THE ROLE OF PROMOTION IN THE NIGERIAN BEER INDUSTRY: A CASE STUDY OF INTERNATIONAL BEER AND BEVERAGES INDUSTRIES LIMITED, KADUNA AND NORTH BREWERY LIMITED, KANO.

BY

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BEING A RESEARCH PROJECT IN PARTIAL FULFILMENT OF THE REQUIREMENT OF THE POST GRADUATE SCHOOL FOR THE AWARD OF THE DEGREE OF MASTER IN BUSINESS ADMINISTRATION (M.B.A) OF AHMADU BELLO UNIVERSITY, ZARIA.

DEPARTMENT: BUSINESS ADMINISTRATION

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DEDICATION

This is dedicated to:

My wife, Laraba

My late daughter, Bariyat

My late daddy, Kaikeh, and the entire family of Kaikeh Mafai.

DECLARATION

I am declaring that this research work is solely attributable to my own personal initiatives and efforts. That all informations not original to this research work have been duly acknowledged by way of references and footnotes.

ACKNOWLEDGEMENT

I am very grateful to my God for giving me the desire, courage and chance to go for the M.B.A. Degree Programme. In addition, I thank God for his guidance and protection given to me to overcome all sort of difficulties encountered during the period of the course. Thank you, Lord.

Besides, my special thanks and appreciations go to my Supervisor, A.B. AKPAN, for his untiring willingness to give direction and inspiration to this work.

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ABSTRACT

Looking critically into the- manufacturing sector of the Nigerian economy, one will seen to conclude that it is mostly the beer industry that has ever since been engaging in one form of promotion or the other as a marketing strategy in the sale of its products. Therefore, some critics have often seen promotion as a useless exercise and, hence, increases in final prices of goods. At the same time, some have seen it as a means of cheapening of goods as a result of saving time and resources (and effort) that would have been involved in the search for these goods.

It was in the light of these conflicting causal factors that the researcher sought to examine the role of promotion as an element of the marketing mix in the sale of beer.

The research found out that current promotional practices of the breweries leave much to be desired, and that consumers are well aware of the promotional activities of these Breweries but would not easily accept the influence of promotion in their choice of brands of beer

being consumed by them(consumers).

Despite these, the manufacturers (Breweries) will not stop promoting their products as a result of competitive forces which make these "breweries to advertise to, at least, maintain their market share»

The North Brewery Limited, Kano, favours sales promotion to any other promotool due to certain environmental constraints, particularly the law forbidding T.V; radio, and "bill board advertisement in Kano State. On the other hand, International Beer and Beverages Limited, Kaduna, as a matter of company policy, prefers Bill Board advertisement (and to a little extend sales promotions).

In the final analysis, the researcher recommends the use of sales and other trade promotions for North Brewery Limited, Kano, and
- urges IBBI, Kaduna to include other forms of promote, for example TV and Radio advertisement in addition to bill boards, since the environment is not against the use of such media for beer promotion..

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CHAPTER ONE

1.1 BACKGROUND OF THE STUDY

Nigerians were used to locally-brewed beverages, which came in different forms and names, before the coming of the modern-brewed beverages.

The coming of beer into the Nigerian market has its origin with the coming of the Multinational Corporations. The United Africa Company (U.A.C.) was the first of these to invest in the beer production and marketing in Nigeria. The Nigerian alcohol industry, therefore, predates 1948 when the first brewery plant, owned by Nigerian Breweries Limited (a subsidiary of U.A.C.) went into the production of STAR LAGER BEER. As a result of its acceptance by the populace, the Guninness (Nigeria) Limited was established in Nigeria in the early 1960s with its headquarters at Dublin, Ireland.

With the growing demand for alcohol — which comes in forms of gin, wine, beer, ogogoro, burukutu, duma, etc.,—the industry has been enjoying an aviable boom while other sectors of the economy are barely surviving. This fact is illustrated by the success story of the Nigerian breweries. (See the next page for table 1.1).

Table 1.1: SOME OF NIGERIAN BREWERIES AND THEIR PRODUCTS

	COMPANY	PRODUCT(S)
1.	Associated Breweries Ltd., Lagos	Top Lager Beer
2.	Bendel Brewery Ltd., Benin City	Crystal Lager Beer
3.	Benue Brewery Ltd., Makurdi	More Lager Beer
4.	Cross River Breweries Ltd., Uyo	Champion Lager Beer
5.	Diamond Breweries Ltd., Enugu	Monarch Lager Beer
6.	Dubic Brewery Ltd., Aba	Dubic Lager Beer
7.	Eastern Breweries Ltd., Awo-Omama	"33 Export"
8.	Golden Guinea Breweries Ltd., Umuahia	Golden Guinea Lager Beer
9.	Guinnes Nig. Ltd., Lagos	Guinness Stout, Harp Lager Beer
10.	International Beer & Beverages Industries Ltd., Kaduna	Kronenbourg Lager Beer
11.	International Breweries, Ilesha	Trophy & Mayor Lager Beer
12.	Jos International Breweries Ltd., Jos.	Rock Lager Beer
13.	Kwara Breweries Ltd., Ijagbo Offa	Noble Lager Beer
14.	Life Breweries Coy Ltd., Onitsha	Life Lager Beer
15.	Nigerian Breweries Ltd., Lagos	Gulder & Star Lager Beer
16.	North Brewery Ltd., Kano	Double Crown, Kings Lager Beer
17.	Olympic Drinks Company Ltd., Abagana	Cannon Lager Beer

	COMPANY	PRODUCT(S)
18.	Pabod Breweries Ltd., Port-Harcourt	Grand Lager Beer
19.	Pal Brewery Ltd., Oko	Pal Lager Beer
20.	Premier Breweries Ltd., Onitsha	Premier Lager Beer
21.	Safari Breweries Ltd., Arondizuogu	Hercules Lager Beer
22.	Sona Breweries Ltd., Lagos	Gold Lager Beer
23.	Sparkling Breweries Ltd., Ughelli	Sparkling Lager Beer
24.	Standard Breweries Ltd., Ibadan	Club Lager Beer
25.	West African Breweries Ltd., Lagos	Top Lager Beer

SOURCE: THE BREWING INDUSTRY: A Publication of Beer Sectoral Group of Manufacturers' Association of Nigeria (MAN).

"With seven breweries in 1977, there are now 32 brewery plants nation-wide. Total investment is about two billion naira, with totalled capacity of about 25 million hectolitres"[1]. This invariably implies that the production and consumption of beer (and other brands of alcohol) have been on the increase.

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1. The African Guardian: A Weekly Newsfeature Magazine, July 19, 1987 (P. 11 - 14).

The growth of breweries over the years is matched by an equally impressive expansion of distilleries. This development has been a reaction to the ban on the importation of wines, spirits and lager beer by the Obasanjo regime in 1977. Before then, liquour consumed locally was mainly imported. Government, viewing this as an economic waste, banned the importation of these drinks, and called upon indigeneous enterpreneurs to rise to the challenge by filling the vacuum. The result has been the proliferation of distilleries and breweries. With this has come different names for various products which roll out of their factories.

Wines such as Dubonnet, Concorde, and many others are now locally made. It is the same for a multiple of spirits, including Chevalier, Gilbey's London Dry Gin, Eagle Schnapps, King Rat Schnapps, etc. Brand names for lager are more familiar. This is partly due to the fact that wines and gin are more or less exclusivelly consumed by elites while beer has no social barrier. The daily wage earner can always stroll into street-side parlour and happily empty the contents of a beer bottle into his stomach. To do the same for wine or gin is almost impossible. The price differential is the barrier.

However, it is speculated in breweries that the beer industry in Nigeria is being handicapped by reduction in both consumption and (to a little extent) production as a result of high prices (inflationary effort) and lack of spare parts and raw materials, respectively.

1.2 PROBLEM SETTING

The role of promotion in the beer industry is not the only ingredient in the marketing of the products of the beer industry in Nigeria. It is only one of the four marketing strategy areas that is considered within this project. The other three, namely: Product, Price and Place (Distribution) are also equally important. Each of these areas has its role and infact it is at times only an overhaul of these areas (promotion inclusive) and a reblending that can give a better insight into the role of each in marketing, in general.

The North Brewery Limited, Kano and International Beer and Beverages Industries Limited, Kaduna are two out of the thirty-two (32) brewing houses existing that made up the Beer Industry in Nigeria.

(A) The North Brewery Limited, Kano

It was gathered that the Brewery was incorporated as a public limited liability company on the 11th day of May, 1965 to produce and market lager beer and stout. "Initially", I was informed that "it produced Top lager beer on behalf of West African Brewreies Limited. Later, a corporate decision was taken to carry an independent niche for the company in the alcohol beverage market." Towards this, "it started the production of Double Crown Lager Beer in 1975 and Small bottles of Power Stout in 1982", said one of the management staffers. In addition, it was reliably gathered that the two brands being currently produced have over the years, become established "as two of the best and most popular in the Nigerian market". Meanwhile, plans are at the final stages to expand the company's range of products. The first product of these plans was realised earlier this year when the company launched its Kings Lager Beer which has a substantial local raw material input.

Finally, it was also gathered that the company's installed production capacity has increased from less than 60,000 hectolitres per

annum to 1000,000 hectolitres per annum following the conclusion of the third phase of its expansion scheme. But "actual current production capacity is quite below the installed capacity" said one of the management staffers. The Brewery directly employs over 1,000 staff, only two (2) of whom are expatriates, and that several thousand others indirectly benefit from the existence of the brewery in one form or another, for example, distributors, transporters, etc.

B International Beer and Beverages Industries Limited Kaduna

Here, the researcher was reliably informed that the company was incorporated in 1979, but that production did not commence untill 1982. "Whem it started production, it had a production capacity of 480,000 hectolitres, but this has beem increased to 600,000 hectolitres". It was also learned that the company employs directly well over 600 staff, and that others benefit from its existence.

North Brewery Limited, Kano that started production of Double Crown Lager Beer in 1975, is the oldest beer factory in the whole of this part of the country, while Internation Beer and Beverages Industries, Kaduna that started production in 1982 is the youngest, too. Therefore the continue existence of an old product (Double Crown) and a

more recent product (Kronenbourg) in the same geographical region has made the researcher to try to focus on the role of promotion in the sale of these products bearing in mind certain constraints of the region, for example, religion, certain cultural norms, present economic depression, etc.

1.3 PROBLEM STATEMENT

Manufacturers of goods and/or services worldwide tend to stimulate demand for their products. They are never satisfied with mere production of the goods and/or services and trusting to chance that consumers will become aware of their products through the interpersonal interplay of market forces. Manufacturers know that if products are produced, it is not the responsibility of consumers to inform themselves of the products' existence, utility, where and how they can buy them, and the prices attached to them. Dirksen et al put it thus: "a manufacturer, whatever he may make, however basic and staple the product, or however well entrenched it may be in the market, can no longer settle down and let things take their course"[2]. This means that the manufacturer must hold himself ready to act, and to act quickly, interpret the signs,

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2. Dirksen et al: Advertising Principles, Problems and Cases, 5 edition. Richard D. Irwin, Inc., 1977.

anticipate the attitude of the public and analyse each new invention for its effect on his business.

The consumer, on the other hand, unaware of where and how to buy the goods and/or services and the prices attached to them, the shape and sizes, tastes and other features of the products, will be more confused. This could have been the missing link if promotional activities would not have been carried out.

Many people have always argued that these promotional activities like sales promotion, advertising, personal selling and publicity add more to the final unit cost that the ultimate consumers pay for. The question is not easily answered because "the contribution of advertising to the efficiency of marketing will depend upon the condition of demand upon supply in a particular situation and upon the skill with which advertising is used"[3]. At the same time, others have seen promotional activities as a means of reducing final unit cost because the time and resources that would have been wasted in searching for the products, which would have meant additional costs to the consumer, would have been removed.

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3. Dirksen et al - Ibid.

The research is aimed at putting and/or throwing more light on the two propositions. However, it should be noted that a product which has a number of very close substitutes and/or alternatives like beer is said to be operating in a competitive market. And since all competitors are bound to struggle to win more market shares for themselves, there is deliberate need to promote the products.

With this in mind, therefore, the researcher felt the need to study and find out if there are economies of scale arising from the use of promotional activities to increase the sales and consumption of beer, respectively. That is, the researcher intends to find out if sales of different brands of beer would increase if promotional activities are employed.

1.4 HYPOTHESES

The researcher developed and tasted the following hypotheses:

1. Promotion of beer will create demand for and consumption of beer.
2. Promotion of beer would increase sales volume.
3. The greater the exposure of a particular brand by promotional activities the higher the demand for and consumption of the particular brand promoted.

1.5 PURPOSE AND SIGNIFICANCE OF THE STUDY

The purpose of the study is to help find out if promotion actually influences the consumption of beer in Nigeria. This is necessary because c considering the current fiscal policies of the government, many more local industries will place their products before the Nigerian consumer. These and a host of other indicators point to a future of tense promotional activities. If it does, then the beer industry in general and North Brewery, Kano and International Beer and Beverages Industries Limited, Kaduna in particular will find it very valuable to improve the sales of their products.

