TITLE

IMPACT OF SALES PROMOTION ON THE MARKETING OF CONSUMER GOODS
(A CASE STUDY OF NIGERIAN BREWERIES LIMITED)

BY

VICTORIA NKECHI DIKE

INSTITUTE OF ADMINISTRATION
DEPARTMENT OF BUSINESS ADMINISTRATION
AHMADU BELLO UNIVERSITY
ZARIA

DECLARATION

I declare that the entire work contained herein is a research work of mine, and to the best of my knowledge, it has not been presented or published in any form for any academic work period to my research.

All quotations of materials used have been acknowledged by means of reference.

NKECHI. V. DIKE
Name of Student

Signature

10/4/99
Date

CERTIFICATION

This project entitled Impact of Sales Promotion on the Marketing of Consumer Goods: A case study of Nigerian Breweries Plc by Victoria Nkechi Dike meets the regulation governing the award of the Degree of Master of Business Administration of Ahmadu Bello University, Zaria, and is approved for its contribution to the knowledge in the above subject matter.

Essienesak J. Ubom — 28/10/98

Essienesak J. Ubom
Supervisor — **Date**

Co-ordinator — **Date**

Signed — 10/4/99

External Examiner — **Date**

DEPT. OF BUSINESS ADMIN. — 18/1/01

Head of Department — **Date**

Dean of Post Graduate — 17/03/01

Date

DEDICATION

This project is dedicated to God Almighty for allowing me to complete this project and my studies.

My children Chimezie Dike and Master Flavour Ogadinma U. Onyenoha and special to my beloved and loving husband.

ACKNOWLEDGEMENT

I wish to thank God Almighty for making possible the completion of my course.

My profound gratitude goes to Mr. Essienesak Ubom, my Supervisor for devoting his time to read through my Project.

Special gratitude goes to my sisters, brothers and relations for their tender love, moral support, encouragement, advice and prayers during this trial period.

Also, I am very grateful to Chief, Sir and Lady Lolo V.I. Unogu, uncle Hez-Ebirim Richard, Mr. and Mrs. Echewe, Malama H. Mohammed, Mr. P. Habu, Mr. B. Igbokwe, Offer P. Onwusoro for their contributions and advice.

To my special friend, G. Nnah for her sincere love and care.

Also to my classmates for their co-operation and the entire BAM Lecturers.

My appreciation also goes to Nigerian Breweries Ltd., Management Staff, Kaduna who really provided me with most of the relevant information required.

MAY GOD BLESS YOU ALL.

ABSTRACT

This work is an attempt to appreciate the effect of Sales Promotion on the Marketing of Consumer Goods.

The unique characteristics of sales promotion and its tools are highlighted, so also are the problems, associated with the promotional programme.

From the analysis, it was discovered that, sales promotion influence consumers buying decisions positively, results in brand loyalty which are in conformity with the views of famous author's on the subject.

To further boost the effectiveness of sales promotion, the following are some of the recommendations of the researcher.

To make sales promotion click, adequate advertisement must be earned out to-educate the consumers about the sales promotion procedures, benefits and timing.

Before using sales promotion, the company should study the market trend, competitive environment and match them with the company's resources.

Sales promotion can only be used, only where other promotional tools are found ineffective.

TABLE OF CONTENTS

Tittle Page	i
Declaration	ii
Certification	iii
Dedication	iv
Acknowledgment	v
Abstracts	vi
Table of Content	vii - ix

CHAPTER ONE

1.1	Introduction	1 - 3
1.2	Background of the Subject Matter	3 - 5
1.3	Significance of the Study	5 - 6
1.4	Scope of the Study	6 - 7
1.5	Limitation of the Study	8
1.6	Hypothesis	9
1.7	Assumptions	10
1.8	Definition of Terms	10 - 13

CHAPTER TWO

2.1	Literature Review	14 - 25
2.2	Objective of sales promotion	24-25
2.3	Marketing and sales management	25-26
2.4	Functions of Marketing	26-31
2.5	Marketing Research	32
2.6	The purpose of research	32-34
2.7	Methods of research Collection	34-36
2.8	Information Sought	36-37
2.9	Advertising and Sales promotion	37
2.10	The Need for Advertising	38
2.11	Functions of Advertising	38-39
2.12	Principal Medium	40
2.13	Criticism of Advertising	41-43
2.14	Purpose of sales promotion	43-45
2.15	Sales Promotion Techniques	45-55
2.16	Personal Selling Processes	55-60
2.17	The Marketing Group	60-67
	References	68-69

CHAPTER THREE

3.0	Research methodology	70-71
3.1	Instrument Used	71
3.2	Sources and Methods of Collecting Data	72
3.3	Research population and sample size	72
3.4	Statistical Technique Used	72-73

CHAPTER FOUR

4.0	Presentation and Data Analysis	74
4.1	The Company Research	74
4.2	Consumer survey	75-84
4.3	Effect of sales promotion on demand	84
4.4	Effect of sales promotion on Profit	85
4.5	Consumer Stimulation to Demand	85-86

CHAPTER FIVE

5.0	Summary	87-88
5.1	Conclusion	88-89
5.2	Recommendation	89-90
	Appendix I	91
	Questionnaire	92-95
	Appendix II	96
	Questionnaire	97
	Bibliography	98-100

CHAPTER ONE

1.1 INTRODUCTION

The impact of sales promotion in Kaduna Nigerian Breweries Plc, was to be recognized that the possible contribution of sale promotion are mainly its economic accomplishment of sales promotion which effects mass production through mass consumption and mass marketing. Although a few companies may have developed sufficient sales volume to enjoy the economics of mass production without the use of advertisement, this is the exception rather than the rule.

Sales promotion has an impact on national income. In studying the relationship of sales promotion of Gross National Product, Charles Yang (1972) concluded that a rise of one percent of sales promotion expenditures over the rate of increase in Gross National production could increase in consumption of one percent (1%). The effect of this increase in consumption would now stimulate investment and income to the point where each additional Naira investment in sales promotion could generate additional income.

Although sales promotions and their impact vary with companies, the reasons for their formulation and subsequent implementation might be

common to most, if not all the companies in a particular industry. The hitherto economic crunch experience all over the country particularly as a result of the Structural Adjustment Programme (SAP), contributes in no small measure to the ever-increasing prices of materials. This development adversely affects the cost of production of almost all the manufacturing concerns in Nigeria including Nigerian Breweries Plc and the likes. The result as expected is the ever-sourcing of prices almost all consumer goods and especially those produced and marketed by companies in category of Nigerian Breweries Plc. Equally affected by this development and in almost, the same token is standard of living of the average Nigerian citizen and in particular the user of consumer goods which is on the decrease daily. Consequently, the purchasing power of such consumer becomes drastically affected since he can only be able to purchase or secure only an insignificant percentage of his consumption requirements. New and small time competitors knowing fully well that the average consumer of the present era is highly sensitive to price changes owing to his shortcomings stated earlier, capitalize on the situation/opportunity of flow of consumer market with numerous brands of products of inferior quality. Most of these products either adequately or inadequately substitute the long existing one produced and marked by popular and well - reputed multi - nation companies like

Nigerian Breweries Plc, and Guinness Plc. As a result such big companies begin to experience instability of decline in sales throughout the country and especially in Nigeria where all sorts of raw materials available are being used by mostly new competitors. The problem in this study therefore, is that of sales instability/decline experiences by Nigerian Breweries Plc. for the past few years.

1.2 BACKGROUND OF THE SUBJECT MATTER

Nigerian Breweries Plc. (NB Plc) was incorporated on the 6th day of November, 1946. It's name was changed from Nigerian Brewery Limited to Nigerian Breweries Plc on January 7th, 1957. The company was initially founded by UAC International Limited with some share from Heineken International BV together with some Local trading companies. As a result of indigenization Decree of 1972, its ownership status is now 60% Nigerian and 40% foreign. As at June, 1981 the company's share capital was ₦45,754,000 then was increased to ₦57,187,5000 in June, 1993.

In compliance with the company and Allied matters Decree of 1990, the company's name was changed to Nigeria Breweries public liability company. The main factory located at Lagos started production in 1949 with "star" beer as its only product. The company has diversified from a single

product to multi-product production. Since 1949 it has three (3) additional factories located at different parts of the country altogether making up four (4) breweries. They are located at Lagos, Aba, Kaduna and Ibadan. The Nigeria Breweries Plc Kaduna, the focus of the study was established in 1963 and was officially commissioned in the year 1964. The factory is located at Kakuri, the southern part of the town. This is one of the industrial stores of the town. The company was established for the production of alcoholic and non-alcoholic beverages. The alcoholic drinks are "Star" "Gulder".

While the non-alcoholic drink is "Maltina" an energy giving beverage. The company's objective includes:

I. To provide alcoholic and non-alcoholic beverage at reasonable cost and at reasonable profit.

ii. To keep work force in continued employment. The distribution of Nigeria Breweries Plc products is mainly in the hands of the Nigerian entrepreneurs. From these distributors, numbering several hundreds if not thousands, and located in every corner of this vast country, sales of Nigerian Breweries Plc products are mad to numerous customers who are shop-owners, hoteliers, or individual beer and soft-drink drinkers. To ensure a discipline distribution system, the Nigerian

Breweries Plc has in its employment, a larger number of trained efficient sales-force.

1.3 SIGNIFICANCE OF THE STUDY

Most manufacturing companies in Nigeria have been experiencing instability generally in their sales. This has been attributed mostly to present state of the Nation's economy and partially, of course to either ineffective sales promotions or inefficient implementation of sales promotions of most of these companies. Unfortunately, Nigerian Breweries Plc falls directly into the category of such manufacturing companies. The Nigerian Breweries Plc has been recording a rather unsteady sales fluctuations and in cost of the cases decline over the past few years. This situation if as a result of depressed consumer demand arising out of the severe liquidity crunch in the economy among other reasons. Considering the above therefore, it will not be improper to say that the importance of this study lies in finding out the effectiveness or otherwise of the various promotion schemes of Nigerian Breweries Plc in the marketing of its consumer goods via the interplay of the above factors. This is to alert the company of its sales position and to facilitate the making of policies/decision relating to sales promotion.

Nigerian Breweries Plc being a multinational company in the

manufacturing industry has as its cardinal objective, the maximization of sales turnover at a minimum costs. The general beliefs is that business firms do not operate in a vacuum, but to make profits. There has to be an efficient market guaranteeing free entry and exit thereby allowing the prices of the commodities to be determined by the market forces alone, for instance, demand and supply. Problems, exist whenever a firm incurs a very high operational cost production, marketing, etc. But continue to experience sales fluctuations and especially decline. From the above it is clearly seen that for Nigerian Breweries Plc to achieve its prime objective, it had to face competition squarely which is eminent in an analysis of the cause of the problems (if any). So far as the sales promotion of Nigerian Breweries Plc are concerned especially in the past two years and to come out with some suggestions which may provide likely possible solutions to most of them.

