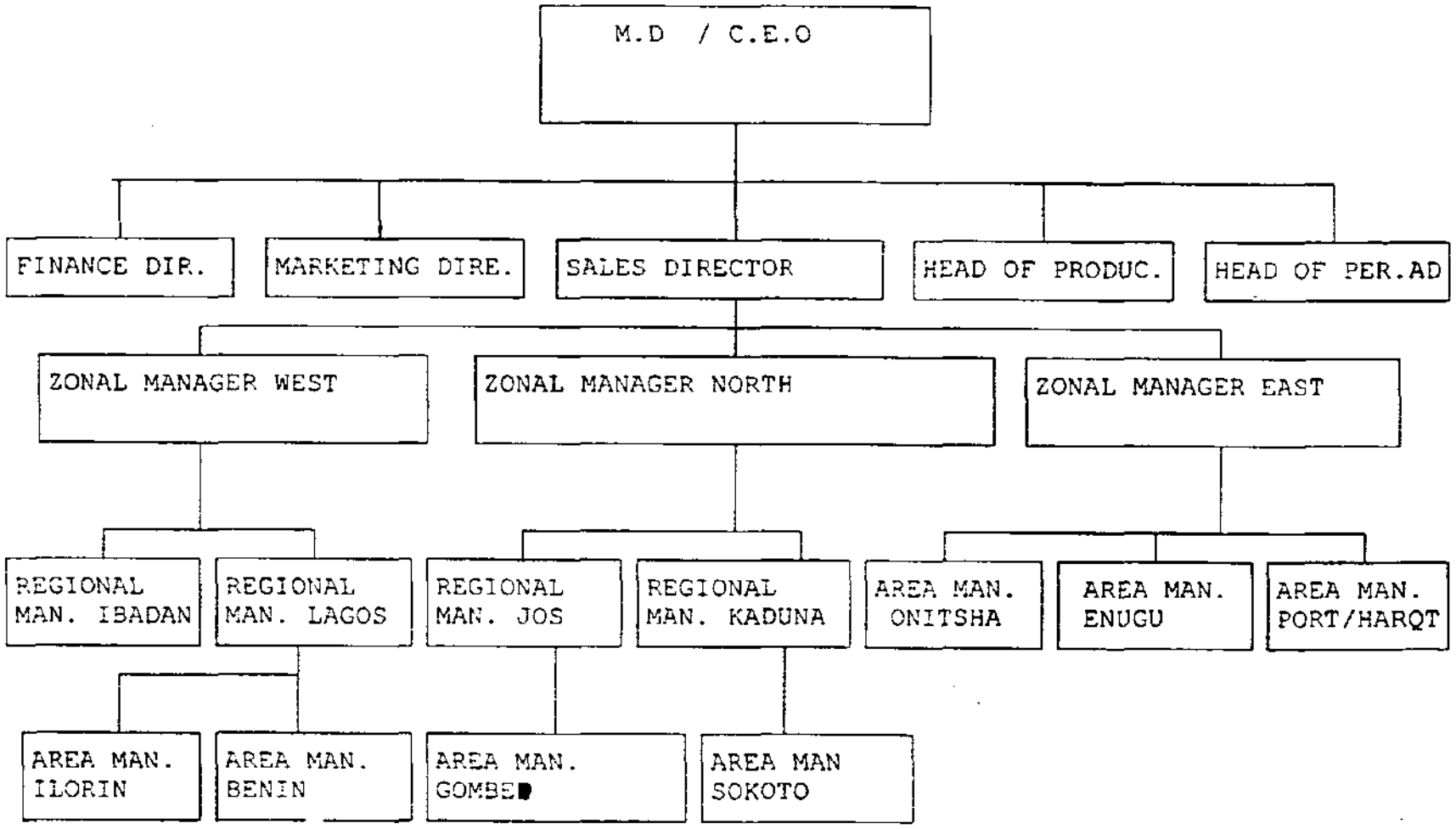
CONSUMER JOBBERS MONTHLY PERFORMANCE SUMMARY

CONSUMER JOBBERS MONTHLY PERFORMANCE SUMMARY																																
1	CJ/DAYS	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	TOTAL
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19																																	
20																																	
TOTAL																																	

PREPARED BY DATE

APPENDIX IX

ORGANOGRAM OF COLGATE PALMOLIVE NIGERIA
WITH EMPHASIS ON THE SALES DEPARTMENT



NB: ALL, ZONAL, REGIONAL AND AREA MANAGERS SUPERVISE; TRADE **AND CONSUMER JOBBERS.**

APPENDIX X