It was in the same vein that Abe Schuchman (1968)[4] said that "the theoritical and practical reason for wanting to predict consumer behaviour is that knowledge in this area has implications for broad economic policies, for company marketing decisions and for social welfare theory". With this, therefore, it would be possible to deduce whether there is any significant relationship between the consumption of and demand for beer

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4. SCHUCHMAN, Abe, "Are there Laws of Consumer Behaviour" Journal of Advertising Research, Vol. 8, No. 1, March 1968; p. 45.

and promotional activities in a sellers market like Nigeria, as against the promotional activities of certain consumer goods in a buyer market.

However, it would be possible to compare the findings from this research with the findings of similar researches on same or similar products with a view to establishing if there is an established relationship, some kind of theory for such product categories in respect of its response to promotional activities which may "become part of the general store of knowledge ... an essential part of investigators' responsibilities ... to consider the implications of their findings, to null over the gaps on new questions raised, and to think about what kinds of future research might provide answeres"[5].

The researcher finally hopes that this will lead to other researches into the other areas of marketing like the Product, Price and Distribution of beer in Nigeria with the hope of providing out answers to future questions and/or problems.

1.6 PROSPECTS OF THE BEER INDUSTRY

On the supply side, total investment in the beer industry in Nigeria is about two (2) billion

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5. WRIGHTSMAN, S. et al, Research Methods in Social Relations, 3rd Edition. Holt-Saunders International Editions, p. 500.

naira, with installed capacity at about twenty-five (25) million hectolitres. "With demand outstripping this figure, the brewery industry seemed destined for further expansion - until the Federal Government embargoed the issuance of licence for new breweries last March"[6]. And as if to freeze the liquor thirst, existing breweries were told last April that they either source 100 percent of their raw materials locally by January 1988 or fold up. Dr. Abel Ubeku, managing director of Guinness Limited, predicts a gloomy future: "There will be some chaoes next year if they (government) stick to it".

In order to achieve fully the Nations's aspirations, "all the breweries will require about 240,000 hectares of farmland in the next five years"[7]. Therefore, to be safeguarded from a total collapse, the breweries have made substantial investment in agriculture by acquiring about 50,000 hectares of farmland in several parts of the country, spreading from the North to the South. North Brewery Limited, Kano alone has acquired "10,000 hectares of farmland in Keffi Local Government Area of Plateau State for cultivation of Sorghum. Over 4,000 hectares

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6. The African Guardian - Ibid.
7. A Publication of the Beer Sectoral Group of MAN-Ibid.

have so far been cultivated"[8]. International Beer and Beverages Industries Limited, Kaduna has equally acquired farmland somewhere in Niger State.

Irrespective of the level of demand at any time, the Nigerian alcohol industry is not entertaining fears of extinction. Not even the government's directive that local substitutes must be used in place of imported barley has put any gloom on the industry. The breweries are working fractically to ensure that they remain in business. Some brands of beer are already the combination of locally grown Sorghum and imported barley for example, 'Kings Lager Beer'' of North Brewery Limited, and 'Rex Lager Beer' of Nigerian Breweries Limited. The ratio varies from 1.10 to 2.5. Uptill now, "only 'Merit', the latest product from the Guinness family, is produced with virtually 100 percent local raw materials", said the Coordinator, Northern Zone of Guinness Nigeria Limited, Lagos.

On the demand side, rough estimates of the relationship between per capita income and demand for beer shows that beer is one of those products whose consumption is substantially infuenced by

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8. History and Business of North Brewery Limited, Kano, being a circular paper of the Brewery, July, 1987.

income. This suggests that as per capita income grows in this country, the demand for beer is likely to rise at an even faster rate. There are other factors, of course, which are also likely to influence greater demand for beer. Such factors include population increase, current cultural values in Nigeria which break down social resistance to beer drinking by the youth, increase dependence on alcohol for the maintenance of some semblance of sanity, and the like.

Finally, unlike such countries as Zambia and Sovient Union, no Nigerian head of state has publicly admonished fellow citizens to moderate their rate of alcohol consumption.

These indicators, therefore point to a better and tremendous growth prospects in the lager beer market in the future in Nigeria.

1.7 ECONOMIC IMPORTANCE OF BEER

The benefits of beer appear more pronounced in the economy than on the individual. Though alcohol has some medicinal value (when taken by prescription), critics readily point to the damaging effects of excessive drinking.

The recent capaign for economic recovery and technological self-reliance has focused so much attention on the brewing industry. This exercise is designed to create better understanding with government functioneries, the consumers, research institutes and the general public.

With an annual financial contribution of ₦1 billion to coffers of the Federal Government by way of import/excise duties and other taxes, the Brewing industry is definitely a strong pillar of support for the government's programmes for speedy economic recovery. In fact, "for every ₦1.00 worth of Import Licence granted to the Brewery by government, the Federal Government too in return directly derives at least ₦3.20 worth of revenue from the Brewery by way of Excise Duties alone. Other equally substantial revenues also normally accrue directly to Government by way of Import Duties, Company taxation, and Dividends"[9].

Furthermore, while agriculture and other allied sectors recorded an average growth rate of less than 3% annually, the manufacturing sector to which the breweries belong, recorded an annual average growth of 15% between 1970 and 1984.

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9. History and Business of North Brewery - Ibid.

In addition, "the brewing industry creates direct employment for 30,000 Nigerians and generates indirect employment for 300,000 in other establishments and individuals who are solely dependent on the brewing industry for their source of livelihood"[10]. The multiplier effect of Brewery operations is a big boost to the national economy.

Moreover, "the gigantic backward integration programme embarked upon by the breweries will not only boost food production, but it will also increase rural employment opportunities and at the same time provide the much needed industrial raw materials for the breweries"[11].

In the process of milling sorghum and maize, valuable co-products will be produced. These include quality flour, edible oil and feed protein which can be used by other food industries and animal feed compounders.

Also, current plans to sell Nigerian lagers overseas will firmly place Nigeria on the internatinal map as a leading manufacturer of high quality lagers. It will, in addition, earn the

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10. A Publication of Beer Sectoral of MAN - Ibid
11. The African Guardian - Ibid.

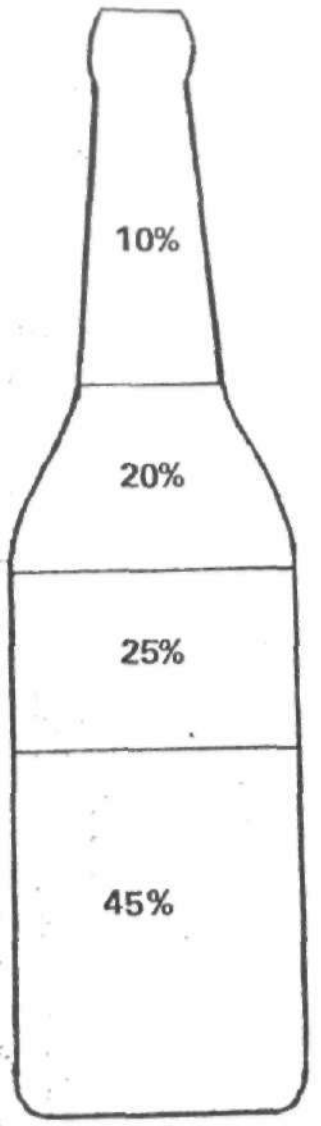
much needed foreign exchange for the country and give Nigeria a strong foothold on the international market scene.

The brewing industry reflects the lives of the community within which it operates in so many ways. As part of the extension of their corporate image, most breweries participate in community projects. There have been cases where brewery organisations are known to have undertaken road construction, donation of hospital equipment, police posts, building of craft village and have influenced direct participation by their employees in a number of local government activities. Direct Sports Sponsorship like Lawn Tennis, Table Tennis, Polo, Boat Race, Football, etc., have been engaged by the brewing industry.

Finally, another strong area of participation by the breweries is donation to deserving charitable organisations and sometimes direct sponsorship of handicapped people to participate in international conferences and purchase of equipment for them. A brewery organisation is known nationally for building and maintaining eye hospital.

DISPOSAL OF INCOME

This table shows how Industry's income is spent nationally



Dividends and expansion

Raw materials, bottles, cartons, crates and freight

Wages, salaries and other expenses

Excise/import duties and taxes (including personal income and withholding taxes

Figure 1.1

CHAPTER TWO

LITERATURE REVIEW

2.1 PROMOTION

Many authors of marketing books have almost always agreed that the field of marketing as a separate entity is made up of what is called the marketing mix, namely: Product, Price, Promotion and Place (Distribution).

This means that whenever and wherever a product is produced it should be priced, promoted and distributed to the ultimate end users. These activities are interdependent. Thus, Professor Neil Borden of the Harvard Business School have this to say: "the marketing mix refers to the appointment of effort, the combination, the designing, and the integration of the elements of marketing into a programme or 'mix' which on the basis of an appraisal of the market forces, will best achieve the objectives of an interprise at a given time".[12]

However, the reader should note that the researcher did not consider or research into the role of marketing mix as a whole, but rather the

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12. Being a quotation by BAKER, J. Michael, Marketing: an introductory text, 3rd Edition. Macmillan Press Ltd, London, 1980. p. 18.

role of promotion in the Nigerian Beer Industry in Nigeria. Therefore, it is only one of the four 'marketing mix' - Promotion - that is researched into. Richard E. Stanley(1977) writing on the role of promotion in business says that: "... manufacturers are capable of producing far more goods than can be effectively absorbed by existing markets. The problem is no longer the production of the goods themselves but their effective marketing. Consumers must be made willing to constantly improve their standards of living by purchasing more and better products if the economy is to continue to expand. One of the major ways in which this can be done is through the more effective utilization of the tools of promotion".[13] This means that marketers do not promote simply to inform, educate and entertain, they communicate to influence and encourage both current and potential buyers to accept or adopt goods, services and/or ideas. The company that can establish a reputation for trustworthiness, progessiveness and social responsibility starts with an advantage over other firms in the minds of actual and potential customers and other publics.

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13. STANLEY, Richard E., : Promotion (Advertising, Publicity, Personal Selling and Sales Promotion), Prentice-Hall Inc. 1977, p. 3.

In the same vein, Philip Kotler (1980) wrote, thus: "Modern marketing calls for more than developing a good product, pricing it attractively, and making it readily accessible to target customer. The company must design and disseminate information about the product's existence, features, and terms and how these will benefit the target market". [14] Hence, every company is inevitably cast into the role of a communicator and promoter. The Nigerian Beer Industry is, therefore, not left behind as communicator and promoter of its various products to both present and potential customers.

However, the company's communications responsibilities go beyond disseminating information to target customers. The company must communicate effectively with other parties in its task environment, particularly its dealers and suppliers. Also, it must communicate with major external publics, such as its stock holders, the financial community, the media, and various government units on the one hand. On the other hand, it must communicate effectively with its internal publics, particularly its directors, middle management, sales force, and wage workers. And to be able to achieve these, the

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14. KOTLER, Philip,: Marketing Management - Analysis, Planning and Control. 4th Edition, Prentice-Hall Inc. Edition. p. 466.

company has to know how to market itself to various groups in order to gain their confidence and goodwill. It must develop a clear identity. This is done in so many different forms (for example, producing quality products, standardised packaging, social responsibility, etc.) by the different beer companies in the country.

Therefore, one can take a broad or narrow view of the tools in the marketing communication mix. The broad view says that each of the four Ps belongs in the marketing communication mix. The product's styling, the colour and shape of the packaging, and the price all communicate something. Once a company decides on a target market position, all the marketing mix tools shall reinforce this position.

The narrow view (of which this research is based upon) says the marketing communication mix consists of the subset of marketing tools that are primarily "communicational" in nature. They are the tools normally classified under promition, one of the four Ps. They are called PROMOTOOLS, and include various forms of advertising, packaging, sales presentations and demonstrations, point-of-purchase displays, sales aids (catalogs, literature,

films), incentive tools (contests, trading stamps, premium, free samples, coupons) and publicity programmes.

Each of these promotools has specific potentialities that could justify managerial specialization. Yet, the beer companies, even the very large ones (for example, Nigerian breweries Limited and Guinness Nigeria Limited), typically do not have a specialist in each area but only in those areas where the importance and usage frequecny of the tool warrant specialization. Historically, "companies first made separate function out of personal selling, later out of advertising, still later out of sales promotion, and ultimately out of publicity".[15]

DELOZIER (1976) writing on this said that "all the marketing mix variables and indeed all company activities may be regarded as marketing communication variables".[16] Conversely, McArthy (1978) takes a more narrow approach and defines marketing communication, thus: "the promotional activities of advertising, personal selling, sales promotion and public relations".[17] Happily enough, the researcher's discussion is inclined

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15. KOTLER, Philip - Ibid.
16. DELOZIER - "Marketing Communication Process". McGraw-Hill, 1976.
17. McARTHY, E.H. - Basic Marketing, 5th Edition, Irwin, 1978.

towards the latter, narrower, functional treatment as it is felt to be more appropriate to the research work. These are now examined one after the other as the main groupings of the promotional tools in the marketing mix.

1.A: ADVERTISEMENT

Every day and for most of our lives we see and hear many advertisements. Even if you don't read a newspaper or watch television, and walk around the streets with your eyes down, you will find it impossible to avoid some form of publicity, even if it's only a trade display at a local store, uninvited handbills pushed through the letter box or cards displayed in the window of the corner newsagent.