1.4 SCOPE OF THE STUDY

This study intends to look at, the impact of each of the sales promotion schemes used by Nigerian Breweries Plc in the marketing of its consumer goods in the past two years. Each of the areas to be covered by the study therefore, has either direct or indirect bearing on the subject matter. To further facilitate the write-up the areas to be covered are broken down

under the following headings:-

- Relationship between sales and marketing Departments of Nigerian Breweries Plc.
- Sales Areas of the company
- Research and Development (R & D) of Nigerian Breweries Plc
- Review of Business/sales of the company
- Sales force of the company
- Distributors of the company's goods
- Sales promotion schemes used by Nigerian Breweries Plc
- Objectives of the sales promotion schemes
- Advantages of the sales promotion schemes
- Disadvantages of the sales promotion schemes
- General problem of the company

From the above break down, it become evident that the study intends to cover all the major areas concerning the impact (effectiveness or otherwise) of the sales promotion used by Nigerian Breweries Plc in the marketing of its consumer goods. This includes sales promotional problems identified in the course of the study and some suggestions as to how to go about solving them.

1.5 LIMITATIONS OF THE STUDY

The study as could be expected has gone through quite a few constraints. In the event that some of the findings of this research do not happen to be accurate, the reason should therefore be attributed to some or all of these constraints. Efforts have been made so far towards making the research findings (impacts of sales promotions in the marketing of consumer goods) as authentic as any other research in the same field. Notable, among these constraints are the following:-

There was a little delay by the Manager of Nigeria Breweries Plc. Kaduna District Office in sorting out all the relevant documents from which to extract and give the data required.

Similarly, most of the company's consumers kept shifting interview dates for one reason or another whenever I called on them for an interview as previously schedules. The common reason for this problem was actually not unconnected with other commercial engagements by the respondents (Nigeria Breweries Plc Distributors) with either some of their numerous suppliers or other business associates. The research as a result of financial and other constraints was limited to only Kaduna State.

1.6 HYPOTHESIS

In line with the chosen approach and based on the above assumptions, the following hypothesis are made.

NH Consumer goods of Nigeria Breweries Plc have the highest loyalty than any other.

AHO Consumer goods of Nigeria Breweries Plc do have the highest loyalty among competing products.

NH Sales promotion has no consumer purchasing decision

AHO Sales promotion has no appeal on consumer purchasing decision

NH The consumer sales promotion of Nigeria Breweries Plc is favourable.

AHO The consumer sales promotion of Nigeria Breweries Plc is not favourable

NH The sales volume of Nigeria Breweries Plc is not the outcome of sale promotion

AHO The sales volume of Nigeria Breweries Plc is not the outcome of sales promotion

NH Sales promotion has effect on the consumption habit of consumers

AHO Sales promotion has no effect on the consumption habit of consumers.

1.7 ASSUMPTION

The research is based on the following basic assumptions, that;

a. All organizations have objective which they desire to achieve. These objectives may be clear in some forms and vague in others.

b. The primary objectives of Nigeria Breweries Plc is to make profit through sales.

c. Sales promotional decision is logical and this would seem to be rather obvious statements, but like so many obvious truth, unless stated, it may, over-looked.

d. Sales promotional decisions of a firm like many others should aim at some company goals for example, to expand market share, retain or regain shares.

e. Sales promotion can be effective or in-effective depending upon other variables like competition, consumer disposable income, consumer taste and preference etc.

1.8 DEFINITION OF TERMS

Promotion: Promotional strategy is a controlled, integrated program of communication methods and materials designed to present a company and its product to prospective customers, to communicate need satisfying attributes

of products toward the end of facilitating sales and thus contributing to long-run profit performances.

Promotional Mix: Is the combination of advertising, personal selling and sales promotion to reach the goal of he marking program.

Advertising: Any paid form of non-personal presentation with one or more prospective purchases for the purpose of making sales.

Personnel Selling: Oral presentation in a conversation with one or more prospective purchasers for the purpose of making sales.

Publicity: Non-personal stimulation of demand for a product, service, or business unit by planting commercially significant news about it in a published medium or obtaining favourable presentation of it upon radio, television, or stage that is not paid for by he sponsor.

Sales promotion: Those marketing activities other than personal selling, advertising and public that stimulate consumer purchasing and dealer effectiveness, such as displays, show exhibitions, demonstrations, and various non-recurrent efforts not in the ordinary routine.

Cash Discount: A cash discount is a deduction granted to buyers for paying their bills within a specified period of time. The discount is computed on the net amount due after first deducting trade and quantity discounts from the initial price.

472103

Trade Discounts: Sometimes called functional discounts, are reductions from the list rice offered but buyers in payment for marketing functions that they will presumably perform.

Quantity Discount: are deduction from the list price offered by a seller to encourage customers to buy in larger amount or to make most of their purchases from that seller. The discount are based on the size of the purchase either in Naira or in units.

Order-taker:- A sales person who routinely classes a sales transaction

Prospecting: The step before any buyer - seller communication begins, during which likely customers are found for the good

Support Personnel: sales people who are in the selling process but do not get order themselves.

Need-satisfaction Approach: A sales presentation relying on the notion that customers have needs that must be satisfied. The good or service must be able to satisfy these need if this approach is used.

Sales Analysis: This involves the checking of actual company sales movement against other types of information particularly expected sales, competitors sales and marketing cost in order to alert the marketing executives to question he should raise about current marketing efforts.

Response: This refers to the likely reaction of the respondent to whom a

selling offer is being made.

Facilitators: This helps to remove risk or burden on the part of the buyer e.g. a guarantee.

Sales Resistance: This is the reluctance of the public to buy a company brand of products.

Sweetness: Those bribes design to influence a prospects judgement. It can take form of free samples etc.

Selling Offer: This refers to the benefits associated with the purchase of a given product to the buyer.

Sales Talk: This means talking to a prospective customer in order to boost the sales of company's goods.

Respondent: This is the person to whom a selling offer is being made.

CHAPTER TWO

2.1 LITERATURE REVIEW

Sales promotion is clearly a big and wide topic in the field of marketing as a course.

Kolter Philip (1922) defined sales promotions as promotional tool designed to stimulate earlier or stronger market response. Those tools include consumer promotion, trade promotion (merchandise allowance, cooperative advertising push, money, dealer sales contest) and sales force promotion.

Kotler in his explanation said that sales promotion tools are used by most organization and manufacturers, distributors, retailers trade associations and nono-profits institutions.

Morse (1967) however, looked sales promotion from a different angle, he defines it as "that function of management that promotes and co-ordinates all the other functions of management that promotes and coordinates all the other functions concerned in promoting the product from the factory to the end user, ultimate consumer". He agrees with Drucker, who has remarked that there is only one valid aim of business that of creating a customer. More so further stated that marketing decision are no longer based on experiences institution personal observation of selling staff but an intelligence service the

gathers information on who the consumer is and what he wants.

Stanton Wright (1978_ defined sales promotion as the conjunction of the two functions of face to face selling and the promotion of product or service through media advertising, it could perhaps he described as he further emphasis as the adhesive which binds the two together, its main application is in marketing situations where there are intermediaries between the producer, wholesaler retailers situations more typical of consumer than industrial marketing.

Robert D. Buzzel (1972) defined sales promotion "as consists of promotional activities of a non-current nature that uses to supplement advertising and personnel selling". He further emphasis that sales promotion deviced can include premiums, coupons, contests, free goods, and other items discussed below. Many companies exhibit their products at trade shows in an attempt to interest potential users, distributions, or dealer; such activities are also a form of sales promotion.

The American, Marketing Association (1960) defined sales promotion as "those Marketing activities other than personal selling, advertising, and publicity, that stimulate consumer purchasing and dealer effectiveness, such as displays, shows and expositions, demonstrations and various non current selling efforts not in the ordinary routine".

In effect, a major function of sales promotion is to serve as a bridge between advertising and personnel selling - to supplement and coordinate efforts in these two areas.

The American Marketing Association went further to explained hat changes in he marketing environment are exerting upward pressure on the demand for sales promotion. As the number of brands increase, for example, the competitive pressures for display space increase, for example the competitive pressures for display space in retail stores intensify for manufactures. These forces increase retailers' demand force sales promotional effort from their suppliers.

Today much consumer dissatisfaction with respect to retail could be alleviated by a good sales promotional programme.

James F. Engel (1971) defined promotional strategy "as controlled, integrated program of communication methods and materials design to present a company and its product to prospective customers; to communicate need-satisfying attribute, of products toward the end of facilitating sales and thus contributing to long-run profit performances".

This author has added italics to the standard definitions in order to emphasize the salient and unique features of each promotion. For a long time, sales promotion was viewed as and hoc, short-term catch-all for stimuli

that are not formally classified as advertising, personal selling, or publicity. Ore recently, it has been generally adopted as a true auxiliary and support activity for selling and advertising.

According to scheme and Smith. "The ultimate objective of promotion is to build sales". But the inherent problem is realizing how much to allocate to promotion effort since each sale is the result of a complex interaction of all marketing activities packaging, displays, brand name, pricing etc.

According to Mc Nemee (1961) "the primary goal of any promotional strategy should be to help the organization achieve its marketing goals. Especially it will often be used to blend (mix together) all the promotional devices which will achieve the maximum degree of influence in the target segment at the minimum cost." Any promotional strategy should contribute to the marketing process through:-

- Being appropriate to the product and market segment which has been identified and is being target.
- being appropriate to the means of distribution chosen.
- Helping position the product in the desired location in the segment.
- being appropriate o the resources which the organization has.

Stanton Wright (1978) distinguish sales promotion from advertising on the basis of media used by each activity. He observes that advertising

messages appear in media owned and controlled primarily by persons other than the advertiser, while sales promotion educates and arouses the enthusiasms of salesmen, consumers and perhaps others, through a variety of materials, tools and devices that the company itself controls. In other words the basic tools of sales promotion are internally created and distributed, whereas advertising relies upon outside media to disseminate messages created by persons external to the company's personnel. According to Stanton there is of course, a gray area where the media of advertising and media of sales promotion is "a short term incentive to the trade or consumer to induce purchase of the product".

According to Levitt (1972) that the main unique link between the firm and its market were sales promotion force. Later, the second sales force that is the use of advertising become widely used. Still these promotional devices serve different purposes, but when the organizations considers it necessary at times to move the consumer closer to the product then there is the need for a direct demand stimulation means, which is the area where sale promotion resolves. He went on further to say that there are factors that affect the rapid growth of sales promotion particularly in consumer market which are both internal and external.

Internal Factors: This is a situation hereby promotion is now mre accepted

by top management as an effective sales tool, more product managers are qualified to use sales promotion tools, and product managers are under greater pressure to increase there sales.