So, advertising as a business force is not a new tool, although it has seen its greatest development during the past few years in Nigeria.

Almost since the beginning, men have used some form of advertising. Early in history, advertisements were cut in stones andplaced in strategic locations, so that people could see them. The town crier was an advertising man who broadcast his advertising copy by walking up and down the street

shouting information about the wares of his employer.

Modern advertising activities first started in United States of America around the middle of the ninteen (19) century by one Volney B. Palmers, whose noble ideas gave rise and nurtured the advertising world of today. This 'agency man', as he described himself, represented publisher rather than advertisers because there were no other mass media other than newspapers. Palmers, at various times referred to his business as "Newspaper Agency", and at other times a "Business Agency". This uncertainty at the beginning and the magnitude of business denied him of a proper sense of direction, and the exact scope the business covers. This led him to attempt to categorise each business he did as a separate agency. It was not until 1842 that he combined all his 'businesses' into one and called the entire business an "Advertising Agency". Bruce Wesley commenting on the creativeness and ingenuity of V. B. Palmers with respect to how he dominated the business said that: ",.. you have only to step into his (Palmer's) with the notice you wish giving to all the people of the United States and it is done".[18]

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18. WESLEY, Bruce H. - "The Nations First Advertising Agency Man", Journalism Monographs, No.42, May, 1976. P. 12.

The functions of Palmer's Advertising Agency ranged from assisting with budget planning, evaluating and selecting media, to preparing advertisements, writing advertisement copies, delivering, checking and billing which incidentally are the fundamental functions of the advertising agencies of today.

Since then, the practice of modern advertising has continued on an improving basis to date. This has led the American committee on definitions to define advertising as "any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor. It involves the use of such media as the followings: Magazine and newspaper space; Motion pictures; Outdoor (posters, signs, skywriting, etc); Direct mail and store signs; Novelties (claendars, blotters, etc); Radio; Television; Cards (Cars, bus, etc); Catalogues; Directories and references; Programmes and Memos circulars".[19] In a sense, advertising is the 'official art' of both advanced industrial nations of both the western and eastern nations and the developing countries. It fills our newspapers andis plastered all over the urban environment. It is a highly organized institution, involving many artists, writers and film directors, and compriges a large proportion of the out put

19. "Report of the Definitions Committee", Journal of Marketing, Vol. xiii No. 2.

of the mass media. This is so because "advertisers want us to buy things, use them, throw them away and buy remplaments in a cycle of continuous and conspicuous consumption".[20]

In its simplest sense, however, the word 'advertising' means "drawing attention to something", or notifying or informing somebody of something. One can advertise, therefore, by word of mouth, quite informally and locally, and without incurring great expense. But if one wants to inform a large number of people about something, he/she might need to advertise in the more familiar sense of the word, by public announcement using newspapers, radio, television, etc.

It could, therefore, be rightly observed that advertising has been closely related to the long trend of rising standards of living world over. For example, for products enjoying expansible markets "it (advertising) has brought about both the economies of large scale manufacture and of mass communiation".[21]

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20. DYER, Gillian - "Advertising as Communication Library of Congress Cataloging in Publication Data, 1982, p. 1.

21. DIRKSEN et al - Advertising Principles, Problems and Cases, 5th Edition. Richard D. Irwin Inc., 1977.

As a result, advertising has become such an important part of distribution that some authors believe that advertising, rather than personal selling, will dominate marketing in the future. Robert E. Kenyon, (Jr.), in a talk entitled, "Advertising and the Marketing Concept" delivered at a Boston Conference on Distribution, stated it thus: "Indeed, in this present day economy of tremendous production potential, high earnings and varied desires or wants, advertising must dominate marketing".[22] The reason given for such assertion (if apply to Nigeria would be to some extent true) is that our production capacity is so great that prosperity could be hamstrung if people do not continue to buy and consume, buy and consume. Personal selling is not adequate to this task. Customers must be created in as great a quantity as products are mass produced. Advertising is the mechanized process by which prospects are created for countless products, converted into customers and kept as steady customers.

Therefore, it is only the very brave or the very ignorant can say exactly what advertising does in the market place. However, it is fairly

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22. Dirksen et al - Ibid.

clear what advertising is supposed to do. In ultimate terms, advertising is undertaken to increase company sales and/or profit over what otherwise would be. By and large, advertising is rarely able to create sales itself. Whether the customer buys also depends upon the product, price, packaging, personal selling, services, financing and other aspects of the marketing process.

More specifically, advertising is to enhance potential buyers' responses to the organization and its earnings. It seeks to do this by providing information, by channelizing desires, and by supplying reasons for preferring a particular organization's offer. Viewing advertising in this direction, Sandage and Fryburger (1975) said that "the suppliers competing for consumer favour use advertising to influence those decisions by informing consumers that a given product exists, that it is available at certain retail outlets, that it is priced at a certain amount, and that it offers certain want satisfying qualities."[23] Interpreted in another way, customer's decision to buy this item instead of that in effect is

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23. SANDAGE & FRY-BURGER: Advertising Theory & Practice. Richard D. Irwin, Inc. 9th Edition, 1975.

telling the economic system to make more of this and less of that.

People who defend advertising say that it is economically necessary and has brought many benefits to society. It contributes to society's well-being and raises people's standard of living by encouraging the sales of mass produced goods, thus stimulating production and creating employment and prosperity. "Those who would do away with advertising are accused of trying to deny cheaper goods and services to majority, and of being puritanical, elitist and economically shortsighted".[24]

On the other hand, those who criticise advertising in its current form argue that advertisements create false wants and encourage the production and consumption of things that are incompatible with the fulfilment of genuine and urgent human needs. Advertising, it is claimed, is an irrational system which appeals to our emotions and to anti-social feelings which have nothing to do with the goods or offer. Advertisements usually suggest that private acquisition is the

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24. DYER, Gillian - Ibid.

only avenue to social success and happiness - they define private acquisition and competitiveness as a primary goal of life, at the expense of less tangible rewards like better health care and social services. Hence, the consumer economy is said to divert funds from socially useful and human needs and make us greedy, materialistic and wasteful.

Indeed, it is perfectly true to say that consumer goods have brought comfort and pleasure to a large number of people and have alleviated want and hardship. The researcher would not wish to argue that this is normally bad. In a complex society such as our own, consumer goods are necessary and important and on the whole have been a welcome development of the modern world. But along with commodities we need information about them: about their price, function, durability, quality, etc.

1.B: SALES PROMOTION

Production needs mass distribution if we are to maintain and enhance the standard of living. Mass distribution needs sales promotion techniques that are adequate to task. Advertising is especially geared to meet the objectives of

mass marketing. In fact, advertising is to marketing what the machine is to manufacturing, and this is so because "sales promotion starts, gets underway, carries on, and follows through where mass advertising stops".[25]

But in the past, sales promotion was considered to be short-term, tactical, ad hoc, schematic not thematic. Today, it has been recognised that this is not necessarily so. Most of the products and services that were promoted have broadly the same problems and opportunities today as they had, say five years ago and will have five years from now - the colours may change but shape remains the same. Therefore, there is good sense in looking at the validity of running a strategic programme, united by a creative plat-form or a single idea, where each promotion builds on the last and creates a launching pad for the next.

Sales promotion, therefore,is different from advertising in that it doesn't involve the use of mass media. It is normally a means of encouraging the immediate sale of goods. Some "sales promotions are expected to have long-run effects, such as

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25. KIRKPATRICK,C.A. - Advertising: Mass Communication in Marketing. 2nd Edition, Houghton Mifflin Coy. Boston, 1959.

improving the performance of sales-people or keeping customers loyal to the store".[26] That is to say that "it is the function in marketing of providing inducement to buy, offered for a limited period only, at the time and place the purchasing decision is made, which are supplementary to a product's normal value".[27]

Despite this, before deciding whether to use any type of promotion, and what specific type to use, the promoter must first decide what he expects his promotion to accomplish. This expected accomplishment is then evaluated against the cost of the promotion. This means that "sales promotion means special offer", Special in the sense that they are specific in time or place; offers in the sense that they are direct proportions to the acceptance of which forms part of a deal. It should be noted here that below the line activity is only part of sales promotion. Apart from being used in connection with an advertising agency's accounting system, the phrase has no real functional purpose.

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26. JACOBS, Lawrence W. - Advertising and Promotion for Retailing: text and Cases. Scott, Foreman & Co., London. P. 186.

27. SPILLARD et al - Sales Promotion: its place in Marketing Strategy, 2nd Edition, 1975.

The rationale of sales promotion is unashamedly "pavlovian". It provides the direct stimulus to produce a desired response by customers. It clearly has nothing to do with product strategy, with distribution policy or with long term pricing considerations. These it has to learn to live with; and it can even help to solve some of their problems.

However, we can equally say that sales promotion is the catchall for various promotools that are not formerly classfiable as advertising, personal selling or publicity. These tools may be subclassified into items for consumer promotion (for exampe, samples, coupons, money-refund offers, prices-off, premiums, contests, trading stamps, demonstrations); trade promotion (for example, buying allowances, free goods merchandise allowances, cooperate advertising, push money, dealer sales contests); and sales force promotion (for example, bonuses, contests, sales rallies).

Althouth sales promotion tools are a motley collection, they have two distinctive qualities;[28]

(a) Insistent presence: Sales promotion tools have an attention-getting, sometimes urgent, quality that can break through

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28. [illegible], Philip - Marketing Management - Ibid.

habits of buyer inertia towards a particular product. They tell the buyers of a chance they won't have again to get something special. This appeals to a broad spectrum of buyers, although particularly to the economy minded, with the disadvantage that this type of buyer tends to be less loyal to any particular brand in the long run. Both North Brewery Limited, Kano and International Beer and Beverages Industries Limited, Kaduna engage on extensive periodical sales promotion of their products.

(b) Product demeaning: Some of these tools suggest that the seller is anxious for the sale. If they are used too frequently or carelessly, they may lead buyers to wonder whether the brand is desirable or reasonably priced (in the developed economies, but in Nigeria, the consumer won't mind if the breweries organize sales promotion every week, if not every day, where beer is served free).

Sales promotion is presented, therefore, as a coordinating function. It is the "how" of dis-

tribution. Advertising becomes effective through the application of imaginative sales promotion techniques. This means that "sales promotion include the coordination of advertising, personal selling, customer services, product design, packaging, research, public relations, and all other activities necessary to achieve profitable distribution of goods and services".[29] As a result, it is equally right to say that sales promotion offers a choice of techniques ranging in their cost from several millions of naira down to zero.

The scale of sales promotion activity, and the dynamically chaotic conditions in which it has grown mean that size has often overwhelmed control, especially when we look at the vast sums pored out into price-cutting.

The overwhelming discipline in sales promotion is accuracy; and one should only seek to employ creativity when it is accurate to do so. If a "5k off" promotion is the most accurate solution to a brief, then one has to have the self discipline to do a "5k off" promotion. Added to the reason for finding creative approach

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29. CAMPBELL and ROMAN: Marketing, Sales Promotion and Advertising. 7th Edition, South-western Publishing Co., 1965.

are the followings:

(i) achieving your objectives with the greatest economy of resouces,

(ii) protecting the long-term viability of a company and its brands,

(iii) being distinctive in the market place, and

(iv) communicating something about your brand or service using the chance to involve customers closely with a brand.

It is the right of sales promotion, of course, to construct whatever programmes it deems best. Included in sales promotion, therefore, are provision of credit and other services in order to make a sale; the offering of trade-in-terms; the obtaining of orders on long term contract; and many more.

According to Dunn (1969), "Sales promotion is a much-abused term but has usually come to denote activities that supplement advertising and personal selling. The most common of these are premiums, contests, couponing and cross couponing, special price offers, consumer incentives, point-of-purchase displays, and special deals of all kinds."[30]

30. Dunn, S. Watson - Advertising: its Role in Modern Marketing. 2nd Edition, Holt, Rinehart and Winston, Inc., New York. 1969.

All these gambits are just as much sales promotions as the use of special short-term price offers on a tin of instant coffee. This has made Prentice et al (1975) to suggest that sales promotion tools can be divided into two groups, those that are "consumer franchise building" and those that are not.[31] The former impart a selling message along with the deal, as in the instances of free samples, coupons when they include a selling message, and premiums when they are related to the product. Sales promotion tools that are consumer building include price-off packs, consumer premiums not related to a product, contests and sweepstakes, consumer refund offers, and trade allowances. Manufacturers are urged to use consumer franchise-building sales promotion whenever possible because they enlarge the consumers' understanding of the brand.

1.C: PERSONAL SELLING

Despite the importance of advertising and sales promotion in disseminating information and stimulating interest in products and services, there are many circumstances where personal contact is necessary to effect a sale. Of neces-

31. ROGGER A. Strange, ROBERT M. Prentice and ALDEN G. Clayton, The Relationship between Advertising and Promotion in Brand Strategy(Cambridge,Mass: Marketing Science Institute, 1975).

city most advertising is generalized, and so cannot answer all the consumer's information needs; it cannot elaborate upon specific points perceived as significant by the individual, nor can it resolve doubts as to suitability in a particular context. Further, there can be no guarantee that the potential user's media habits will expose him to advertisements for a given product, or that if he does see the advertisment he will perceive it as relevant.

Therefore, "personal selling is to provide the specific imputs which advertising, or non-personal selling cannot offer at the individual level".[32] Also, it should be remembered that advertising and personal selling are complementary activities, and that their relative importance vary depending upon the nature of the product and the buying behaviour associated with it. As such, the importance of allowing for the behavioural dimensions of perception is implicit in the different promotional strategies adopted by firms selling near-perfect substitutes in the economic sense, vis-as-vis the Beer industry in Nigeria. This not-with-standing, there are no hard-and-fast rules which dictate the adoption of a given promotional

32. BAKER, Michae J.: Marketing: an introductory text 3rd Edition. Macmillan Press Ltd., London.1980.

strategy for a product.

Philip Kotler (1980) writing on personal selling as a promotool said that "personal selling can be used for many purposes, such as creating product awareness, arousing interest, developing product preference, negotiating prices and other terms, closing a sale and providing posttransactional reinforcement".[33] As it can be used for many purposes, it equally takes several forms, such as sales calls by a field representative (field selling), assistance by a salesclerk (retail selling), and a golf invitation from one company president to another (executive selling). Fundamentally, therefore, the firm's ability to achieve its stated aims is the need to earn profits, so that the adoption of policies, and the strategies by which they will be implemented, will revolve largely around cost/revenue considerations.

In absolute terms personal selling is the most expensive method whereby the producer can establish contact with potential consumers.

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33. KOTLER, Philip: Marketing Management. Ibid

Relatively, however, it is often the least expensive method owing to the higher conversion factor achieved by direct selling vis-a-vis the use of middlemen or other promotional efforts. That is why the Nigerian Beer industry as a whole has been capitalizing on the use of middlemen and other promotional efforts.

Spillard et al (1975) in their book "Sales Promotion: its place in marketing strategy" have this to say about Personal selling: "personal selling is the skill, and sales management is the organization of that skill, by which a potential buyer is so convinced by another person's argument and methods of persuasion that he decides to buy".[34] Therefore, personal selling is nothing more than advocacy of a products value, of the company that sells that product and of the individual who is presenting the case. The essence of personal selling is person-to-person contact, and that is why the weapons the salesmen fight with include sales promotional weapons, and it is often them which finally clinch a deal.

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34. Spillard, et al: Sales Promotion: its place in Marketing: 2nd Edition, 1975.

Stressing the importance of Personal selling, Bursk and Hutchison (1971) said that "many firms and particularly firms selling industrial products or selling consumer goods through distributors, the central role has been and will continue to be played by personal selling".[35] As such, each company management must determine how significant personal selling will vary from firm to firm according to product, company size, age, and financial resources, as well as price policies. However, it is worth noting that the personal selling formula most productive for a company would be based on a larger total sales organization made up of lower paid individuals.

As personal selling involves individuals, face-to-face contact with buyers, two-way communication between buyers and sellers is essential for many products. And this is necessary since ideas flow directly from the buyer to a company representatives, the responses of the buyer can be used immediately to modify promotion strategy.

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35. Bursk and Hutchison - Salesmanship and Sales Force Management, Harvard University Press, Cambridge, 1971.

Selling, then is a major form of marketing communication and an important method of non-price competition. One study found that personal selling was considered the most important element of marketing communication in all product markets researched (See table 2.1). However, the role of personal selling in the marketing mix varies with the resources of the company, with the dimensions of the market, with the needs of the product, and with the time period involved. Personal selling will dominate if the company has inadequate funds to carry on an effective advertising programme. Also, if the market is concentrated in a particular geographical region, selling will be more efficient promotional technique.

For many goods and services, "Personal selling is required to establish rapport with customers and to creat confidence in the product."[36] For example, personal selling is more vital to the sale of life insurance or computers than to the sale of toothpaste or razor blades. Personal selling dominates if the product has a relatively high price, is

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36. Kurtz et al - Sales Management (General Learning, Corporation, 1974).

purchased infrequently, requires demonstration, or must be adapted to a customer's individual needs.

Considering personal selling as a winning-all promotool, Kotler (1980) advanced certain distinctive qualities[37] inherent in it. These are:

(i) Personal confrontation - Personal selling involves an alive, immediate, and interactive relationship between two or more persons. Each party is able to observe at close hand the characteristics and needs of the other and make immediate adjustments. Each party has the potentiality to help or hurt the other by showing interest or lack of it, and this can make the encounter stressful.

(ii) Cultivation - Personal selling permits all kinds of relationships to spring up, ranging from a matter-of-fact selling relationship to a deep personal friendship. In most cases,

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37. Kotler - Marketing Management - Ibid.

the sales representative must use art to woo the buyer. The sales representative at times will be tempted to put on pressure or to dissemble to get an order, but normally will keep the customer's long-term interest at heart.

(iii) Response - Personal selling, in contrast with advertising, makes the buyer feel under some obligation for having listened to the sales talk or using up the sales representative's time. The buyer has a greater need to attend and respond, even if the response is a polite "thank you".

1.D: PUBLICITY

Publicity is a unique form of marketing communication in that it is information about the company and its product(s) that is conveyed by the mass media as part of their editorial content. It is distinguished from advertising by the fact that it is not paid for. Therefore, Spillard et al, (1975) said that "publicity refers to the non-paid mention of a company, a product, or a service by communication media such as newspapers, magazines, radio, or television".[38]

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38. Spillard et al - Ibid.

Such references are made when the media personnel believes the item to be newsworthy. If a company is benefited as a result of the publicity, it is the company's good fortune.

Companies may use several tactics and strategies to build an image and a reputation for competence and trustworthiness. Publicity often have the objectives of building a generalized reputation for excellence. This campaign frequently stresses the company research activities. Another strategy is to stress the successful use of the company's product(s) or service(s) by customers who themselves have high credibility and prestige. For example, the advertisement of the Nigerian Airways by using three eminent Nigerians - Dr. Abel Ubekwu, Managing Director, Guinness Nigeria Limited; Chief M.O.K. Abiola, Chairman, Concord Group of Companies; and Alh. Shehu Musa, former Secretary to the Govt., under Shehu Shagari regime. These kinds of testimonial can be especially convincing because it is assumed that the customers would not allow their names to be used unless they were completely satisfied with the product and/or service.

Publicity has the major advantage of greater credibility because the source is

perceived to be the medium carrying the message rather than the company selling the product or service. A news broadcaster or a newspaper column editor is a more credible communicator than a salesman or a public relations official. The advantages of credibility are much more important in the use of publicity than the fact that the media carry the message for no charge.

It makes a concerted and carefully planned effort to provide the press with information about the company, its products, and its activities which is newsworthy. Because the media are in the business of informing their audiences, they demand that materials used as the basis for publicity should have inherent news value and be of interest to their audiences.

Publicity materials are always presented to the media with understanding that they will be edited and adjusted to fit the needs of the audience and not to conform strictly to the wishes of the company. Thus, "there is some risk involved in the use of publicity in that the company losses control over the communication".[39] Virtually all of the mass media are candidates

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39. WEBSTER, Frederick E. - Marketing Communication: Modern Promotional Strategy. The Ronald Press Company. New York.

for use in publicity programme.

To obtain favourable publicity, the communication strategist must know the requirements for being effective. He must understand both the audience he wants to reach and the persons and procedures influencing the use of publicity. Personal contact with the media may be especially important. The production and editorial requirements of the media must be thoroughly understood so that the information base for the publicity is made available to the right people, in the right form, at the right time.

However, publicity is not synonymous with public relations and it is not the same as promotion in general. The term publicity is perceived for that set of marketing communication activities that includes the use of the mass media without charges. Therefore in distinguishing publicity from public relation, Webster defined public relations as "the activities of a corporation, union, government, or other organization in building and maintaining sound and productive relations with special publics such as customers, employees, or stock-hloders and with the public at large, so as to adapt itself to its environment

and interpret itself to society".[40] This is a general definition that emphasises that customers are only one of the several publics that the public relations programme is designed to influence. So many prefer a definition which emphasizes the social responsibility aspect of public relations, such as "the management functions which evaluates public attitudes, identifies the policies and precedures of an individual or an organization with the public interest, and executes a programme of action to earn public understanding and acceptance".[41] Furthermore, experts in pulic relations stress that the actual communications that result from the public relations programme are only visible result of a programme that goes much deeper.

1.E: THE IMPORTANCE OF THE ELEMENTS OF PROMOTOOLS

Marketing research centres have tried on various situations to find out the relative importance of promotional variables in promotion in particular and marketing in general. There has not been uniformity in the various findings.

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40. "Industrial Advertisments in 1968 - Year of the Conglomerate", Marketing Insights, April 7, 1969. Adopted by Webster - Ibid.

41. Bertrand R. Canfield - Public Relations. 5th Ed. Homewood, Ill, Richard D. Irwin, Inc. 1968.

A typical example is the one in which firms were asked to rate the relative importance of each of the four main promotional tools, namely: Advertising, Sales Promotion, Personal Selling and Publicity with other product features inclusive. These firms were also instructed to use a hundred (100) percent scale rating method. The data collected were based on the average points allocations of 336 industrial, 52 consumer durable, and 88 consumer non-durable goods producers. Nine responses were excluded because of point allocations which did not equal 100. The results obtained were as follows in the table below*:

Table 2.1

Sales efforts Activity	Producers of Industrial Goods	Consumer Durables	Consumer Non-durables
Personal Selling	69.2	47.6	38.1
Advertising	13.4	26.8	35.7
Sales Promotion	9.6	15.5	15.5
Publicity, Branding, Packaging, etc.	7.8	10.1	10.7
Total	100.0	100.0	100.0

* SOU CE: Jon G. Udell, Successful Marketing Strategies in American Marketing (Madison, Wis,: Mimir Publications, Inc. 1972). p. 47. Adopted from Dunn et al - Ibid. p. 7.

However, it should be noted that the difference in results have not been uniform in all the researches as a result of resources of the companies, dimension of markets, needs of the products, time period involved, the needs of the companies, etc.

2.2 POSITIVE AND NEGATIVE ASPECTS OF PROMOTION

As one of the marketing mix elements, promotion has certain positive and negative aspects that the manufacturer or seller must understand if it is to be carried out successfully. Often than not, promotion has to be combined with the other marketing mix elements - Product, Price and Place (distribution) - if the manufacturer is willing to take advantage of its strengths or over its weaknesses.

However, one can easily arrive at wrong conclusions if one evaluates all types of promotions together. This is because most of promotions' effects, for example, the effects of advertising on prices and output, can go in either direction, and in fact opposite effects may be found in different sectors of the economy.

The many different kinds of promotions have many different kinds of economic, social and moral

effects. These have made writers who have tried to deal with promotion as a single institution to miss "joining" the issues. If we consider it as an eye to making decision than for beer parlour entertainment, then this requires more detailed considerations of the various types of promotions. And indeed, "judges and lawyers who have had to make social decisions about advertising (promotion) have been the exception. They have taken care to distinguish exactly what types of promotion they talked about and which features of promotion concerned them".[42]

As in most other institutions in a democratic society like Nigeria, the evils to be attacked in promotion are direct and obvious. But its benefits are indirect and diffuse and cannot be understood with cautious discussion.

That notwithstanding, therefore, the positive effects that have been claimed for some or all promotions include:

(i) Lower prices - the degree to which a company may be able to control the market through such factors as product differentiation, brand name, company

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42. SIMON, Julian L. - The Management of Advertising. Prentice-Hall, Inc., 1971.

prestige, distribution economies, production economies and advertising appeals, and other methods of this type will vary from industry to industry. It appears, therefore, that conveying information through mass media to a large number of potential buyers leads to a relatively greater sales volume, with ensuring lower units costs and, through competitive pressure among advertisers, lower unit prices.

(ii) Provision of information for efficient consumer choice and for efficient business operations.

(iii) Supporting communication media. The media houses carry out series and various types of services for both manufacturing and distributive trades. These services rendered on their behalf are paid for. Hence, the sustenance of these communication media.

(iv) Dispersion of economic power by aiding aggressive competitors.

(v) Increases in the consumption rate of goods with consequent benefit to the economy. Advertising gives businessmen fast access to market for introduction of new products.

If necessary, millions of people can be exposed within a very short time to advertisements introducing a new product. The rapid exposure of markets to advertising messages encourages expansion of production which is necessary for the continued development and prosperity of our nation.

(vi) Increases in enjoyment of life by increasing people's wants.

(vii) Substitution for coercion as a method of social control, and hence supports pluralistic society.

(viii) Others.

The followings are the negative effect that have been attributed to some or all promotions:[43]

(i) Raises prices

(ii) Obfuscate consumer choice by misinforming.

(iii) Concentrates economic power in a few hands by reducing competition.

(iv) Wastes economic resources.

(v) Accentuates the business cycle.

(vi) Induces harmful or foolish purchases.

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43. SIMON, Julian L. - Ibid.

(vii) Offends taste.

(viii) Corrupts character and warps personal values.

(ix) Tells lies, makes false promises and in general cheats.