External Factor: Include the number of brands has increased, competitors have become more promotion - minded, inflation and recession have made consumers more deal - oriented, the rate has demanded more deal from manufacturers, and advertising efficiency had declines due to rising costs, media clutter, and legal restraints.

J. O. Onah (1993) in his explanation of sales promotion said that it is a general terms we use to tell people about our offering and to persuade than to buy it. If our product or service is particularly well established, we may use promotion basically to remind people about it. He went on further to say that sales promotion is more readily manipulated than the product or the distribution system and often price has rigidities that makes it less readily manipulated than promotion. But promotion is no panacea. It is asking too much of the best promotional programme to move a poor product that is badly distributed and over priced; yet marketers too often fail to realize that. In one classic case a substantial number of hour wives turned away from a brand of raising bread because it contained too few raisins. The baker spent his money on promotion rather than raisins and watched his sales continue

to decline.

Obviously promotion alone is not enough J. S. William (1981) defined sales promotion as that "which is designed to supplement and coordinate personnel selling and advertising efforts". Sales promotion includes such activities as setting up store displays, holding trade shows, and using sample or premium. Basically promotion is an exercise in information, persuasion, and communication. These three he said are related, because to inform is to persuade, and conversely a person who is persuaded is also being informed. And persuasion and information be me effective through some form of communication.

He went further to say that in line with the systems approach, a company should treat all its promotional efforts as a complete sub system within the total marketing system.

IMPACT OF SALES PROMOTION ON MARKETING A FIRMS

PRODUCTS: Jerkins Frank (1989) explained that, in marketing a firms products, the objectives set for sales promotion will vary in creating an impact with the type of target market for consumers, objectives include encouraging more usage and purchase of larger-size units, building trial among non-users for retailers, objectives include inducing the retailer to carry

new items an higher levels of inventory encouraging off season buying and gaining entry into new retail outlets and also encouraging off season stocking of relating items for the sales force, impact include encouraging support of a new product or model, encouraging more prospective and stimulating sales in off-season.

SALES PROMOTION PLANNING AND STRATEGY

He went on to say that; careful planning is an essential to sales promotion programme in an organization as it is to advertising programmes. Objectives should be set and strategies developed for their attainment. Sales promotion should be part of the total promotional programme, not just a sudden, hastily instigated bid for a sales surge. The organization seeking to lead consumers into buying acting has a be wildering army of promotion service to consider. This decision is complicated by the pattern offered and fashion that are common in sales promotion "in 25 words or less" were extremely popular at one time. This approach is seldom sen today. On the either hand upon offers and rebates are quite popular in recessionary periods. The choice should be in tune with the moment.

The primary goal in promotion is to find a fresh approach not too untisual a one to put a fresh twist on a time-tested method, only a few of

thousand of different promotions launched annually are overshlming successfully. Many do fail completely after launching.

ADVANTAGES OF SALES PROMOTION IN AN ORGANIZATION

C. J. Parsons (1973) outline the advantages and disadvantages of sales promotion. An organization may report to sales promotion for the following reasons:-

1. **Better Control:** Sales promotion is under direct control of the user.
2. **Testing:** Can be tried out on a small portion of the market before its run fully?
3. **Effective sales support:** Good sales promotion makes Salesmen's effort more productive. It also reduces prospecting time and turnover.
4. **Low out cost:** Offering are produced in great quantity. The unit cost is brought with great economics of large scale.
5. **Increase speed of product acceptance:** Reduce time necessary to introduce the produce to the market. Reduce competitive treat flexiblessness lead time and quick operations.

DISADVANTAGES OF SALES PROMOTION:

1. Sales promotion is too expensive unlike advertising sales promotion cannot sell an inadequate product (at least not more than once).
2. Sell a product out of season.
3. Look for a product with poor distribution
4. Do the job of selling alone.

Another researcher, Jrkins Frank (1989) pg. 146) see's sales promotion as all forms of below the line advertising, and lumps together direct mail, exhibition point of sales displays and sponsorship. Jerkins explained that in Britain, the institute of sales promotion does not regard sales promotion as any kind of advertising but rather as a facet of marketing. It consists of short term point of sales selling strategies whereby something is added to the value of a product to promote sales.

Nnebue Duru (1980 pg. 148) defined sales promotion as any activity undertaken to help promote the sales of a commodity, especially from the producers, wholesalers and retailers outlast where a sales promotional activity has been undertaken by the manufacturers or wholesalers to encourage retailers to buy, this is known as "Selling in" whilst a similar activity, undertaken by the wholesaler or retailer to make a consumer to buy from the retailers to make a consumer to buy from the retail outlets is known as "Selling Out".

The term sales promotion is also considered by Duru as "below-the line", as a term coined by advertising agencies to describe those activities the manufacturers, wholesalers or retailers carries out with the aid of his marketing and sales staff without contracting them to and advertising agency. He went on further to say that sales promotion activities might be used for a variety of reasons:-

1. To stimulate sales at particular periods such as during Christmas or the Moslem Sallah celebrations.
2. To encourage the distributors to sell certain brands. Here salesmen will stress conditional selling, whereby the stockiest is persuaded to buy certain quantities of slow-moving items in conjunction with the fast-moving products.
3. To aid in product launch. The actitis during this period will help to stimulate consumer interest towards the product.

2.2 OBJECTIVES OF SALES PROMOTION

Stanton Wright (1978) in his explanation said that the basic objectives underlying all promotion is to increase sales. This aim may be further sub-divided, in terms of the time dimensions, by devising strategies designed at achieving either short-or long term gains.

Although display advertising can be very effective in making consumers aware of the existence of a product, inertia frequently prevent consumers sampling and some additional incentive is required to persuade non-users to try it. Promotion are designed to provide this incentive.

In the case of a totality new products the initial campaign will seek to obtain the widest possibility and will employ a combination of methods, example coupons, free samples, interatrial, banded offers etcetera. Where the brand is already established and has a known brand share, the promoter will adopt a more selective approach and concentrate on those segments of the market with the lowest usage rate.

To sum up, sales promotion can be used to achieve a number of marketing objectives which are as follows:-

1. To gain customers and convert them to regular users particularly for new or improved products.
2. To woden the distribution of a product etc.

3 MARKETING AND SALES MANAGEMENT

1 Ic went further to say that, marketing may be defined as follows a process that, within societal constraints, attempts to establish satisfying exchange relationship between people or organization with diverse

requirements and people or organizations that seek to satisfy these requirements. It can also be defined as the performance of all activities necessary for ascertaining the needs and wants of markets, planning product availability, effecting transfers in ownership or products, providing for their physical distribution, and facilitating the entire marketing process.

2.4 FUNCTIONS OF MARKETING

According to Essienesak J. Ubom (1996), Marketing functions are:-

a. **Buying and selling:**. The two terms involves what is called exchange process. Buying is an important function in all business organization, buying involves decisions, as to the quality, quantity and variety required to be purchased. It also calls for determining the time of purchase, source of supply and the terms of purchasing. Buying involves on the part of the purchaser a determination of the kind, quality, and quantity of products to brought, and the choice of sellers from home they are to be procured. From point of the businessman, it may require a concentration of a quantity of like goods or the assembling of a number of different items from hundreds of sources of supply for the convenience of customers. Selling includes the seeking out of markets, influcing of demand through advertising and

sales promotional effort, actual sales through salesman and other means, and the servicing of the sales after they have been effected. Selling is especially important in a competitive society where, driven by a desire for profits, vendors take the initiative in promoting and satisfying the wants of customers.

b. **Storing (warehousing):-** Storing is an important marketing function and adds both time utility and place utility to the goods. It aids in the steady flow of goods to the market by preserving these goods from the time of production to the time of consumption. It also ensures or prompt supply goods to those market area where they are wanted, by holding goods in different warehouses situated at different target markets. Storage has become indispensable nowadays as production are made in anticipation for demand.

The necessity of storing may be seen as follows:-

a. Some commodities are produced seasonally but their consumption is always throughout the year hence th need for storage arises.

b. Storage is required in the reserve situation, also when goods are produced all the year round for their use during certain season only. For example winter and summer.

c. Some goods, such as tobacco, meat ana alcoholic beverages, must be

stored before sale while being "aged" to reach a marketable condition.

d. Transportation: The transportation facilities available to a business person have a significant impact on the scope of his operation and consequently on his profit. If the transportation system permits th movement of goods for great distance at reasonable cost, the business person gains in two directions. First he can increase his sources of supply and thereby increase the competition for his business secondly, he can offer his goods for sale in mor markets, expose then to more types of consumers and increase the probability that his goods will be sold at a profitable price. This concept applies to all business whether it be a market gardener selling perishables, a steel manufacturer, or a petroleum company. Transportation is important for another reason, it is a major contributor to the high cost of distribution. Increases in efficiency and productivity are basic to our philosophy. Good transportation must satisfy several condition.

d. Advertising and promotion are essential features of our distribution system. Business people have been critized many times because of the vast amounts of money that they spend on, telling consumers about their products. The feeding expressed is that advertising adds to the price of goods on the market, that with less advertising savings

would accrue to the consumer. Obviously, there is positive result on effectively advertising. But all in all we are able to record a number of benefits may be occurred to society through advertising, and other benefits may be added in the future.

1. **Selling the consumer:** Advertising's chief role is conditioning people to buy. For a particular business, advertising's role is to condition consumers to buy its brand instead of another and to continue the purchase of its brand. There are other means for achieving this end but advertising is the most effective and efficient approach for most businesses. There are many business that make no specific allocation of funds for advertising, but obviously we know very little about them. Advertising is the most effective and efficient means for informing people about product or device characteristics because it reaches vast numbers of people over and over and enables the use of a variety of appeals to the consumers.

2. **Creating New market:** Advertising informs and educate. Through advertising business people can multiply the need for their product food manufacturers especially bring to the consumers attention through advertising the variety of ways their products can be used and perhaps substituted for other food products. Advertising can make a

person want something to the point he feels he needs it and finally ends up being it.

3. **Lowering cost of consumers:** Although advertising adds to the cost of business operation, it can result lower cost if properly used. Advertising creates mass markets which are essential for lower cost mass production techniques. In addition, advertising can stimulate demand for products during seasons when they normally would not be purposes. This enable the manufacturing and distribution systems to operate with greater efficiency.