These positive and negative aspects show that different theories and speculations suggest that promotion may affect the well-being of society - all of us consumers - either positively or negatively. Advertisers should be awared and be familiar with such conflicting claims and theories, for it is this lack of knowledge that makes it difficult to formulate national laws; regulations and court decisions bearing on the performance of the entire promotional institution and on decisions of promotion managers.

On the other hand, it is assumed (and it is certain) that consumers are unorganized, ill-informed, even without purpose or direction, and perhaps unable to decide what is good or bad. Therefore, the consumer not only needs protection from ills which he cannot determine or foresee, but also that he needs guidance in getting his money's worth. Implicit in this 'lo, the poor consumer' train of thought is the feeling the

consumer is victimized by advertising and promotion and is, therefore, cajoled into buying more than he needs, into buying goods that merely pander to his whims, and into buying merchandize that is poor in quality and is in poor taste.

2.3 ECONOMIC AND SOCIAL EFFECTS OF PROMOTION

There is no doubt that, at the micro-managerial level, it is usually difficult to disentangle whether the advertising Naira spent on a firm has in fact contributed not only to revenues but to profits and returns as well. This is so because many other decisions by a firm, such as pricing, selection of dealers, packaging and so on, as well as decision by competitors, also affect a firm's revenues, profits and returns.

A firm's advertising is only one of psychological and social factors governing the buying behaviour of consumers and organization alike. Despite this, some promotional campaigns produce results; others barely pay for their own costs; still others are not successful at all.

A large number of emperial studies of whether advertising is casually related to

profit, returns, concentration, monopoly power, and the like at the macro level have undoubtedly utilized data and neglected to account for differences in the behavioural characteristics of organizational decision making.

At the macro-level, it will not be easy to ascertain whether advertising is some how casually related to economic phenomena such as Gross National Product (GNP), Disposable Income (DI) or Personal Consumption Expenditure (PCE). But in studying the relationshp of advertising to Gross National Product, Charles Yang concluded that a rise of 1% in advertising expenditures over the rate of increase in G.N.P. could produce an increase in consumption of 1/10 of 1%. The effect of this increase in consumption would stimulate investment and income to the point where each additional naira invested in advertising could generate ₦16.00 of additional income.[44]

However, it should be noted that as an economy comes out of a recession, buyers and sellers regain confidence. Consumers, firms and other organizations begin to make buying

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44. YANG, Charles, "One dollar in advertisement Generates Sixteen dollars in Income", Advertising age. (Dec. 29,1965). Vol. 1, p. 59.

plans and implement them. Similarly, sellers begin to increase their production runs in hopes that buyers will start placing orders. As the tempo increases, the need to send as well as to acquire information via all available channels, including mass media, naturally becomes greater.

But Nicosia (1976) has shown that "advertising expenditures tend to lag behind changes in G.N.P., DI, and PCE during economic recoveries and that, during periods of prosperity, changes in the company and advertising occur almost simultaneously".[45]

Other studies tend to observe similar trends and support the thesis of the American Association of Advertising Agencies that "advertising can help an economy to recover faster from a recession".

Dirksen et al (1977), therefore, concluded that "it is simple to realize that although the advertising institution may have an effect on the economy, the economy itself may have an effect on the advertising institution".[46]

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45. Nicosia, Advertising, Management and Society. (1976) Chapter 11.

46. Dirksen et al - Advertising Principles, Problems and Cases. 5th Edition, 1977. Richard D. Irwin, Inc. Homewood.

2.4 REFLECTION ON SIMILAR STUDIES

With Nigerian present economic situations, it appears as there is an increasing doubt as regards what promotion can achieve for both manufacturers and those in distributive trade. The quest to explore this area of business knowledge is causing an increasing effort among marketing researchers to study theoritically the impact of promotion on individual consumer behaviour and organizations.

Such studies are necessary for an advertiser to be able to know what he/she is getting for the money he/she invests in promotion. An American advertiser has been reported by Rosser Reeves to have called advertising "one of the mysteries of business", because he claimed that there were times he spent an upward of eighteen million per year without having an idea of "what he is getting for his money".[47]

The above ascertion seems to have summarised the problem facing the advertising industry today world over. Advertisers spend more on advertising and promotion "without knowing what they are getting for their money". Between 1977 and 1978,

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47. WA, Gerald - "Consideration in Setting Advertising Budgets", Advertising 56 (Summer 1978) p. 34.

the growth rate of advertising expenditure in the United Kingdon was estimated at 7.1%. The situation is not better in Nigeria. However, as a developing county with vast array of expansion in business activity the need for advertising is evidenced from the alarming number of advertisements that appear in the newspapers, magazines, radio and television.

Arthur Lewis [48] classified the United States of America as having reached the "age of high mass consumption" which he developed in his model of growth to mean the most advanced form of economic growth attainable. The existence of such a stage means that mass consumption must be preceeded by the age of mass promotion if ever the mass produced goods and services would reach the ultimate consumers. Studies by Ackoff and Emshoff as reported by Daniel Starch [49] point to the fact that advertisers are often very reluctant to reduce advertising expenditure. Then, there must definitely be some benefits that these advertisers derive by advertising.

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48. Arthur Lewis - "Stages of Economic Growth". G.B. Cambridge University Press 1960. 2nd Edition. p. 75.

49. Daniel Starch - "Fifty Years of Consumer Psychology". The American Psychological Association, Chicago, Illinois, Sept., 7, 1965.

The question should rather be, what benefits do the promoters derive which they are unaware of?

The desire to find an acceptable solution to this question led to studies in all aspects of promotion. Studies in advertising like many areas of marketing grew out of psychology. Daniel Starch (1966) said that "consumer psychology looks at the problems from the point view of the individual consumer while the marketing psychology looks at the same problem from the point of view of the marketer to meet the needs and desires of consumers".[50] But the problem confronting the consumer is the same with that of an advertising researcher - the problem of finding the effect of advertising.

Hence, there has been a proliferation of studies inclined towards consumer behaviour, that is studies to measure the effects of advertising on the pattern of consumer's purchases.

One of these studies is that carried out by the U.S. Department of Agriculture (U.S.D.A) Daniel Starch reported that the method of the study was described as the "Quasi-direct" approach

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50. STARCH, Daniel - "Measuring Advertising Effectiveness and Results". New York, McGraw-Hill (1966) p. 158.

to study the "effect of advertising on lamb". The design of the experiment consisted of controlled amounts of promotion in six cities. The tests were conducted in three six-week period between September 6th, 1960 and February 11th, 1961 with a gap over the holiday period. The promotion was carried out in rotation. There were two forms - the regular advertising by the American lamb council, and the additional promotion by the cooperative retailers. Arrangements were made with seventy-eight super-markets in the six cities to measure the sales of lamb by customary store inventory methods. The experiment showed that regular promotional programme increase sales about 10% over "no-promotion". Secondly, the retailer cooperative promotion increased sales by an additional 15%.

Another study by the U.S Department of Agriculture (U.S.D.A) designed to measure the effects of a special promotional programme on the sale of apples also showed that sales increased by about 15%. These experiments were designed and came close to being direct measurements of the net effects of advertising. They are, however, not fully direct in the sense that they do not indicate which people and how many of them bought

the various products. These informations are desirable in relating cause and effect more closely. These studies were nevertheless important contributions to the study of the effects of promotions on consumer purchases.

Furthermore, Frank Meissner [51] argued that the whole purpose of promotion is to persuade consumers to buy more of a product at the same price or pay higher prices for the same quantity or to do a little of each. He recognizes straight away that the difficult involved in measuring promotion's contribution to sales by saying that "conceptually, the measurement of advertising impact appears to be a straight forward task. However, in reality it is quite a difficult job because advertising is only one of many demand shifts among other, such as income, taste, habits, sex; religion etc". In effect, what he is saying is that there are exogeneous variables which could also explain the increase in sales of a product when promotion is employed. Such exogeneous variables he identified to include taste, price and so on. Strongly, he still believes that promotion too is an important contributory variable towards influencing consumer's purchase.

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51. MEISSNER, Frank, "Sales and Marketing of Lettuce" Journal of Advertising Research. 1.March 1961, p. 1

In addition, another study carried out by Vinod K. Verma,[52] recognises that "there is an increasing effect among marketing researchers to study theoritically the impact of advertising on individual consumer behaviour". He devised a price-theoritic approach to the specification and estimation of the sales-advertising function and hoped that the approach should be able to answer how (in a predictive sense) and why (in an explanatory sense) promotion affects consumer choices. Based on a stochastic model of consumer brand choice, Verma derived an aggregate sales-promotion function. His study represents "consumer choices by a first order Markov model" where the probability of a consumer shifting to the advertised brand, having bought anonther brand previously, is increased by advertising.[53] "The consumer", he says, "is assumed to maximise a well defined utility function that is continuous, non-decreasing and quasi-concave with second order partials. This maximization is subject to the usual constraints (that is consumer utility maximization constraints"). Under these conditions, the allocation of the consumer's total expenditure is unique. To induce a re-allocation of these expenditures,

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52. Vinod K. Verma, "A Price Theoretic Approach to the Specification and Estimation of the Sales - advertising Function", Journal of business, Chicag University Press, July 1980, p. 116.

53. Quoted by Vinod K. Verma, Ibid. p. 116.

promotion must change the consumer utility function or some of the constraints in the consumer's problem. That is to say that, promotion must alter the psychological functioning of the individual according to the model of psychodynamics which is based on theory of individual difference perspectives.

The "information role" of promotion has been emphasized by developments in economics. Stigler's[54] early study demonstrated the consumer's incentive to search for a low price when the market is characterised by a homogeneous product quality but some price variation among sellers. Given that there are costs of searching, optimal search may leave the consumer some what ignorant. Advertising that features product, price and the seller's identity is equivalent to consumer's own search for a low priced seller. Such an advertisement, he concludes, lowers the product's expected cost to the consumer and therfore provides valuable information.

It is implied in Stigler's ideas that he recognizes the impact of advertising on the sale of products but he merely offers an extension by adding that advertising also plays the "information role" which he analyses to show that it covers the

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54. Stigler, quoted by Vinod K. Verma - Ibid. p. 117.

cost of the product to the consumer by saving the consumer the time wasted in searching. The lowering of the product cost, if extended, will also mean more demand for the product, which in turn boosts the production of the product as the firm normal profits or at least break-even.

Stigler has, therefore, proved that whichever way it is looked at, promotion is a "live wire" of any organization - be it profit or non-profit organization.

Despite the fact that promotion for some products is a very important means of increasing sales for the promoter, yet, contrary to the view of some marketers, promotion doesn't always pay. But promotion can only not pay if it's geared towards increasing the sales of products whose demand is inherently inelastic, that is, whose consumption by individuals is limited by the character of the products. But beer,as a product, whose demand exceeds supply, doesn't fall within the group of products with inherent inelastic demand. That is why the research is aimed at finding out the role of promotion in the Nigerian beer industry in Nigeria.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 RESEARCH PROCEDURE

The study of demand for products could lead one to conclude that the basic trends of demand for products in a particular geographical set-up are primarily undermined by the underlying social and environmental conditions prevailing therein. However, in a modern society today like ours, there are other factors which influence the demand for certain products, among which are promotion, brand loyalty, tradition, religion etc.

Thus, Neil Borden observed that "the study of demand for a wide range of products leads to the conclusion that basic trends of demand for products are determined primarily by underlying social and environmental conditions, and that advertising by itself serves not so much to increase demand for a product as to speed up the expansion of a demand that would come from favouring conditions or to retard adverse demand trends due to unfavourable conditions" 55

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55 BORDEN, Neil H., The Economic Effects of Advertising (1942), quoted by W. Schram, Mass Communications Urbana, University of Illinoir Press (1960) P. 225

But in Nigeria today, the demand for some products for example sugar, books, agricultural products (tomatoes, green leaves, etc), beaf and professional services, etc have grown even though the products and services are little or not advertised for at all, for underlying social and environmental factors have been favourable to the expansion of their demand. Other industries for which there have been underlying conditions favourable to their demand expansion have had their demand more rapidly expanded through the use of promotion (advertising) than would have occured without such advertising, e.g. cigarattes.

On the other hand, for products for which underlying conditions caused adverse demand trends, demand has always been found to continue to contract inspite of considerable expenditures on advertising and sales promotion such as the case of cigarattes. Such products with adverse demand despite promotion include paints, services of Nigeria Airways, Puegeot Cars, etc.

It is such contrasting promotion situations that have led to the present thesis that demand for products are determined by the characterof consumers and their existing environment rather than by promotion. Therefore, it is right to say that

promotion has not much changed people's characteristics with respect to their consumption pattern. The underlying problem of this research project, therefore, is to ascertain whether promotion actually influences the demand for and consumption of beer in the Nigerian market.