4. **Increasing competition:** One of the requisites for competition an informed public without advertising we would know very little about the products and services available for our use, we cannot determine whether product X is the best to buy unless we, know about competing products. Advertising provides us with this knowledge and makes it possible for us to get more of what we want fr the Naira we spend to be sure, some advertising is no more than meaningless words and illustrations but by and large considering all types of purchases, it provides an effective basis for making a buying decision.

e. **Risk Bearing:** Risk distribution like all other form of business enterprise contains a variable risk and the degrees of risk vary from

one business to the next, but most distributor risks fall into one of the following categories.

f. **Pricing:** The price of the product may be deciding actor in the consumers decision. If the price is too high, the consumer may decide not to buy at all, or he may buy a competitive product. Marketers are always concerned with price. Not only may price affect demand, but it also influence the whole marketing programme for a product, including its manufacture, design, packaging, advertising and selling.

g. **Standardization and grading:** This is putting a product in the final shape for sale to the public or putting product into most attractive and useful quantities. Consumers generally prefer to purchase certain types of articles of a known size and quality. Manufactures, like consumers, have need for special grades of materials. The manufacturer of cotton yarn must have raw cotton of certain grades or qualities, depending upon the kind of yarn to be manufactured. On the other hand, no grow can produce oranges of a single size and quality.

2.5 MARKETING RESEARCH

W.J. Stanton (1981) asserts that; Marketing research is a systematic approach to information collection, it is objective in the sense that there is an obligation to study a problem regardless of the results of the inquiry - sometimes the results run contrary to what a manager believes to b the situation. Marketing research is not to be used only to support and already held opinion, to be ignored if it produces information contrary to that opinion. The generally accepted view of a typical marketing research process is that it is a four-stage one:-

1. Define the research problem and establish he research objectives.
2. Determine the sources of information to fulfill the research objectives.
3. Gather the relevant data from secondary and/r primary sources.
4. Analyze, interpreted an present the results.

2.6 THE PURPOSE OF RESEARCH

Similarly W. J. Stanton (1981), provided the following:-

1. In setting the atmosphere for any consideration of marketing research particularly as regards its use by countries where the whole structure of production and trade is at an early stage of development. It is important first to dispose of any idea that such research is a remote

and obscure activity different from the other day to day tasks of businessmen; there is nothing "frightening" about it. Research is any field is basically only the uncovering and orderly presentation of facts relevant to proper understanding of that field.

2. Also a clear understanding of the wide scope and possibilities of marketing research is essential at the start. It cannot be overphasized that a narrow definition of a restricted and unimaginative approach can be quite wrong, the methods and resources of research must not be confined merely to the more obvious or conventional operations in marketing.

3. The argument of the need for clearness of thought in conceiving any research leads us to another very important point. We must not fall int th trap of thinking that a piece of marketing research, properly conducted, is all that is needed to ensure a successful marketing operation. Just as skill is needed to plan and conduct research, so also is skill needed to use it, and for this an effective management background is essential. Research is indeed only one of a bundle of management techniques which are all interdependent and it can only be of value in organization where adequate skills in these already exist. On its own, research, however good, is not panacea or

substitute for missing management ability.

In summary, he also added that, Marketing research has a single purpose to assist management in the decision making process. A subset of marketing research is market research which has the limited function of investigating past, present and future states of the market place. This includes studies of market and sales potential, market share, and the changing satisfactions, and needs of current and potential buyers. Marketing research is a more inclusive terms I that it provides the information base hat helps to dictate the appropriate mix of marketing strategies that will most effectively satisfy the needs of consumers, market intermediaries, employers, suppliers, and so on.

2.7 METHODS OF RESEARCH COLLECTION

M. A. Jalson enumerates the methods of research as:-

a. **Secondary Sources:** Often the necessary information can be acquired more quickly an less costly through internal systems, by searching the literature to uncover studies that have attacked similar problem areas, or by exploring other available secondary data sources. Since secondary data were originally compiled for purpose other than the present needs, they may not be precisely suitable for decision-making

purposes. However, past studies may be of invaluable help in highlighting errors or successes that may be avoided or used in new research projects.

A search for secondary data should be first step in any research project. A search of secondary data should be the first step in any research project. A search of secondary data will either provide the researcher with clues to the proper approach or it will at least assure him that he is not about to duplicate information that is already available.

b. **Primary Research:** The net value to be realized from any major research is the marginal increase in the expected value of the decision, less the cost of the research expressed matermatically:-

$$Vo = (vr - vr) - Cr$$

where

vo = The net value of the research project

vr = The expected value of the marketing decision when made ith the aid of research

vr = The expected value of marketing decision, when made either without the benefit of research or with the benefit of secondary data only.

Cr = The cost of reaseach.

This formula assumes that Vr Vr can be qualified, usually in Naira. The notion of expected value implies that vo will nt express the net value of any single research event. Rather, it reflects the long run average not value of similar research endeavors. However, a substantially positive value of Vo will normally be regarded as a signal to proceed with the research project. Primary data may be collected by either inquiry methods or observation. Inquiry includes the questioning of people while observation calls for watching and examining event. Processes, action and human behaviours. Data collections methods will be discussed in a fourth coming chapter.

2.8 INFORMATION SOUGHT

In line with this M. A. Jolson said that the research process begins with the recognition of a marketing problem and the assumption that research will provide the information that will help to solve the people, within cost constraints. Problem recognition demands good manager researcher rapport at the outset of the project. The manager must not only understand the problem at hand but he must be able to convey the major elements of the problem to the researchers so that both may determine whether research is really required. If the problem area is fuzzy, some exploratory research may be required as a preliminary step.

On the other hand, the management problem must be thoroughly understood by the research team, desired with precision, ad ultimately translated into one or more research objectives. The researcher must probe, question, and dig deeply into the problem parameters. He must separate fact from intuition, gut feeling from reality emotion or enthusiasm from real needs.

2.9 ADVERTISING AND SALES PROMOTION

Advertising is any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor. When a market is widely dispersed, as in the case f a consumer item with a mass market and low unit price, advertising is much less expensive than personal selling on a per customer basic. Thus advertising often forms a substantial parts of the promotional mix of a firm selling convenience goods, such as drugs soft drink etc and the usual print and broadcast media are generally augmented by point of sale displays to substitute as much as possible for the salesman.

2.10 THE NEED FOR ADVERTISING

Developing countries have been operating mainly on the traditional oral or testimonial advertising. The days of the word of mouth (W.O.M) advertising is declining fast with the increase in the standard of living. As the standra of living of a people increase, there tastes start to vary proportionally. We cannot now depend on crude and coercive methods of selling. In the past when most production was confined to the household, it was possible for a household manufacturer to depend on the testimony of his customers. But now there are so many different brands that many buyers need advice from the manufacturer.

Advertising helps to increase the standard of living of the people advertisements change with the stage of the economic development of a country. It is not the type of advertisement that appealed to buyers 60 years ago that would appeal to the present buyers.

2.11 FUNCTIONS OF ADVERTISING

Generally, we can consider the unctions of advertising as to:-

1. **Provision of information:-** The primary objective of any advertising is to provide information about the availability of a product or service. This is informative advertising but not persuasive enough to stimulate

action immediately. Although, in a scarce economy or during periods of shortage, one can see that such an informative advertising might generate a lot of response from potential buyers, this is not so when supply exceeds demand.

2. **Price Stabilization:** Prices fluctuate from season to season. One of the aims of advertising is to reduce such fluctuation.

3. **Product differentiation:** The main aim of any advertiser is to show that his product or service is different from that of his competitor. Through advertising a firm can show the want satisfying qualities of his products or services.

4. **Value Added:** A lot of advertising critiques do not see any value added to a product by advertising. But by providing more ownership utilities to its buyers, advertising can accentuate the value of a product. A product or service might command higher prices in the market place if it is advertised.

2.12 PRINCIPAL MEDIUM

An advertising medium is a channel of communication in which advertising space cab be bought. It is the vehicle of channel through which the message (advertisement) is relayed to the receivers. The major

advertising media used are as follows:-

1. **The Press:** Press advertising is made up of newspapers which in Nigeria account for 16 percent of the advertising expenditure, and magazines (13 per cent).
2. **Radio:** The radio is the main advertising medium in developing countries today. It has been suggested that the high rate of illiteracy in developing countries, the relatively low cost of producing radio commercials and the increasing speeding power available to the generality of the people combine to make the radio the most effective vehicle for reaching almost every homes.
3. **Television:** The use of television is gaining momentum in a developing countries. Its use has been limited by finance, number of stations and sets.
4. **Cinema:** In developing countries where few people own television sets the cinema is an important advertising medium. It is rated higher than out door media.
5. **Newspaper:** There are various media to reach the public, i.e newspaper, which are normally own by the Federal Government and private sectors. Newspaper advertising is likely to be used by manufactures of banded goods, which have a wide market.

2.13 CRITICISMS OF ADVERTISING

M. A. Jolson (1953) went on to criticism advertising, that consumerists claim that corporate advertising programs are not providing the information necessary for meaningful choice and their point to inaccurate, misleading, and inadequate information as the major reason for the demand for more protective legislation. One of the most controversial question in marketing today is, "what kind of advertising is appropriate?" If one were to accept the endless list of objections to current advertising practices that is offered by today's social critics, one would be inclined to answer, "none", to the question. Some of the major criticisms are

1. Advertising ubiquitous
2. It is misleading
3. Advertising stresses materialism and creates dissatisfaction and false needs
4. Advertising is often in poor taste
5. Advertising appeals to emotion rather than reason
6. Advertising inhibits price and quality competition.

SUCCESSFUL ADVERTISING

He also added that, Advertising may be directed to final users or to resellers. It may promote either a product, or an institution. Product advertising may be aimed at building primary demand for a generic product such as he campaign that featured football hero O. J. Simpson in support of orange juice, as a health food. Competitive advertising has the purpose of stimulating selective demand by selling a specific brand rather than a broad product category.

Some advertising urges immediate buying action. Other advertising are of the indirect action type in that they attempt to create latent desire for the advertising item so the audience will ultimate it purchase the product or patronize the outlet. The latter approach is exempted by institutional advertising which has the goal of developing a favourable image for the firm, organistaion or industry.

SALES MANAGEMENT

J. O. Onah et al (1993) said that, managing the sales force implies the personnel management of marketing operations. While the sales manager is managing the sales activities of his company, he is also concerned with the staff attached to sales department.

Managing the sales force, therefore,, requires both operational and administration ability. But most often operational responsibilities seem to dominate the main job of the sales manager.

SALES PROMOTION

Thomas C. K. Et all (1945) defined Sales promotion as consisting of those selling activities that supplement both advertising and personal selling, co-ordinate them, and render them more effective. It is a term that is used in the business community with a wide variety of interpretations, there being no general agreement as to the exact number or type of specific activities included within its scope.

2.14 PURPOSE OF SALES PROMOTION

He also added that, Sales promotion is most highly developed among large manufacturing companies that market highly advertised consumer goods. While this aspect of marketing is not restricted to such companies.

Its meaning and purpose are clarified by a consideration of the responsibility for the selling function in a large concern. The advertising department is ordinarily concerned with mass appeal advertising. Its major responsibility is the preparation of advertisements and their proper

placement in suitable media. Personal contact with customers is usually outside the scope of its activities. The personal salesman, on the other hand, has as his presentation, and obtaining orders for the product or product line. He is likely to be irritated by any other activities that reduce the amount of time he is able to spend in obtaining orders. If the work of the marketing organization is confirmed to mass advertising and personal selling activities are likely to be organization responsible for these activities are likely to be working at cross- purposes and there are likely to be important gaps in the sales program. To supplement the advertising and personal selling departments, many companies have a sales, promotion department as a third part of the marketing organization concerned directly with the selling function this department supplement the other two by co-ordinating their efforts and rounds out the sales program by maintaining liaison with dealers and consumers. Among the most important of the numerous duties commonly assigned to a sales promotion department are the following: point of purchase advertising and display, dealer merchandising aids, premiums, contests, coupons, samples, and demonstrations. In small companies whose operations cannot support a specialized sales promotion department man of these activities are nevertheless carried on by the advertising department the personal selling department, or the two of them working in close

cooperations.

2.15 SALES PROMOTION TECHNIQUES

He also enumerated the sale promotion techniques manufacturers and distributors employ a number of techniques which are intended to stimulate more direct purchasing action than can ordinarily be affected through mass advertising and personal selling appeals. These are some of the techniques.

1. **Premium:** Premiums may be defined as articles or mechandies offered as inducement to purchased a product. While almost all types of consumer product have been promoted, at some time or another, by the use of premiums they are most commonly employed by manufacturers of highly competitive products of low unit value and frequent purchase.

2. **Contests:** contest in which the consumer is asked to write a sentence about a product, complete a verse, work a puzzle or suggest a new use for product are a very common method of direct stimulation. Great interest usually results from publicity accorded to the substantial prizes offered in such affairs. This interest is accentuated to be the average person's natural desire to play a complete. This promotes sales of goods.

3. **Special Offer Deals:** Special offer deals are promotions in which the manufacturer offers some special monetary inducement, other than an outright price reduction, to stimulate the purchase of his product during a specified period of time. Examples include "1% sales", which offer an item at 1 per cent with the purchase of a special number of the item at the regular price, 2 - for the price of 1 offers, and coupons, which are good for a specified reduction from the regular price.

4. **Samples:** The use of samples is based on the idea that the best salesman for the product is the product itself. This obvious it limited sampling to products of genuine merit. This obviously limits sampling to products of genuine merit. This promotion method is also limited to products of low unit value and frequent purchase. Samples of high unit value products are too costly. If goods are not used or purchased frequently, the effect of the sample is forgotten before there is occasion to purchase such a product. Typical of items promoted by samples are cigarettes, drugs, cosmetics etc samples are often prepared in special packages, the size of which is determined by the minimum quantity that permits a reasonable tribal of the item samples are distributed in a number of ways. Products of wide spread use and

very low unit value are often distributed free to all consuming units in selecting areas, either through the mails or by house to house canvassers specially employed for the purpose. Another method of free distribution if through retail stores selling the product. Still a third method is publicizing the availability of the sample in advertisement.

5. **Demonstrations:** are often effective for product of technical nature, for product having a variety of uses, or when the proper use or application of the product is not readily apparent. They vary in scope from elaborate field test demonstrations frequently conducted by farm implement manufacturers, to the free home demonstration of a television set for a limited trial period, or to the operation of hand wound mechanical toys on the variety store counter.

6. **Trade Fairs:** The private sector sees trade fairs as avenues for selling their goods and services while the public sector looks at them as sources of revenue to the government and also a means of building a political image.

7. **Sweepstakes:** are called games of chance. Their advantages include high consumer involvement, plus added retailer support and added excitement about or interest in products or advertising themes.

Responses to these activities never involve more than 20 percent of the target audience, and are prohibited in certain states.

8. **Point of Purchase:** Promotions (POP) are those special displays, racks, signs, banners and exhibits that are placed in the retail store to support the sale of brand. These promotions serve:

    1. To remained customers that a product is available at a given location
    2. As one final attempt to influence the customer to select a specific brand
    3. To encourage impulse buying

Sometimes it is necessary to pay the retailer in order to obtain a prime POP location, such as right at the cash register. The payment may be in cash or discounts or even free goods.

9. **Promotional allowances:** In circumstance where effective in store display is critical to the success of the product, money may be paid to retailers to allow these display to be put up in specific locations. It may be a specific payment or a discount from the usual cost of merchandise and is referred to as a promotional allowance.

10. **Management Assistance:** Manufacturers may also provide channel members with management assistance in running their business.

Among these services are personnel training, inventory control, store displays, and financial management.

Sales promotion activities supplement both advertising and personal selling. It involves those marketing activities other than personal selling, advertising and publicity that stimulate consumer purchasing and dealer effectiveness. It intended to aid both consumer pull an dealer push. Sales promotion holds a middle ground between advertising and personal selling. It is usually not directed at as large an audience as advertising, but it directed at must larger groups than a typical personal selling effort. It is very difficult to accurately measure the amount of money spent on sales promotion.

Publicity and sales promotion. Publicity is another means that marketer can use to promote their products to mass audiences. It involves getting free promotion about your products or organization in the media, K. L. Berhardt (1943).

Publicity can play a strong role in product marketing, but often it is also the corner stone of a company's public relations campaign, and the firm's publicity experts are often located in the public relation department. Public relations "evaluates public attitudes identifies the policies and producers of an individual or an organization with the understanding and a acceptance". The public involved may be consumers, employees, suppliers,

stock holders, the investment community government administrators or the community at large. The public relations role in organizations involves the use of many communications approaches including is institutional advertising, personal selling by senior corporate executives, and publicity. The latter strongly supports public relations but has a role that extends far beyond this. Organizations have many topics available to them that have potential for publicity. Among them are new products special events, changes in the marketing mix, charity activities, arthlectic sponsorships, sales and profit positions, and speeches by executives. For a topic to generate effective publicity it must be truly new worthy. Unfortunately, not all publicity is within the control of the organization. Negative stories may appear in the media.

The main techniques for gaining publicity are new releases, feature articles, press conference, personal appearances, records and films.

a. New release are short statement about a product or organization typically containing from about 250 to 300 words

b. Features articles contain up to 3,000 words and are usually prepared for a specific publication.

c. Press conferences involve inviting the press to hear a specific announcement and ask questions.

stock holders, the investment community government administrators or the community at large. The public relations role in organizations involves the use of many communications approaches including is institutional advertising, personal selling by senior corporate executives, and publicity. The latter strongly supports public relations but has a role that extends far beyond this. Organizations have many topics available to them that have potential for publicity. Among them are new products special events, changes in the marketing mix, charity activities, arthlectic sponsorships, sales and profit positions, and speeches by executives. For a topic to generate effective publicity it must be truly new worthy. Unfortunately, not all publicity is within the control of the organization. Negative stories may appear in the media.

The main techniques for gaining publicity are new releases, feature articles, press conference, personal appearances, records and films.

a. New release are short statement about a product or organization typically containing from about 250 to 300 words

b. Features articles contain up to 3,000 words and are usually prepared for a specific publication.

c. Press conferences involve inviting the press to hear a specific announcement and ask questions.

d. Records and Film: can also be produced to serve as filler on radio and television stations or be shown in schools or to social or civil groups. For example, Philips Petroleum makes a number of films on science available to television and to the schools.

PERSONAL SELLING

In line with this Thomas S.C. Kinnear et al said that, personal selling involves interactions between people, in contrast to the use of impersonal communication in advertising and sales promotion. Consequently, compared with other parts of the promotion mix, personal selling is more human, flexible and dynamic. The sales person can tailor the communication to fit the prospective customer's needs, expressions, and overall behaviour.

This up close type of communication is needed in our economy. Many of those in sales simple collect money at checkout counters, but others find customer, sell creatively, close sales, and service customers after sales. Even those at the cash register, by their demand or, help, "sell" the store to the customers, though they are not always aware of their impact.

He added also that "historically many types of products have needed the creativity of personal selling to gain acceptance in the market place".

Most consumers are hesitate to change from old. Familiar products or ways of doing things. Someone must communicate the advantages of changing from the old to the new. Some product must be demonstrated before they are accepted. This type of commination and demonstration has occurred with many products most people take for granted today, such as televisions, vacuum cleaners, electric, can operate and contact lenses. Through the creative efforts of sales people these product have become a welcome and integral part of modern life. Some salespeople serve as a communication link with the public. These 'boundary spanners' continually receive, process, and transmit information between the public and the organization. A good sales person can sense the indeed and desires of the market place, and provide his or her firm with data that can be eventually converted into goods and services.

The word of sales people is also related to that of many other people in society. This is because a chin reaction follows each sale starting with the first recorder, though the wholesaler, onto the larger replacement orders for factory production with basic items that come from farms, mines etc.

Although personal selling is extremely important to economic growth, a high standard of living, and full employment sales people still have negative image because most sales people in the past misunderstood their

role.

TYPES OF SALES JOBS

According to Thomas C. Kinner et al (1943) Personal selling jobs take many forms. They differ in such dimensions as training required, personal freedom allowed monetary rewards, location and type of customers, and creativity required. Generally, as the number of potential customers decreases, the complexity of the product increases, or the economic value of the product grows, the role of personal selling becomes more important. Bases on the functions they performs, sale people can be classified into three groups: Order getters, order takers, and support personal.

T.C. Kinear et al enumerates the types of sales jobs:-

a. **Order Getters:** Order getters are sales people who are concerned with selling and generating more sales. The order-getting job is to find new buyers and to increase sales to old customers by creative selling. manufacturers of all types of goods, but especially industrial goods, need order getters to find new prospects, present the product, and facilitate the exchange of goods. Order-getters often tell customers how a product can be used, reordered, and modified. The persuasive skill of the order getter becomes especially important when many competitors exist. In competitive

situations, order-getters must clearly show who their product can do the job better and save money. Creativity is specially important in making clear and persuasive distinctions in a competitive situation. In wholesaling, order getters often serve as counselors to retailers, advising them how to sell the goods. Order getter in wholesaling often provide many services, such as checking inventory performing product demonstrations, advertising, and conducting special promotions. At the retail level, order-getters are needed to increase the sales of unsought and shopping goods.

Order getter must persuade customers that the goods will satisfy important needs. Order-getters are also needs to sell shopping goods.

b. **Order takers:** Order takers complete sales made to regular or repeat customers. They do fairly routine work, but it should be underestimated. Without order-takers, the regular or repeat customer might well purchase goods elsewhere. Order takes at the manufacturing level often have a regular sales route. As part of the job and in the process of making call, they often serve as an information source and trainer. They inform customers about services, terms and new developments, and can train customers in the proper use of the products.

The wholesale order taker exists to serve the customers, regularly calling on industrial customers or retailers and then making sure the order is

filled on time and accurately.

At the retail level the order taking job is not as challenging or well-paying as other form of order taking. However, good order takers often act as order getters because by their attention to customers they enhance sales e.g. a wine steward at a restaurant can often sell more and better wine through the personal attention he or she gives customers.