3.2 SAMPLE SELECTION

The sample size that was necessary to answer the problem with the required precision and confidence was calculated based on the framework of time and cost restrictions. As a result, two hundred and sixty questionnaires were administered in each of the two state capitals, viz: Kano and Kaduna, where the two breweries chosen for the project are located, respectively. In doing this, the following criteria were considered as follows:

(1) Geographically - there are only three breweries in the "heart" of the northern region, namely: North Brewery Limited, Kano; International Beer and Beverages Industries Limited, Kaduna and International Breweries Limited, Jos. But North Brewery Limited, Kano has been in existence for quite a reasonable number of years (i.e. established in 1965) while I.B.B.I, Kaduna and International Breweries Limited, Jos are termed

to be contemporaries. Therefore, the researcher has no other choice than to opt for North Brewery Limited, Kano as an old established brewery and IBBI, Kaduna as a recent established brewery so as to make comparison easier. Also, the distance between Kaduna and Kano was considered to be relatively shorter than between Kano and Jos, hence lesser transportation cost and time involved, respectively.

(ii) Population Concentration - the two towns (Kano and Kaduna) were selected because of the high population density (concentration) that was envisaged by the researcher, which was considered to give a fair sample representation for the research.

(iii) Convenience - although the two towns are located in the same geographical region, occupied by people of various tribes and different cultural backgrounds, it was believed that Kano town was predominantly populated by the hausas while Kaduna was more populated by non-hausas. This was thought to be of importance as a base for analysing the acceptance of beer in the two cities (with such differences).

(iv) Religion/Legal - because of religion, laws have been made curtailing or banning the consumption of alcohol in certain towns in Nigeria, especially in the north. The old city of Kano, for example, is a forbidden background for buying, selling or consumption of alcohol. Those who live in this part of the town either drink liquor discreetly or go to the sabon gari to drink to their hearts' content.

In this type of environment, how do the North Brewery Limited promote its products? On the other hand, Kaduna has no such laws restricting neither the sale nor consumption of beer in any certain parts, hence IBBI, Kaduna and other beer manufacturers can easily promote their products without much constraints.

The five hundred and twenty samples were selected from the population of the two towns of Kaduna and Kano with a total population

of 4,098,306 and 5,774,842, respectively. The total of these forms 17.26% of the total population of Nigeria, which according to the 1963 census figures stood at 57,194,917.

Table 3.1

Population of Kaduna and Kano*

Representative Town	1963 Population
Kaduna	4,098,306
Kano	5,774,842
Total	9,873,148

* SOURCE: Federal Office of Statistics, National Population Commission, (1963).

The sampling units (i.e. the respondents) are some of the consumers of lager beer that were reached in the towns of Kaduna and Kano. They were selected at random.

Also, three managers in each of the breweries that perform functions relevant to the field of the research were served with the questionnaires* and verbal interview held with them in addition.

Finally, ten different hotels were visited in each of the two towns (Kaduna and Kano) where observations were made of the various brands of beer consumed. These hotels include:

Kaduna -

1. Hamdala Hotel
2. Durba Hotel
3. Hotel Tati
4. Fina White House Hotel
5. Rendevours Hotel
6. City Garden Hotel
7. Blue Lake Hotel
8. Hotel Residential
9. Queens Hotel
10. Ejila Clun

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* Appendix 2

Kano -

1. Central Hotel
2. Daula Hotel
3. Magwan Water Restaurant Hotel
4. International Hotel
5. Federal Club
6. Remco Hotel
7. Kano Residential Hotel
8. Kings Group Hotel
9. River Niger Hotel
10. Tower Hotel

During the course of the interview, those consumers who refused the interview were left out. About five (5) persons were interviewed in each of the hotels visited.

3.3 DATA COLLECTION TECHNIQUE

In trying to know the actual role of promotion in the Nigerian beer industry in Nigeria with particular reference to the North Brewery Limited, Kano and International Beer and Beverages Industries Limited, Kaduna, the researcher employed sample survey method in the data collection. As a result, a consumer opinion survey questionnaire was framed which formed the main instrument of the data collection. It was designed in such a manner that the questions were capable of eliciting the appropriate responses needed for meaningful interpretations.* Some questions were exploratorily oriented.

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* Appendix 1

That was necessary so as to help in breaking broad, vague problem statements into smaller, more precise subproblem statements, hopefully in the form of specific hypothesis, which carry clear implications for testing stated relationship.

Beside the three managers of each of the breweries that were served with the questionnaires and verbal interview held in addition, no other persons were neither served with questionnaire nor interviewed in the two breweries. This was to avoid the element of bias opinions from the many respondents. The managers included Promotion Managers, Sales/Marketing Managers and Publicity and/or Advertisement Mangers. However, the information they were prepared to release willingly contained no much details. Actual figures were not given. Most of them preferred using percentages.

In trying to reach their advertising agents, it was discovered that those of North Brewery Limited Kano are all located at Lagos, and therefore, were not reached. On the other hand, those of International Beer and Beverages Industries Limited, Kaduna are located at Kaduna and were reached.

It was discovered from them that the terms and conditions of their contracts with their respective clients forbid the disclosure of information to third parties. Hence, most of the information used in the analysis came from the few consumers of beer that were served with the questionnaire and verbal interview held in addition.

3.4 CODING AND TABULATION

Coding is the assignment of numerals to the answers of the question so that the data can be more readily analyzed, while tabulation refers to the classificiations (and cross-classifications) that results from counting the values of the observations. Thus, the following are the Coding and Tabulations obtained from the answers to the questionnaires received from the respondents.

Table 3.2

Ratio of Brand Preference:
Comparison between Kaduna And Kano

BRAND OF BEER	KADUNA		KANO		KADUNA AND KANO	
	NO.OF RESPON-DENT	% OF TOTAL	NO.OF RESPON-DENT	% OF TOTAL	NO.OF RESPON-DENT	% OF TOTAL
Kronen-bourg	86	34.4	17	6.8	103	20.6
Gulder	57	22.8	48	19.2	105	21.0
Rock	48	19.2	39	15.6	87	17.4
Double-Crown	12	4.8	76	30.4	88	17.6
Stout	9	3.6	19	7.6	28	5.6
Star	29	11.6	8	3.2	37	7.4
Kings	0	0	29	11.6	29	5.8
Any brand	9	3.6	14	5.6	23	4.6
	250	100	250	100	500	100

The table 3.2 above shows the brand of beer preference in the two towns, Kaduna and Kano, and the total brand of beer preference results obtained from the research.

However, in the choice of brand of beer, factors like price, taste, quality, availability, advertisement (promotion), etc come into being. Consumers will, certainly, be influenced by these factors differently. It is possible for some consumers to rank availability as a first criterium in the choice of brand of beer to drink, while some may choose taste or advertisement (promotion) as the first criterium. Yet, other consumers may consider quality to be the first factor, and so on.

It is the variations in the choice of factors that always lead consumers to choose a particular brand of beer as a favourite brand, that prompted the researcher to ask the respondents to rank these factors - price, tase, quality, availability and advertisement (promotion) - in the order, in which they (factors) influence their choice of brand of beer being consumed.

Therefore, when the consumers (Respondents) in both Kaduna and Kano were asked in the questionnaire to rank Price, Advertisement (promotion), Taste, Availability and Quality in the order in which they influence their choice

of brands of beer (e.g. 1, 2, 3, etc), the following results were obtained in Tables 3.3A to 3.3E as follows:

Table 3.3A: First Factor by all Respondents in the choice of Brand of Beer

FACTOR	NO OF RESPONDENTS	% OF TOTAL
Taste	264	52.8
Quality	151	30.2
Price	47	9.4
Availability	10	2.0
Advertisement-(Promotion)	28	5.6
Total	500	100

Note - The above table 3.3A shows the response rates of ranking Taste, Quality, Price, Availability and Advertisement (Promotion) by each of the respondents as the first criterium in the choice of brands of beer. Despite the fact that these factors were ranked as the first factor by the different respondents, it can be observed from the table that Taste was chosen by 52.8% of the respondents. Other factors follow

in the following order: Quality (30.2%); Price (9.4%), Advertisement/Promotion (5.6%) and Availability (2.0%), respectively.

Table 3.3B: Second Factor by all Respondents in the choice of Brand of Beer

FACTOR	NO OF RESPONDENT	% OF TOTAL
Taste	132	26.4
Quality	257	51.4
Price	18	3.6
Availability	65	13.0
Advertisement-(Promotion)	28	5.6
Total	500	100

Note - Ranking these factors - Taste, Quality, Price, Availability and Advertisement (Promotion) as a second criterium by each of the respondents, the above results in the table were obtained. It can be observed that 51.4% of the respondents ranked Quality as second to taste (table 3.3A). Each of the rest follows as a second factor in the following order Taste (26.4%), Availability (13.0%), Advertisement/Promotion (5%) and Price (3.6%) respectively.

Table 3.3C: Third Factor by all Respondents in the choice of Brand of Beer

FACTORS	NO OF RESPONDENTS	% OF TOTAL
Taste	94	18.8
Quality	58	11.6
Price	179	35.8
Availability	113	22.6
Advertisement-(Promotion)	56	11.2
Total	500	100

Note:- Taste, Quality, Price, Availability and Advertisement (Promotion) were rank by each of the respondents as third position in the choice of beer as shown in table 3.3C above. It can be observed that 35.8% of the respondents ranked Price as the third criterium influencing their choice of brand of beer consume. The others follow in the following manner: Availability (22.6%), Taste (18.8%), Quality (11.6%) and Advertisement/Promotion (11.2%).

Table 3.3D: Fourth Factor by all Respondents in the choice of Brand of Beer

FACTOR	NO OF RESPONDENTS	% OF TOTAL
Taste	11	2.2
Quality	30	6.0
Price	144	28.8
Availability	171	34.2
Advertisement-(Promotion)	144	28.8
Total	500	100

Note:- Ranking Taste, Quality, Price, Availability and Advertisement/Promotion as the fourth position by each of the respondents in the influence of the choice of the brand of beer consume, Availability had 34.2% of the total respondents ranking it as the fourth position. The other factors were followed in the following manner, thus: Price and Advertisement/Promotion in the fourth position of ranking had 28.8% of the respondents , while Quality and Taste had 6.0% and 2.2%, respectively.

Table 3.3E: Fifth Factor by all Respondents in the choice of Brand of Beer

FACTOR	NO OF RESPONDENTS	% OF TOTAL
Taste	9	1.8
Quality	9	1.8
Price	122	24.4
Availability	133	22.6
Advertisement/ (Promotion)	247	49.4
Total	500	100

Note:- Table 3.3E above shows the response rates of ranking Taste, Quality, Price, Availability and Advertisement/Promotion as the fifth position by each of the respondents. However, Availability had 49.4% of the respondents ranking it as the fifth factor that influences their choice of beer. Price had 24.4% while Avialiability had 22.6%, Taste and Quality had 1.8% of the respondents each.

Summarily, in the ranking of the factors that influence the choice of the brands of the beer being consumed by the respondents, it was observed (Tables 3.3A to 3.3E) that Taste, Quality, Price, Availability and Advertisement/Promotion were ranked in that sequence of importance (in the choice of the brands of beer being consumed

by the consumers) in both Kaduna and Kano, respectively. That is to say that, the tables 3.3A to 3.3E showed that Taste and Quality were the most popular factors followed by Price while Availability and Advertisement/Promotion trailed Price in the degree of influence.

On the possible outcome of an increase in the price of brand of beer being consumed by the respondents, the following results in table 3.4 below were obtained.

Table 3.4: Possible outcome of Price Increase on Beer

POSSIBLE OUTCOME	NO OF RESPONDENT	% OF TOTAL
Most likely to changed brand	237	47.4
Likely to change brand	50	10.0
Most likely not to change brand	182	36.4
Indifferent	31	6.2
Total	500	100

Table 3.4 above shows that many consumers (47.4%) are very sensitive to price changes and, therefore, will change their brands of beer if there is any price increase on their brands.

36.4% of the respondents are brand loyalists that would not mind any price increase on the brand of beer being consumed by them,ie. they will not change their brands of beer even if there is price increase on their brands.

On the frequency of drinking by the respondents, the following results in table 3.5 were obtained in both Kaduna and Kano.

Table 3.5: Frequency of Beer Intake

FREQUENCY	NO OF RESPONDENTS	% OF TOTAL
Everyday	188	37.6
Every week	170	34.0
Every month	123	24.6
Seasonally	19	3.8
Total	500	100

The results show that majority of beer consumers drink either everyday or every week with 37.6% and 34% of them falling within the two categories, respectively. Also, 24.6% of the respondents drink at least every month and that the remaining 3.8% of the respondents drink seasonally, e.g. during celebrations like Christmas, Salah etc.

3.5 DELIMITATIONS AND LIMITATIONS

DELIMITATIONS - The research topic "The Role of Promotion in the Nigerian Beer Industry: a case study of International Beer and Beverages Industries Limite , Kaduna and North Brewery Limited, Kano", was made a case study because of its vastness. Making it a case study was necessary because a researcher is expected to set the bounds of the topic being researched. Hence, "delimitations are not concerned with the sample size or with definitions of a finite population. They are concerned with those parts of the topic or problem that normally might be considered to be a part of such but which, because of limitations of time, physical capacity, or other reasons, the researcher cannot or does not wish to include".[56]

In this line, therefore, the researcher concentrated on trying to find out the role of promotion in the beer industry and being silence on the other three elements of the marketing mix, viz: Product, Price, and Place (Distribution). Moreover, there are about thirty two (32) brewing factories, but the researcher only concentrated on the two- IBBI, Kaduna and North Brewery Limited,

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56 OSUALA, E.C. - "Introduction to Research Methodology African - Fep Publishers Ltd, 1985. P. 27

Kano, being studied.