SUPPORT PERSONNEL

Support personnel are involved in the selling process, but typically do not orders themselves. They are primarily used to market industrial products. In general, support personnel locate prospects, educate customers, foster goodwill, and provide post sale service. Support personnel include missionary sales people, trade sales people and technical specialists.

2.16 PERSONAL SELLING PROCESSES

K. L. Bernhard et al (1944) argued thus, "personal selling involves interactions between people, in contrast to the use of impersonal communication in advertising and sales promotion. Consequently, compared with other parts of the promotion mix, personal selling is more human, flexible, and dynamic. The sales person can tailor the communication to fit

472103

the prospective customer's needs, expressions, and overall behaviour.

K. L. Bernhard et al (1944) explained the steps of personal selling:-

a. **Reapproach:** Before calling on likely prospect, the sales person should learn as much as possible about the prospect. This will the salesperson anticipate questions and will show the prospect that the sales person takes the contact seriously. The sales erson might ant to know something about the products or brand the prospect is using, personal likes and dislikes, and preferences for service. When calling on a company, a sales person can consult annual reports, newspapers, and sales people for non competitive goods or services for information about the prospect. Another decision involves when to approach the prospect morning, afternoon or evening.

b. **Prospecting:** Before face to face buyer seller communication begins the necessary groundwork must be done. This involves finding prospective customers, or prospecting. Prospects may come from many different sources: current customers, previous customers, friends and relatives, advertising leads, other sales personnel selling noncompeting lines, and newspapers. The prospects list identified possibilities, but does not suggest which are most likely. Another phase of prospecting of deciding how much time to spend on prospects. Judgement must be made on the basis of potential sales, likelihood of repeat cannot be covered in the same way. Some may required

continuous attention and cultivation, while others may be checked with a telephone call.

If a salesperson's product has widespread demand, he or she may resort to the "cold canvas" method of prospecting, in which calls are made to every person or company in a group. Since no advance information on the needs or financial status of each prospect is available, the sales person reliefs on the law of averages to generate sales.

SALES APPROACH AND PRESENTATION

When a likely prospect is approached, the communication phase of making the sale starts. The sales person needs a plan to apply the marketing concept bringing together the buyer, his or her needs and preferences, and the product or service. The opening line should be positive and pleasant such as Mr. John I am Fred from MBA company. My company and I appreciate your willingness to see you. I will do my best to make this visit profitable and worth while for you and your company. This could be followed by some light talk to further the acquaintance, some key questions, or the showing of a display or sample to attract the buyer's attention and curiosity.

c. **Presentation and demonstration:** After getting acquainted and 'sizing up' the buyer, the sales representative attempts to tell the company "story" to the

buyer. The sales representative covers the features of the product but concentrates on selling the benefits. The aim is to demonstrate the want - satisfying characteristic of the company and its products. The sales person will then follow the AIDA formula in presenting the product: get attention, hold interest, arouse desire and obtain action.

Companies use three different styles of sales presentation. These are:-

a. **The canned Approach:** This is memorized sales talk covering the main points deemed important by the management. It is based on stimulies response thinking, i.e the buyer is passive, and can be moved to purchase by the use of the right stimulus words, pictures, terms and actions carried presentations are used primarily in door- to door and telephone cold conversing.

b. **The formulated Approach:** This is also based on stimulus response thinking, but attempts to identify early the buyer's needs and buying styles, and then use a formulated approach to this type of buyer. This is not canned but follows a general plan of a formulated presentation.

c. **The need satisfaction Approach:** Does not start with a prepared presentation designed to sell the customer but rather a research for the customer's real need. The customer is encouraged to do most of the talking so that the sales person can grasp the customers real needs and

respond accordingly.

The need satisfaction approach calls for good listening and problem solving skills.

d. **Handling Objections:** Customers will almost always pose objections during the presentations or when asked to place an order. The customer's sales, resistance is due basically to either psychological or logical form.

Psychological resistance may include resistance to interference, preference for established habits, apathy, and others. The logical resistance takes the form of objections to the price. Delivery schedule, certain products or company characteristics.

To handle these objections, the sales person should use such techniques as maintaining a positive approach, trying to have the buyer clarify, and define the objections, and questioning the buyer in such a way that the buyer, has to answer his or her own objections.

The sales person need training in the broader skill of negotiation, of which handling objections is a part.

e. **Closing:** Here the sales representative attempts to close the sales. Some sales person never reach this stage or they do not do it well perhaps because they lack confidence in themselves or their company

or product.

Sales person should be trained to reorganized specific closing signals from the buyer, including physical actions statements, or comments and questions signaling a possible readiness to close sales person can now one of several closing techniques such as:

Asking the prospects for an order

Asking whether the buyer wants A or B

The sales representatives may offer the buyer specific inducement to close, such as special price, an extra quantity at no charge or ven a gift.

f. **Follow-up:** This is necessary if the sale person wants to ensure customer satisfaction and repeat business. Immediately after closing, the sales representative should attempt to complete any necessary details on delivery time purchase terms, and other maters. He should consider scheduling a follow-up call when the initial order is received to make sure there is proper installation, instruction, and servicing.

2.17 THE MARKETING GROUP

Venkatesan A. (1972) said that, Staff marketing services in a manufacturing concern such activities as marketing research, planning, budgeting and control. Depending on the scope of the tasks, these may be

assigned to separate organizational units or may be combined in one unit. In this case we have group of people responsible for marketing services such as:-

a. **Chief Marketing Executive:-** Inmost companies they are responsible for planning, directing, controlling, and co-ordinating the overall marketing activities of the company to meet or exceed established volume and profit goals within approved budgets. Develops for approval long and short-term marketing objectives and policies concerning. Overall sales, advertising, promotion, public relations and planning and research activities.

b. **Director of Marketing:** He is responsible to the General Manager of a division of management of the Division's total marketing effort and for advice and assistance in the formulation of division marketing and sales plans. Directs all marketing activities of the division to achieve planned and approved sales volume and profit objectives and establish the plans, policies, and procedures governing marketing activities of the division within the general operating plans and policies of the company and the division. Develop sales and profit objectives which relate to customer needs and market opportunities and to plant capacity considerations so that the company's return on invested

capital and its competitive position may be optimized.

c. **Product Managers:** In companies smaller than the giant corporation within the divisions of the latter, an increasingly common arrangement is to assign product or brand managers to handle specified aspects of the marketing programme for a product or line of products. The product manager has been described as a "little Marketing Manager", but seldom if ever is complete responsibility for marketing delegated to this level. Among consumer goods companies or divisions the product manager typically is responsible for making and executing decisions in a number of areas. He responsibilities are: furnish an intelligence center on all aspects of a product line or brand (except manufacturing details), including technical information, market situation and so forth. Create ideas for product improvement, new-product development and promotion; or gather such ideas from internal and external sources. Advice top management on marketing aspects of a new product line or brand during its implementation through research and development phases.

d. **Market Managers:** The Market Manager responsible is to plan and execute marketing programs aimed at specific groups of customers e.g. develop marketing programs that are targeted toward specific

industries such as automobiles, shipbuilding, and construction.

The Sales Promotion Manager when referring to the term "Sales Promotion" in the previous section, it was stated to be "barely distinguishable from advertising" however, there is no uniformity in its interpretation, and in some cases it may be found to lean on the side of the practical selling activities.

4. **RESPONSIBILITIES:** In listing below the responsibilities of the sales promotion Manager, it has been assumed that the under interpretation of the term "Sales Promotion" is applicable.

a. Interpretation of the boards policy as it affects the department.

b. Administration: This covers the organization, planning and control of his department.

c. Selection, planning, training of his staff

d. Budgeting: Preparing his departmental budget

e. Control of expenditure: He must keep expenditure on sales promotion within his budgeted figures, unless, of course, he is permitted by the budget committee to exceed his estimate.

f. Organized special publicity schemes e.g. gift schemes, demonstration broadcasting, films etc.

g. Liaison with dealers; that is acting in close liaison with wholesalers and/or retailers, and providing an essential service for them in the form of information, display materials advice on improved techniques at the point of sale etc.

h. Control of salesmen: Apart from the training of salesmen, they must also be provided with sufficient information and assistance, for example, to consideration them for special publicity schemes.

I. Keeping up to date:- As with other departmental heads in the marketing group, he must keep up to data, and encourage his staff to do the same as regards new methods and improved techniques.

THE SALES MANAGER

Robert E. M. Nourse (1972) said that; "the Sale Manager is not a number of the top management team, strictly, he is an administrator rather than a Manager."

It is, of course possible that he may also be a member of the board. He went further to outline his:-

Essential Qualities:- To enable him to manager his department effectively the Sales Manager must posses certain qualities in a high degree, they are:-

a. **Leadership:** he must have the ability to lead and inspire his staff

b. **Organizing ability:** His ability to delegate work to his subordinates and to organize his staff is vitally important.

c. **Initiative:** He drive and initiative must be such as to serve as an example for team to follow.

d. **Foresight:** This is particularly important to one in his position; his ability to access the market, to foresee the possibility of changing demands, is one of the tests of good sales management.

e. **Business acumen:** He must have a thorough grasp of business in General and a shudnes of character which will enable him to analyze and solve the departmental problems as they arise.

f. **Sound judgement:** This he requires in selecting staff for his department, in delegating work to subordinates and in forecasting the future requirement of the market in which his company is interested.

g. **Nowledeable:** He requires a wide knowledge of the business world, together with a fully developed, more specialized knowledge of his company, its products and the market it serves.

h. **Co-operative:** He must have the ability to act in cooperation with other people, in particular, he must be prepared and able to co-operate fully with other top executives in the marketing group.