Therefore, the delimitations "build a fence" around the topic under study, not around the population or the sample being studied. The selection of the population or sample is part of the design of the study, and therefore, was considered as part of the research procedure (technique).

Although the delimitations are those restrictions deliberately imposed on the study by the researcher himself, other facts of the study, by the nature of the research situation itself, limited the researcher in making generalizations. These are the limitations.

LIMITATIONS - Those factors inherent in the research situation that might have affected the results in one way or the other. These include the followings (among others):

(i) Time constraint - The researcher had very limited time to conduct the research so as to meet the date line of the submission of the project.

(ii) Convenience - In trying to find a convenience figure for the coding, tabulations and analysis, purposive sampling method was used. Therefore, the tendencies for possible errors associated with the purposive sampling cannot be over ruled. There were some cases that the researcher could not verified.

(iii) The lager beer consumers who do not stay in public drinking locations were not reached with the questionnaires nor interviewed verbally. Some keep away from public drinking locations due to religious reasons, especially in Kano.

(iv) The basis of the human random sampling was biased due to the fact that only those who were assumed to be current lager consumers were included.

(v) Most of the Managers of the two breweries that were interviewed were very reluctant in revealing facts and figures relating to the promotional activities of their companies.

(vi) The figures of population used in the study were those of 1963 not those of 1987 due to lack of current figures.

(vii) Lack of enough finance. In an ideal situation, every beer consumer should have been interviewed in both Kaduna and Kano, but due to the lack of finance it wasn't possible.

(viii) The five hundred and twenty questionnaires that were distributed were not returned all to the researcher. Only the five hundred returned were used in the coding, tabulations and analysis.

CHAPTER FOUR

DATA ANALYSIS AND TEST OF HYPOTHESIS

In the preceding chapter, some relevant informations collected from the respondents were coded and tabulated.

In addition, those data (in the preceding chapter) with other informations gathered from the questionnaires, interviews and observations will be analysed in this chapter and used in the test of the hypothesis using the chi-square test.

4.1 DATA ANALYSIS

When the respondents were asked to state the brand of beer each drinks most (table 3.2), it was observed that there were different opinions obtained both in Kaduna and Kano. In Kaduna, 34.4% of the respondents preferred Kronenbourg lager beer to any other brand, while in Kano, 30.4% of the respondents would prefer Double crown lager beer. Gulder was observed to be the next most preferred brand of beer by the respondents both in Kaduna and Kano with 22.8% and 19.2% after Kronenbourg and Double crown, respectively. The third most preferred brand of beer in the two towns observed was Rock lager beer with 19.2% in Kaduna and 15.6% in Kano.

Despite the fact that Kings lager beer was not mentioned by any of the respondents in Kaduna, it was observed that 11.6% or 29 out of the two hundred and fifty respondents that answered this question in Kano, preferred it (Kings Lager beer). Star and Stout had 11% and 3.6% of the respondents preferring them in Kaduna and 3.2% and 7.6% in Kano, respectively.

While trying to dictate the effect of availability and brand of beer preferred most, most of the respondents, either in Kaduna or Kano, preferred giving other reasons than availability. In one of the Hotels visited by the researcher in Kaduna, it was learned from a respondent that most people prefer Kronenbourg because it is brewed at Kaduna. A similar response was given in respect of Double Crown and Kings Lager beer at Kano by another respondent. Therefore, besides utility derived from a product, political reasons can also influence consumers on their choice of products.

Considering the over-all ratio of brand preference (table 3.2), it showed that given that all factors are equal, consumers will prefer Gulder (21.0%) over Kronenbourg (20.6%) or Double Crown (17.6%). This appeared to indicate that

Gulder is the target brand against which either Kronenbourg or Double Crown must compete with.

On considering which of the strategies that could be used in "fighting" against the leadership of Gulder lager beer by both North Brewery Limited, Kano and IBBI, Kaduna, the researcher considered the most appropriate strategy to be promotion bearing in mind the competitive nature of beer in Nigeria. Therefore, the respondents were asked to state whether they have ever seen or heard of their brands of beer being advertised/promoted. 93.8% or 469 of the respondents answered YES. 5.6% or 28 respondents answered NO, while 0.6% or 3 respondents did not answer the question.

Furthermore, when respondents were asked to state whether their brands of beer were being promoted all year round or seasonally, it was found out that 73% or 365 of the respondends said their brands were promoted all year round. Eighty five (85) or 17% of the five hundred respondents said their brands were promoted seasonally, for example, during Christmas, Salah, or Easter. The remaining 10% or 50 respondents did not answer the question.

Moreover, when the respondents were asked whether they were all right with the slogans of Kronenbourg lager beer"... a world of pleasure" - and that of Double Crown lager beer - "Double Crown for double satisfaction"-, 94 or 18.8% of the five hundred respondents that answered the question said NO to both the slogans. Two or 2.13% of the 94 respondents that said No to both Slogans gave the same reason that the messages were not appealing, while 92 or 97.87% could not give any reason at all. On the Yes part of the question, 69.8% or 349 of the 500 respondents said that both the slogans were all right. On answering the Why part of the question, 87.1% or 304 of the respondents gave reasons varying from deriving real utility, pleasure and satisfaction on the products being promoted to making them (respondents) forget about their sorrows and having "sound" sleep. The remaining 12.9% or 45 of the 349 respondents gave no reasons. The rest of 54 or 11.4% of the five hundred respondents did not answer the question.

The researcher also asked whether each of the consumers would change his/her brand of beer in response to better messages (adverts). 36 or

7.2% of the five hundred respondents said most likely, while 42 or 8.4% were likely to change their brands of beer as a result of better messages (adverts). 83.4% or 417 of the respondents were of the view that they would not change their brands of beer in response to better messages, and the remaining 5 or 1% of the respondents did not answer the question.

Also, the respondents were asked to state what would happen if the price of their brands of beer were increased (table 3.4). Of the five hundred respondents, 47.4% or 237 were mostly likely to change their brands of beer (i.e very sensitive to price increase on beer). Those of the respondents that were said to be sensitive were 50 or 10%. The brand loyalists that would not change brands of beer as a result of price increase were 182 or 36.4%, while 31 or 6.2% were indifferent. Therefore, no matter the intensity of the promotion, either personal selling, sales promotion, publicity or advertisement, price must always be at the back of the mind of the promoter (manufacturer).

In addition, it was observed that most of the respondents earning between ₦1,000 and ₦4,000 per annum were the most sensitive on price increase

on their brands because most of them drink on the average 3 bottles everyday. Those earning between ₦4,100 and ₦6,00 per annum tend to be brand loyalists to certain degree because most of them (respondents) said that they would not change their brands if the price increase is "reasonable". Therefore, any "unreasonable" increase on the price of beer will surely make them change their brands. But most of the respondents earning ₦6,000 per annum and above answered that they would not change brand no matter the price increase (i.e brand loyalist or that income has some relationship with the consumption of beer). However, it was observed, that most of the consumers in this group hardly drink more than two bottles a day.

However, on trying to find out how the respondents would rank (the sequence of) the influence of factors like price, taste, quality, promotion/advertisement and availability onthe choice of their brands of beer, the results obtained were those tabulated in tables 3.3A to 3.3E.

Table 4.1

Response Rates of Sequential ranking of factors Influencing choice of beer brand

	Sequence of influence				
FACTORS	1	2	3	4	5
Taste	52.8	26.4	18.8	2.2	1.8
Quality	30.2	51.4	11.6	6.0	1.8
Price	9.4	3.6	35.8	28.8	24.4
Availability	2.0	13.0	22.6	34.2	22.6
Advertisement/ Promotion	5.6	5.6	11.2	28.8	49.4
Total	100	100	100	100	100

On ranking these factors, price, taste, quality, advertisement/Promotion and availability- in the sequence in which they influence the choice of brand of beer taken by the respondents (individuals), the first to fifth colums represent the sequential ranking of the factors by the respondents (table 4.1). Looking at column one, therefore, taste had 52.8% of the respondents ranking it to be the first factor that influences their choice of beer taken. 30.2% of the respondents considered quality as the first factor. Yet, others considered price (9.4% of the respondents), while advertisement/promotion and availability had 5.6% and 2% of the respondents, respectively.

Observing column two reveals that quality (51.4%) and Price (35.8%) had their response rates in that order. Then, taking columns four and five, it was observed that advertisement/ promotion (49.4%) and availability (34.25) had their percentages of response rates in that order, too. But looking at the table 4.1 critically, one would observed that the importance of these factors on each column were in the order of Taste (52.8%), quality (51.4%), advertisement/promotion (49.4%), price (35.8%) and availability (34.2%), respectively.

Asking an ethical question whether advertisement/ promotion of beer should be carried out in Nigeria, 16.8% or 84 of the 500 respondents said No. Of the 84 respondents that advocated that beer should not be advertised/promoted, 85.72% or 72 of them said that the stoppage of beer advertisement/ promotion will discourage the consumption of beer. The rest,12 or 14.28% of the respondents, could not give any reasons. On the other hand, 416 or 83.2% of the total respondents said Yes, and gave various reason why beer advertisement/promotion should be encouraged. The reasons include creating of brand a wareness, increase sale, generation of

money to government via taxes, provision of employment, eradication of belief that beer is harmful, regulation of price, revenue to media houses, etc.

4.2 TEST OF HYPOTHESES

The test of the hypothesis were statistically calculated using the chi-square as a test of association.

The quantity chi-square (represented by the symbol X^2), is a measure of the degree to which observed frequencies deviate from the corresponding expected(or theoretical or hypothetical) frequencies. In order words, chi-square measures the magnitude of the discrepancy between expectation (theory) and observation.

The advocate of the chi-square (Karl Pearson) determined the nature of the distribution of the values of X^2 that would be obtained under given conditions. Information about this distribution enables us to determine whether a given discrepancy between theory and observation may be attributed to chance or whether it is the result of the inadequacy of the theory to fit the observed facts. Hence, the importance of the chi-square test.

However, an essential feature of the chi-square test is the comparison of the frequencies actually observed with the frequencies which upon some hypothesis are expected. Hypothese are accepted or rejected on the basis of the significance of the chi-square test (X^2). A hypothesis is rejected if the calculated X^2 value is greater than the critical value and as such the X^2 values cannot be negative.

Therefore, the first hypothesis postulates that promotion of beer would create demand for and consumption of beer. The data collected from the two towns (Kaduna and Kano) relevant to the test of the hypothesis are presented as follows:

Table 4.2A

Promotion of Beer creates demand for and its Consumption

Observed Values

RESPONDENTS AT	YES	NO	TOTAL
Kaduna	67	183	250
Kano	41	209	250
Total	108	392	500

From the table 4.2A above, the observed values at Kaduna showed that 67 or 26.8% of the 250 respondents agreed that promotion of beer encourages them to consume it, while 73.2% or 183 did not agree. In the case of Kano, the values observed showed that 41 or 16.4% of the respondents agreed that promotion of beer encourages its consumption, while 209 or 83.6% did not agree.

But to be able to investigate the association between promotion and consumption of beer, there is the need to calculate the expected frequencies and then the statistic $X_c^2 = E\frac{(Qi - ei)^2}{e_i}$, where Qi are the observed values and e_i the expected values as given in the table 4.2B below:

Table 4.2B

	Expected Values		
RESPONDENTS AT	YES	NO	TOTAL
Kaduna	54	196	250
Kano	54	196	250
Total	108	392	500

Therefore, the Chi-Square =

$= E(Qi - ei)^2 = 7.98.$

The degree of freedom from the table is (m-1)9n-1) = (2-1)(2-1) = 1. Therefore , X_t^2 at 5% level of significance is $X_{.05}^2$ = 3.84.

Decision:- Comparing X_c^2 = 7.98 and $X_{.05}^2$ = 3.84, means that the hypothesis has to be rejected that promotion of beer encourages its consumption. This is so because the value of chi-square is greater than the level of significance. This test showed that there is no association between promotion and consumption of beer in the two towns- Kaduna and Kano.

The second hypothesis postulates that promotion of beer would increase sales volumes. The information gathered concerning this hypothesis are shown on the table below:

Table 4.3A

Observed Values

Respondentsat	Most likely	Likely	Most likely not	Total
Kaduna	19	21	210	250
Kano	25	16	209	250
Total	44	37	419	500

Table 4.3B

Expected Values

Respondents at	Most Likely	Likely	Most likely not	Total
Kaduna	22	18.5	209.5	250
Kano	22	18.5	209.5	250
Total	44	37	419	500

From 4.3A it was observed at Kaduna that 7.6% or 19 of the 250 respondents were very sure that promotion increases sales volume, while 8.4% or 21 respondents were only sure. The remaining 84% or 210 were not very sure that promotion increases sales volume. At Kano 10% or 25 of the 250 respondents were very sure that promotion increases sales volume, while 6.4% or 16 of them were only sure. The rest, numbering 209 or 83.6%, were not very sure that promotion increases sales volume.

However, the Chi-square = $X_c^2 = E(Qi-ei)^2$ = 1.50; degree of freedom = 2; and level of confidence at 5% = $X^2_{.05}$ = 5.99.