RESPONSIBILITIES:-The extent of the sales Manager's responsibilities may very considerably from one company to another.

a. **Interpretation:** The sales Manager's first duty is to interpret the sales policy which the board has dictated. All his remaining duties and responsibilities are then aimed at the implementation of that policy.

b. **Organization:** He has an overall responsibility for the organization, planning and control of his department and its activities.

c. **Combination:**

   i. He has responsibility for communication with his staff; in issuing instructions to them passing on information which they are entitled to, and in ensuring that all members of his department understand the company's sales policy.

   ii. His responsibility for communication extends also to passing information to other relevant departments, and upwards to the board when the occasion warrants.

d. **Selection:** As a rule he will have responsibility for the selection and placement of his department staff.

e. **Records:** he must ensure that adequate records of the company's sales activities are maintained, and where necessary suitably analyzed.

f. **Distribution:** He has to a responsibility for fixing methods and channels of

distribution, though within the boards stated sales policy.

g. **Meetings:** From time to time, he may find it necessary to convey sales meeting for the purpose of meeting his salesmen, discussing plans with them and/or passing on instruction.

h. **Routine department responsibilities include:-**

i. Preparation of enders and quotations

ii. Handling daily correspondence

iii. Dealing with complaints

iv. Filling

REFERENCES

1. KOLTER P. - Marketing Management Analysis, Planning and Control, 2nd Edition, Prentice Hall inc. (1972) Pg. 646.
2. MORSE, S. - The practical Approach to Marketing Management MC Graw Hill London (1967) P. 11
3. STANTON W. - Fundamentals of Marketing; 6th Edition MC Graw- Hill series in Marketing (1978) p. 628.
4. ROBERT D. BUZZEL - Marketing a contemporary Analysis (1972) p. 608.
5. THE AMERICAN - Marketing Association (1960) Pg 20.
6. JAMES F. ENGEL - Marketing Strategy and Plans, revised edition, Prentice - Hall, Inc.
7. ONAH, J.O. - Marketing Management Pacific College press (1993) pg 226
8. BERNEATH R. B. - Marketing a contemporary Analysis
9. NICKELS, W.G. - Marketing Principles, A broadard concept of Marketing prentice Hall, Englewood Cliffs (1978).
10. MARVIN A. JOLSON - Marketing Management Integrated Text,

reading and cases, collier

11. LEVITT T. - Marketing a contemporary analysis. MC Graw Hill (1972) Pg 608

12. ONAH J. O. - Marketing Management Pacific College Press (1993) Pg 198.

13. WILLIAMS J. S. - Fundamentals, of Marketing 6th Edition MC Graw-Hill series in marketing (1981) P. 380.

14. NEWAL J. - Marketing Management European Insight 2nd Edition MCB Ltd, (1974)

15. LEWIS J. - Stages of economic: GB Cambridge University Press (1960).

16. ESSIENESAK J. UBOM - Handout of marketing (1996)

17. THOMAS C. KINNEAR - Principles of Marketing. Foresman and coy (1943) pg 518 - 23

18. THEODORE N. BACKMAN Marketing 7th Edition, The Ronald Press Company. New York (1962)

19. HALL, L. - Business Administration 2nd edition, Macdonard and Evans Ltd (1974)

20. RICHARD E. S. - Promotion (Advertising, Publicity Personal selling and sales promotion (1977).

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

The aim of this study is neither to take a complete census of the users/buyers of consumer goods nor that of the distributors which is an almost impossible task due to the large number involved. It is however, intended together some information on the impact of sales promotion on the marketing of consumer goods by Nigerian Breweries Ltd.

In line with the chosen research topic, Author chooses to use Quasi research design. This method is chosen because the subject matter is sociological in nature (i.e. it deals with human beings/human behaviour. Since human behaviour as an independent variable cannot be subjected to strict control as is obtained in experimental designs, questionnaires, personal interviews and desk research were used in obtaining the responses of individuals and the organization.

The main objective of choosing the stated design is to get an insight into the problem earlier stated - that is, impact of sales promotion on the marketing of consumer goods, a case study of NBL.

Both desk research in which existing and documented information about the sales promotional activities or happenings in the industry were

used, and questionnaires were administered to, in obtaining information from company executive (District Manager), distributors and consumers.

To complement these methods mentioned above, personal interviews were also used in situations where further clarification on vital issues were required. The desire for personal interview was brought about by the desire to reconcile certain information already existing in documented form with what respondents feel currently, and secondly, because of the deficiency of questionnaire in terms of scope. Random sampling was used so as to provide equal chance of selection.

3.1 INSTRUMENTS USED

Questionnaires:- These were specifically designed for this study. They were in printed form containing questions to be answered and were self-administered. Although questionnaires seek specific information about defined problems, people unlike machines are bound to respond differently to the same stimulus. Hence the questionnaires were collected, analysed and interpreted in line with peoples responses.

3.2 RESEARCH POPULATION AND SAMPLE SIZE

Despite the very fact that research is mainly about NBL, Author also interviewed other firms manufacturing/marketing similar consumer goods in Nigeria for comparative analysis especially regarding competition. The problem encountered however, was determining the sample size of all such firms operating in Nigeria since at the moment, they are too many with so many different product groups, lines and brands. On research population, I decided to limit the research within Kaduna because of the reasons stated earlier.

3.3 SAMPLING PROCEDURE

Non-probability or convenience sampling was applied. A non-probability sampling is a procedure in which population do not have equal chances of being selected or sampled. The samples are drawn on human judgement convenience. This too was chosen for the convenience of the research.

3.4 STATISTICAL TECHNIQUES USED

The method used in analysing data that was collected is quantitative based on statistical percentages. Percentages as a whole were used and

weighed percentages was also applied. This method was used for the purpose of comparing and grouping population with similar reactions to a particular question so as to know whether to accept or reject a hypothesis.

DOCUMENTARY METHOD

The researcher find it very difficult to lay hand on some documents from the company terms documents. But he was able to lay hands on some textbooks and write-ups relevant to the writing of the project.

The advantage of this method is that of accuracy, consistency, reliability and it is capable of giving insight into the subject.

CHAPTER FOUR

4.0 PRESENTATION AND DATA ANALYSIS

The data collected is presented in form of table tabulation in this chapter and each tabulated data is analysed on statistical tools chosen. The same data is later devoted in discussing the findings and this is done under some stated headings to be seen later in this chapter.

As stated earlier, questionnaires were administered to the following categories of respondents:-

a. The Company's District Manager (DM)

b. The consumers

4.1 THE COMPANY RESEARCH

The Company under NBL responded through its District Manager in form of answering questions from questionnaire specially designed for him (see Appendix I). Information about the operations of NBL's competitors were got through personal interview and desk work. Although obtaining information is still a difficult affairs in many Nigerian Organisations (NBL inclusive), I was able to gather some information about the subject matter which could be discussed later under some stated headings in this chapter.

4.2 CONSUMER SURVEY

Out of 100 questionnaires given to consumers of the Nigerian Breweries Plc products, only about 70 responded, for that, my tabulation and analysis will be mainly on 70%.

ANALYSIS OF MANAGEMENT DATA

The questionnaires were administered to the management of Nigerian Breweries Plc, which were all responded to therefore, the tabulation and analysis will be based on 100%.

Question 1

What is the name of your Company?

Which they all answered Nigerian Breweries Plc.

Question 2

When was NBL established in Nigeria?

Nigerian Brewery Limited (NBL) was incorporated on the 6th of November, 1946. Its name was changed from Nigerian Brewery Limited to Nigerian Breweries Limited on January 7th, 1957.

Question 3

For how long have you been operating with sales promotion of your product?

Option	No. of Respondent	Response in Percentage
1 - 2 years	-	-
2 - 3 years	-	-
3 years and above	3	100%
Total	**3**	**100%**

From the table above, we could see that they have been using sales promotion in selling their product(s) three years and above.

Question 4

What sales promotion schemes do you use?

Option	No. of Respondent	Response in Percentage
Free samples Off-price labels premiu offers Trade Promotion contest Sweepstakes and Games, Cash discount	5	100%
Trade discount an doff-price labels	-	
Free samples and Cash discounts	-	
Raffle and games	-	100%

The table above shows that, the Nigerian Breweries Plc, normally promote

its product(s) through the use of different promotional schemes such as Free samples, off-price labels, Premium offers etc.

Question 5

How do you implement them?

Table 5

Option	No. of Respondent	Response in Percentage
On regional basis	-	
On National basis	-	-
On both basis	3	100%
Total	**3**	**100%**

Looking at the above table, we could see that the management staff said they implement their sales promotion schemes on both regional and national basis.

Question 6

Has sales promotional schemes been positively correlated with sales?

Table 6

Option	No. of Respondent	Response in Percentage
Yes	3	100%
No	-	-
Total	**3**	**100%**

From the above table, we could see that the District Manager of NBL agreed that promotional scheme has been positively correlated with their sales.

Question 7

Has your profit justified your promotional scheme expenditure?

Table 7

Option	No. of Respondent	Response in Percentage
Yes	2	80%
No	1	20%
Total	**3**	100%

From the above table, two (80%) responded positively while the remaining 20% responded negatively.

Question 8

If No, what do you think or suspect is the cause?

The 20% that responded negatively said, profit has not justified promotional scheme expenditure because, today emphasis is placed upon what the consumers are going to gain.

Question 9

What measure of success do you think your promotional scheme activities have achieved?

Table 9

Option	No. of Respondent	Response in Percentage
Very Successful	-	
Fairly Successful	3	100%
Not Successful	-	
Total	**3**	**100%**

From the above table, they all said their promotional scheme activities have been fairly successful.

Question 10

What in your own opinion, are the problems with your sales promotion?

Answer: It is the problem of time constraints to circulate it nation wide, money involved and other competitor's scheme.

Question 11

What are the effects of sales promotion?

a. Sales promotion affects mass production through mass consumption and

mass marketing.

b. Sales promotion does increase the price of goods to consumers because in the final analysis the cost of sales, promotion is passed on to the consumers, as are other business expenses. The final price of the product, despite the addition of sales promotion, may be lower.

c. To be at service, sales promotion must give consumers enough product information to help them select product or service information to meet their needs.

d. Lastly, sales promotion is said to not only tend to reflect society's value but also one of the leading forces that can accentuate and accelerate them.

ANALYSIS OF CONSUMER DATA

The questionnaire were administered to the consumer of Nigerian Breweries Plc, products only about 70% responded, for that, my tabulation and analysis will be mainly on 70%.

Question 1

Do you buy NBL Plc prôducts, when you see the promotional scheme?

Option	No. of Respondent	Response in Percentage
Yes	45	45%

No	25	25%
Total	**70**	**70%**

From the above table, we can see that about 45% of the respondents said that promotional scheme helps them in making their buying decision, while the remaining 25% responded negatively that they bought the product not because of the promotional scheme.

Question 2

Do you believe that it is because of promotional scheme that make you continue buying the product?

Table 2

Option	**No. of Respondent**	**Response in Percentage**
Yes	52	52%
No	18	18%
Total	**70**	**70%**

The above table shows 52% of response believe that it is because of promotional scheme that make them continue buying the product. Only 18% responded negatively.

Question 3

Do promotional scheme affect your purchasing pattern?

Table3

Option	No. of Respondent	Response in Percentage
Yes	50	50%
No	20	20%
Total	**70**	**70%**

From the above table, 50% of the consumers responded positively by saying yes to the question while 20% said No.

Question 4

Does promotional scheme make you to buy a particular brand of a product?

Table 4

Option	No. of Respondent	Response in Percentage
Yes	65	65%
No	5	5%
Total	**70**	**70%**

From the table above, the respondents that said yes are 65% and about 5% proved negatively.

Question 5

Have you been loyal to a particular product without any promotional scheme affecting it?

Table 5

Option	No. of Respondent	Response in Percentage
Yes	55	55%
No	15	15%
Total	**70**	**70%**

From the above table, about 555 of the respondents believe that promotional scheme has not made them to be loyal to a particular products, while 15% said they have been loyal.

Question 6

Has promotional scheme helped you in brand loyalty or preference?

Table 6

Option	No. of Respondent	Response in Percentage
Yes	70	70%
No	-	-%
Total	**70**	**70%**

From the above table, we could see all the respondents said yes to the

question. Which means it is necessary to apply promotional strategies in selling of a product.

Although Nigerian Breweries will still make sales even if they do not use promotional tools, but the margin of increase sales will only be slightly achieved in the long run. Target profit therefore, takes a longer time to accrue than it would have, if the company were to use sales promotion.

4.3 EFFECT OF SALES PROMOTION ON DEMAND

Sales promotion makes a good impact on demand for goods and services. The only way that a firm can obtain a more total revenue is to charge a higher price for each unit of its output. By pointing out the advantages of a product or enhancing its image in a way that is of value to some consumers, sales promotion is a means of making prospects that the product is worth the price charged.

Some products are more sensitive to increased sales promotion than others, that is, more demand can be stimulated for some products than for others. This situation involves the concept of expansibility of demand. which exist when the use of sales promotion will bring about an increase in the total demand for a product.

4.4 EFFECT OF SALES PROMOTION ON PROFIT

Where sales promotion differs from the belief or norms of consumers, it would naturally not achieve its aim, such sales promotion is wasteful. Profits may be overlooked in the short-run to obtain other worthwhile objectives, such as market penetration nevertheless, further profits are paramount in the manager's thinking plannings, sales promotion may affect the profit performance of a business firm.

4.5 CONSUMERS -STIMULATION TO DEMAND!

Sales promotion surely makes the consumer to buy a product. Some management members of Nigerian Breweries Plc where my case study was, believed that sometimes consumers depend on sales promotion before buying a product. However, where consumers depend on sales promotional tools before purchasing a product, lies on where the product is new in the market and where substituted and competitors exist.

Moreover, where a consumer has natural likeness for a product, it would be a surprise seeing such a consumer to depending on sales promotional tool. In the above aspect, consumers rely on the three channels mentioned below, which are as follows:- Personnel, expert and social channels.

Consumers that do not purchase, get their information through the personnel who are also advocate.

In the second aspect which is the expert channels, they are made up of experts who write on their experiences or knowledge on the use of such products on a newspaper page or talk on them over the radio or television.

Lastly, is the third channel, which is known as social channels which consists of opinion leaders, reference groups, neighbours or peers.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.0 SUMMARY

The basic objectives of sales promotion is to influence consumers buying decisions positively so as to result in an overall increase in the volume of sales of many company.

Furthermore, the researcher was able to establish the fact that sales promotion often results in respect purchases which eventually leads to brand loyalty.

Sales promotion in marketing products must be co-ordinated with advertising, public relations and publicity as well as with personal selling. It is particularly important to see that the use of such quick-action promotional devices as premiums, deals, coupons and contest is properly related to the sales promotion which is necessary to inform both intermediaries and customers of the special offer.

Finally, failure to participate in any sales promotional activity by some respondents was attributed to several reasons amongst which are lack of adequate enlightenment, the believe that people do not win thereby seeing

the programmes as one of deceit, while the chief factor is the doubt on credibility of sponsors about redemption of prizes when they are eventually won groups who give information or recommendation on such products.

PROOF OF THE HYPOTHESIS

In this area, the researcher prove his hypothesis as to test its validity HQ sales promotion has positive correlation with sales.

Hoi: is proved to be right since the management respondents all agreed that sales promotion have positive correlation with sales.

In the tables 6, 7 this chapter which is under management analysis. (2) two management respondents of the company (about 80^%) stated that profits have justified their expenditure. This means they have been able to record more volume of sales and profits.

Therefore, H02: is also true with sales promotional scheme there would be increase in sales volume leading to a subsequent increase in profits.

5.1 CONCLUSION

The excellence of any promotional activity depends on its potentiality to influence behaviour so as to result in an overall increase in the volume of sales of any company. It also depends on the choice of promotional tools.

(promotion) the targeted and the available company resources.

Whatever influence on customer purchases, this excessive influence has led to its frequent use in fast moving consumer goods and high financial budgeting in this area.

Also, every manufacturing organization should have its time to make decision affecting sales promotion. Before developing a definite campaign in a region of different promotional tool, the industry should compare the relative effectiveness of each promotional tool.

The company should develop the strategy of sales promotion to stimulate demand and not the one that will not stimulate demand.

It is noted that when customers are satisfied business starts to grow. Also, customers help to promote the products probably from the pleasure they derive from the products.

5.2 RECOMMENDATION

Promotional facilities and vehicles should be made available to the organization. This is to enable the promoters to reach the place required to be covered in the process of the promotion. The researcher is recommending that Nigerian Breweries should always go along with the demand of the customer so as to suit and satisfy the customers who patronize them. Time

should be taken by organization to choose the sales promoter wisely. The sales promoter should be closely supervised in the company in order to avoid mis-information.

The management of the industry should try to segment their market towards the major of its customers and make sure that they embark on promotional activities to satisfy them and other major groups but the middlemen should form the target market.

The researcher also recommend that the industry should always be careful over the prices of their products (maintain it) and not to follow other competitors on putting their prices. The company should at all costs try to create and maintain a good interpersonal relations especially between its field officers and company's numerous distributors. This will enhance a sense of belonging in the distribution.

More attention should be geared by the company towards the training of its sales personnel at all levels in the art of modern sales and management techniques.

Finally, there should be regular consultation or meetings between the management of the company and at least its major distributors when complaints and suggestions would be offered and receive simultaneously.

APPENDIX I

Institute of Administration,

Department of Business Administration,

Ahmadu Bello University,

Zaria.

DATE:.....

Dear Sir,

I am a post-graduate student of the above Institution conducting a survey on the impact of sales promotion on the marketing of consumer goods produced by your company.

I would be glad if you could assist by responding to the simple questions overleaf.

I wish to state that all information provided by you would be for academic purposes only and would be treated strictly confidential.

Your anticipated co-operation would be highly appreciated.

Thanks.

Yours faithfully,

Nkechi V. Dike

QUESTIONNAIRE FOR THE DISTRICT MANAGER NIGERIAN BREWERIES PLC

IMPACT OF SALES PROMOTION ON THE MARKETING OF CONSUMER GOODS

1. What is the name of your Company?.....
2. When was Nigerian Brewery Limited (NBL) established in Nigeria?.....
3. For how long have you been operating with sales promotion on your products?.....
4. (a) What sales promotion schemes do you use?.....

(b) Do you still use them?.....

5. (a) How do you implement them?.....

(b) What are their various prospects and constraints?.....

6. Has sales promotional scheme been positively correlated with sales?

.....

7. Has your profit justified your promotional scheme expenditure?.....
8. If No, what do you think or suspect is the cause?.....

9. What measure of success do you think your promotional scheme activities have achieved?.....

10. What in your own opinion are the problems with your sales promotion?

.....

.....

11. What are the effects of sales promotion?.....

.....

12 (a) What were your early products? Name two .....

(b) How did they compete in the market?.....

© Do they still exist?.....

(d) Have they undergone any modification?.....

(e) What kind of modifications and why?.....

13 (a) What sales promotion schemes do you use?.....

(b) How do you implement them?.....

© What are their various prospects and constraints?.....

14 (a) Who are your major competitors?.....

(b) Who are your other competitors?.....

(c) What threats do you encounter from your competitors?.....

(d) How do you cope with these threats?.....

15. How often does your company fail to meet customers' orders?.....

APPENDIX II

Institute of Administration,

Department of Business Administration,

Ahmadu Bello University,

Zaria,

Date: .....

Dear Sir/Madam,

I am a post-graduate student of the above Institution conducting a survey on the Impact of sales promotion on the marketing of consumer goods produced by Nigerian Breweries Plc, Kaduna which has in some token affected its distributors/traders. This survey is to enable me complete my project work for the award of a master degree in Business Administration (MBA).

Your co-operation would be highly appreciated.

Yours faithfully,

Victoria Nkechi Dike

QUESTIONNAIRE FOR CONSUMERS OF NIGERIAN BREWERIES PLC PRODUCTS

1. Do you buy NBL products when you see the promotional scheme?.....
2. Do you believe that it is because of promotional scheme that make you continue buying the products?.....
3. Do promotional scheme affect your purchasing pattern?.....
4. Does promotional scheme make you to buy a particular brand of product?.....
5. Have you been loyal to a particular product without any promotional scheme affecting it?.....
6. Has promotional scheme helped you in brand loyalty or preference?.....

BIBLIOGRAPHY

1. Alderson, W - Marketing Behaviours and Execution Action Revised Edition, Richard D. Irwin Inc., (1977) p. 363

2. Bagozzi, R.P. - Casual Models in Marketing, Theories in Marketing Series, John Willy and Sons, Inc., 1980 p. 12.

3. Baker, M.J. - Marketing an Introduction: Text, 3rd Edition, Macmillian press Ltd., 1981

4. Hall, L. - Business Administration: 2nd Edition; Macdona and Evans Ltd., (1974) p. 282

5. Jawando, G.A. - Marketing in Nigeria: Onah J.O. Ed., Cassel (1979) p. 20.

6. Kotler, P. - Marketing Management Analysis, Planning & Control: 2nd Edition; Prentice Hall Inc., (1972) p. 646.

7. Kolter, P. - Marketing Managment Analysis, Planning and Control, 2nd Edition, Prentice Hall Inc., (1972) pp. 645 & 783

8. Luck, D.J. - Marketing Strategy & Plans: Revised Edition, Prentice Hall Inc., 1979.

9. Lewis J - Stages of Economics:G.B. Cambridge University Press 2nd Edition (1960) p.75

10. Morse, S - The Practical approach of Marketing Management: Mcgraw Hill-London (1967) p.11

11. Marvin A.J. - Marketing Management: Integrated Text, Readings and Cases, Collier Macmillian International Edition (1953) p.181

12. Newal J. - Marketing Management: European Insight. 2nd Edition, MCB Ltd., (1974).

13. Nickels, W.G. - Marketing Principles, A Broader Concept of Marketing: Prentice Hall, Eaglewood Cliffs (1978) p. 12.

14. Nwokoye N.G. - Modern Marketing for Nigeria: Macmillian International College Edition, (1981) p. 53.

15. Onah, J.O. - Marketing Management: Pacific College Press (1993) p. 226

16. Robert, D.B. - Marketing a Contemporary Analysis: (1972) p.608

17. Nwokoye, N.G. - Modern Marketing for Nigeria: Macmillian International College Edition (1981) p.54

18. Stanton, W.J. - Fundamentals of Marketing: 6th Edition Mc Graw-Hill Series in Marketing 1981.

19. Tarry, P.D. - A Preface to Marketing Management: Revised Edition Business Publication Inc., (1982).

20. Venkatesan A. - Scientific Marketing Research: Revised Edition, Collier Macmillian Canada Ltd.