Decision:- Comparing $X_c^2 = 1.50$ and $X_{.05}^2 = 5.99$, means that the hypothesis has to be accepted that there is association between promotion and increase sales volume of beer as the Chi-square value is less than the value of the level of significance. Hence, promotion of beer will increase sales volume.

This showed that consumers tend to know or have it in mind that promotion will increase sales, but will not acknowledge it that promotion of beer induces them to buy the beer. Also, the marketing managers of both North Brewery Limited, Kano and IBBI, Kaduna accepted that there is always a notice of increase in sales volume of their products whenever promotion was carried out - either immediately or after some weeks or months.

The final hypothesis postulates that the greater the exposure of a particular brand by promotion, the higher the demand for and consumption of the particular brand being promoted. Therefore, the data relevant for the test of this hypothesis is presented, thus:

Table 4.4A

Observed Values

RESPONDENTS AT	YES	NO	TOTAL
Kaduna	144	106	250
Kano	128	122	250
Total	272	288	500

Table 4.4B

Expected Values

RESPONDENTS AT	YES	NO	TOTAL
Kaduna	136.	144	250
Kano	136	114	250
Total	272	228	500

From table 4.4A, it was observed at Kaduna that 144 or 57.6% of the 250 respondents were of the view that the greater the exposure of a particular brand of beer, the higher the demand for and consumption of the particular brand promoted, while the contrary was with 106 or 42.4% of them. At Kano, however, 51.2% or 128

of the respondents were of the view of the hypothesis, while the rest of them 122 or 48.8% were of the opposite view.

However, the Chi-square $= X_c^2 = \frac{E(Q_i-e_i)^2}{e_i}$ = 2.06 and degree of freedom = 1. Therefore, X_t^2 at 5% level of significance = $X_{.05}^2$ = 3.84.

Decision:- Comparing X_c^2 = 2.06 and $X_{.05}^2$ = 3.84, means that the hypothesis has to be accepted because X_c^2 is less than $X_{.05}^2$. Therefore, the hypothesis that postulates that the greater the exposure of a particular brand by promotion the higher the demand for and consumption of the particular brand promoted is accepted.

From the three hypothesis, it is right to say that consumers hardly accept the fact that promotion of beer encourages its consumption. Yet, the same consumers will say that promotion of beer will increase its sale. That is to say that consumers are aware of the promotional activities of the breweries in Nigeria but will not acknowledge the fact that promotion is a key

strategy in the sales of beer in the country. And this is depicted by the rejectance of the first hypothesis and acceptance of both the second and third hypothesis.

The manufacturers have always accepted that promotion increases sales of their products. This has made both the North Brewery Limited, Kano and IBBI, Kaduna to base their yearly promotional budgets or either percentage of sales, competitive parity, projected production or on "need". The danger is that budgets are established without first deciding on the communication objectives and then the tasks that have to be performed to accomplish those objectives and their estimated costs. Moreover, the percentage of sales method is both sales - determined as well as sales - determining, since the promotional budget determined in this way is always based on past sales figure(s). Emperical data and evidence of this study then showed that consumers are well aware of the promotional activities of breweries but will not accept the influence of promotion on their choice of brand of beer taken.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 SUMMARY

The growing demand for alcohol means that the industry has been enjoying an aviable boom while other sectors of the economy are barely surviving. This can be seen in the increased of the member of breweries from seven in 1977 to thirty two as at today. Also, the growth of the breweries over the years is matched by an equally impressive expansion of distilleries.

The four elements of the marketing mix - products, promotion, price and place (Distribution) and favourable environment must have been equally important to the growth of the industry.

With thirty two beer factories in Nigeria, the market for beer must then be a competitive one. This means that quality beer, as a matter of fact, has to be produced; good promotion strategy has to be adopted; its (beer) price has to be affordable; and that distribution channels have to be effectively and efficiently tailored toward the satisfaction of the target market.

But the role of promotion, as one of the marketing mix elements, in a competitive market of the Nigerian beer Industry has been of much concerned. On the demand side, critics have always questioned the validity and/or use of promotion in the sales of goods like beer on the ground that it adds to cost which is reflected on the final prices. And on the supply side, critics have always equally seen promotion as a means for cheapening of goods and services because the additional costs of time and resources that would have been involved (wasted) in the search effort by consumers are removed.

Taking into consideration the Nigerian society in which the consumers are getting more enlighten and with such a conflicting proposition on the goods and services being purchased; improving living standards; and changing life styles, coupled with the economic crunch, the researcher was, therefore, prompted into searching into the role of promotion in the buying behaviour of consumers of lager beer in the Nigerian market.

Promotion, as one of the marketing mix elements, has its promotools. These are Sales Promotion, Personal Selling, Advertisement and Publicity.

Promotion, therefore, was considered necessary because the theoretical and practical reason for wanting to predict consumer behaviour is that knowledge in this area has implications for broad economic policies, for company marketing decisions and social welfare theory.

Hence, the development of the three hypothesis that promotion of beer will create demand for and consumption of beer; promotion of beer will increase sales volume; and that, the greater the exposure of a particular brand by promotional activities the greater the demand for and consumption of the particular brand promoted.

Therefore, the procedure use in the data collection was sample survey method of consumers' and sellers' opinions through the use of consumer questionnaire, managerial questionnaire, and interviews and observations based on purposive, non-probability random sample. Kaduna and Kano were

the centres for the study because of geographical reasons, convenience, population concentration, time and resources saving. However, only five hundred and twenty questionnaires were administered of which the response rate was very high as a result of the purposive random sampling.

Analysing the data gathered by using the chi-square test of association, the first hypothesis was rejected while the second and third were accepted. This shows that, the promotion of lager beer is not an unnecessary exercise, because "demand varies markedly among different products"[57] by different consumers.

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57 Neil Borden - Ibid,

(iii) Furthermore, in a seller's market like Nigeria, promotion is of very little use, in that consumers would not accept its (promotion) influence in the choice of their brands of beer. However, it should be continued by the beer manufacturers so as to back the existing theory that products with positive income elasticities would be influenced by promotion and, therefore, increase sales would be expected.

(iv) In a situation where all things are equal, consumers will prefer Gulder lager beer to any beer available in Kaduna and Kano areas.

(v) Kronenbourg's position in the market as compared to other brands is encouraging in view of the fact that the beer is new. Thus, I.B.B.I. Kaduna stands a good chance of maintaining this market position and increasing its market share if sound marketing policies with due respect to the Nigerian beer industry, are developed to support its sale. Kings lager beer of North

Brewery Limited, Kano also has the same prospects.

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(vi) In terms of this market research, the major competing brands of beer in the market place in which the two breweries compete with include Gulder, Rock, Star and Stout.

(vii) Also, the defeat Kronenbourg and Kings lager beer suffered in Kano and Kaduna in the Ratio of Preference could be explained on "Marketing Effect". The other products in the lead Gulder and Double Crown have been promoted among the sample of consumers to a much greater degree than Kronenbourg.

(viii) Finally, consumers are well aware of the promotional activities of the breweries but will not accept the influecne of promotional activities in the choice of beer they consumed.

5.3 RECOMMENDATION

A study of this nature will not be successfully completed without offering some suggestions or recommendations. The followings (among others) are the recommendations considered appropriate for the beer industry in general in Nigeria.

(i) Taking into cognisance its strategic position in the manufacturing sector, its economic buoyancy, and the present general economic conditions, the federal government should, therefore, grant to the brewing industry import licences for procurement of agricultural equipment and processing plants in order that the industry may accomplish this programme (sourcing of raw materials locally) within the dead line.

(ii) Despite the fact that consumers do not readily accept the influence of promotion on the choice of brand of beer consumed, the North Brewery Limited, Kano and IBBI, Kaduna should continue promoting their products as part of their social

responsibility to their present and potential consumers.

(iii) It should be noted that for some products - especially those that are very socially visible (in-which beer is one) - there seems to be a greater influence of group norms, while for products outside this category there is a tendency for personal preference to prevail. Therefore, as an advertiser (promoter) one should not forget that these concepts are only tendencies.

(iv) Anytime one engages in communication with an individual, face-to-face or via mass media, one must keep in mind that the audience is motivated by wants, desires, and aspirations that have a strong social origin . If one wants to understand the audience and be of service to them, and if one desires to influence them with promotions, one must realise that they are social beings with varying desires.

(v) The product, brand, or service called to people's attention is not limited to things with intrinsic chemical and physical properties. Therefore, that which is offered must make sense in terms of the symbols - that is, social qualities - that consumers prefer. This is necessary because consumers are concerned with social meanings and symbols.

(vi) Finally, in preparing an advertisement, a communicator (promoter) must understand that the intended audience is made up of social beings, and that they tend to see the world, including the communicator's message, in terms of their own previous social experience.

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QUESTIONNAIRE ON "THE ROLE OF PROMOTION IN THE NIGERIAN BEER INDUSTRY"

(1) What brand of beer do you drink? _____

(2) How long have you been drinking the brand of beer named in Question one (1) above? _____

(3) How often do you drink the brand of beer named in question one (1) above?

(a) Every day

(b) Every week

(c) Every month

(d) Any other (Please state).

(4) Specify the quantity you drink in question three (3) above.

_____

(5) What is the sequence in which the followings (by ranking them, e.g. 1, 2, 3, etc) influence your choice of the brand of beer named in question one (1) above?

(a) Price

(b) Advertisement/promotion

(c) Taste

(d) Quality

(e) Availability

(f) Any other (please state).

(6) Have you ever seen or heard of your brand of beer being advertised (promoted)

(a) Yes (b) No

(7) Are the advertisements/promotions of brand of beer you drink

(a) All year round?

(b) Seasonal (e.g. during christmas, Sallah, etc)?

(c) Any other (please state)?

(8) In what type of media?

(a) Television

(b) Radio

(c) Newspapers

(d) Magazines

(e) Bill boards

(f) Personal selling

(g) Any other (please state)

(9) The common slogan for Kronenbourg lager beer goes thus:

"..... it is a world of plasure" and that of

Double Crown lager beer is:"Double crown for double satisfaction"

Do you feel/think that these messages are all right?

(a) Yes (b) No.

(10) Whichever is your answer in question nine (9) above, state why.

.....

.....

.....

(11) Would you change your brand in response to a better advert?

(a) Most likely

(b) Likely

(c) Most likely not.

(12) (a), What is the name of the brand of beer whose advertisement/ promotion you prefer most. _____

(b) Why .....

.....

.....

(13) (a) What is the name of the brand of beer whose advertisement/ promotion you dislike most?

.....

(b) Why? .....

.....

(14) Is the brand of beer you prefer always available?

(a) Yes (b) No

(15) If your answer to question (14) is No, what do you normally do in such a situation? .....

....

(16) Which one of the followings would you do if the price of your brand of beer is increased?

(a) Most likely to change the brand

(b) Would change the brand

(c) Most likely not to change the brand.

(17) Do you feel/think that the advertisement/promotion of a particular brand of beer encourages its consumption?

(a) Yes (b) No.

(18) Do you feel/think that the brands of beer being advertised/promoted frequently are being consumed more than those not frequently advertised/promoted in Nigeria?

(a) Yes (b) No

(19) Do you feel/think that beer advertisement/promotion should be undertaken in Nigeria?

(a) Yes (b) No

(20) Whichever is your answer in question nineteen (19) above, state your reason(s).

.....

.....

(21) What general complaint(s) do you have for the beer Industry regarding advertisement in Nigeria?

.....

.....

(22) Sex Male Female

(23) Age (a) between 25 - 30 (b) between 31 - 35

(c) between 36 - 40, (d) 40 and above.

(24) Marital Status:

(a) Married, (b) Single (c) Divorced/Widowed.

(25) Number of Children and depedents

(a) 0 - 5

(b) 5 - 10

(c) 10 and above.

(26) Salary per annum:

(a) between 1000 - 2,000

(b) 2,100 - 4,000

(c) 4,100 - 6,000

(d) 6000 and above.

QUESTIONNAIRE ON "THE ROLE OF PROMOTION IN THE NIGERIAN BEER INDUSTRY"

1.. What are the media used for your promotion?=

Radio

Television

Newspapers (daily)

Magazines

All of the above.

2. What determines the choice of the media used for your promotion?

....

.....

3. How do you measure the effectiveness of the media used?

.....

.....

4. What kind of appeals and messages do you employ to capture the target market?

.....

.....

5.. Do you advertise

(a) All year round?

(b) Half yearly?

(c) Quarterly?

(d) Seasonally?

(e) Any other? (Please state).....

6. How do you measure the communication effectiveness of the advertisements ?

.....

.....

7. (a) Do you employ personal selling as a major promotional tool?=

Yes/No

(b) Whichever is the answer to the above question, why?=

.....

.....

8. How often do you engage in sales promotion?

.....

.....

9. What are the constraints faced in organising sales promotion?

.....

.....

10. (a) How do your competitors react to your promotions?

....

.....

(b) How do you react to your competitors' promotions?

.....

.....

11. (a) What is the estimated budget for your yearly promotions?

.....

.....

(b) Is this based on sales?

.....

.....

12. What can you say about the promotion of your product(s) in general .....

.....