THE ROLE OF ADVERTISING IN AN ERA OF SCARCITY
(A Case Study of Jos International Breweries Plc, Jos)

BY

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A PROJECT SUBMITTED TO THE POSTGRADUATE SCHOOL, AHMADU BELLO UNIVERSITY, ZARIA IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DECREE OF MASTER OF BUSINESS ADMINISTRATION (MBA)

DEPARTMENT OF BUSINESS ADMINISTRATION, INSTITUTE OF ADMINISTRATION, AHMADU BELLO UNIVERSITY, ZARIA NIGERIA

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DECLARATION

I hereby declare that this project has been written by myself and that it is a record of my own work. It has not been accepted in any previous application for a higher degree nor has it been submitted to any other University for examination. All quotations are distinguished by parenthesis/quotations and sources of information have specifically been acknowledged.

Due to the sensitivity of the topic, the researcher has tried as much as possible to conceal the true identity of parties involved in the cases discussed. In this light, all names (both personal, company or corporate) are a result of the researcher's fabrication and bear no attachment to any person living or dead, company or corporation. However, all events are factual and occurred as stated.

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APPROVAL

This project entitled THE ROLE OF ADVERTISING IN AN ERA OF SCARCITY a case study of JOS INTERNATIONAL BREWERIES PLC, JOS by DAVID SUNDAY ABANIWO meets the regulations governing the award of the degree of MASTER OF BUSINESS ADMINISTRATION OF AHMADU BELLO UNIVERSITY, ZARIA, and is approved for its contribution to knowledge and literary presentation.

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DEDICATION

This project is **dedicated** to my beloved wife and children - Mafo, Yetu, Sokoga (Jnr.) and Esuga

ACKNOWLEDGEMENT

First, I want to thank the almighty God for his mercies, kindness, protection and love throughout the programme.

I am indeed very grateful to my Project Supervisor, Mr. J. S. Onu whose patience and guidance helped in making this study a huge success. I must also thank the Head and members of staff of the Department of Business Administration for their co-operation.

My gratitude is also extended to staff of Jos International Breweries Plc, Jos and consumers of their product "Rock" for their quick responses during my calls for data collection.

My special appreciation ofcourse goes to my wife for her moral support, co-operation and encouragement, my children, for their patience throughout the period of the programme.

Lastly, for those who contributed in one way or the other, I say a **big** thanks to you all.

ABSTRACT

Advertising as a purposive communication perpetuated by business organisations to direct its message, visual, spoken or written to the target audience (consumers) is an indispensable phenomenon in the modern world of marketing. Because it creates awareness of products and services by informing, influencing and persuading consumers to make a rational choice, advertising accelerates economic activities during the periods of abundance and scarcity. Conscious of its role, Jos International Breweries Pic, avail itself of the services offered by advertising media of communication during the period of scarcity.

To elicit data collection and eventual data analysis, interviews and questionnaire survey techniques were employed.

Results from the findings show that:

1) Jos International Breweries Plc recognising the roles advertising in getting its Product across to the target audience do advertise not only at the time of abundance and scarcity.
2) Consumers are influenced by the media of communication selected . and, thus, the rate of'Rock Beer consumption is enhanced.

Based on the findings, the under-listed recommendations are made:

(i) A separate Advertising Unit should be created within the Commercial

Division of the company to liaise between the media Agency and the company,

(ii) Equitable utilization of types of media selection especially Radio/TV should be given adequate priority,

(iii) A combination of percentage of sales and objective/task techniques in allocating advertising budget should be adopted by the company.

With the findings and recommendations of this research work, it is expected that Jos International Breweries Plc, and other manufacturing Industries will take advantage of advertising especially in an era of scarcity.

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CHAPTER ONE

1.0 INTRODUCTION

> Marketing is so basic that it cannot be considered a separate function .... It is the whole business seen from the point of view of its final result, that is, from the customer's point of view.[1]

As human history speeds toward the year 2,000 with its awe-inspiring problems and opportunities, the subject of marketing is attracting increasing attention from companies, institutions and nations. Marketing has evolved from simple barter through the stage of a money economy to today's modern complex marketing system, exchanges have been taking place in different forms in different market places.

The sole purpose of any business is to create or make customers and keep them. Technological excellence, delivery capability, service skills, pricing theory and product perfection will, at best, gain you nothing if you can't create customers and keep them.

A good marketing concept calls for the performance of many little tasks thoroughly and intelligently. Excellent marketing also requires you to have good products or services and know your customers and prospects better than your competitors.

Once you've analysed your products or services, customers and prospects, and understand what your competitors are up to, you can develop effective strategies to achieve your sales and marketing goals.

A good marketing indeed involves proper planning and doing. You need to plan to avoid random decisions. Secondly, you have to act to make your plan work.

Therefore, no matter how good the product or service may be, or how outstanding your location, you still have to practice careful marketing to succeed, to increase sales, profits and market share increase and improve marketing efforts.

A proper marketing plan which lays out necessary steps that a company should take to create customers, thereby achieving its sales and marketing objectives is very vital in marketing generally. It involves the analysis of your product or services, the market and your position in those markets and your business strengths and weaknesses. Marketing, therefore, is a complex phenomenon and because of this complexity, it has been variously defined and interpreted by society at large. Each segment of our society tends to define marketing to denote only that facet that is most familiar with. Because of the controversial nature over an acceptable definition, an effort is made to dwell on three definitions by reputable scholars which of course, appear to embrace the essential features acceptable to the generality of the people concerned with marketing.

Philip Kotler defines marketing as

> human activity directed at satisfying needs and wants through exchange process.[2]

Another definition by a Nigerian author, Nwokoye states that

> Marketing is a set of human activities that facilitates exchange involving transactions of goods and services for ultimate satisfaction of human needs.[3]

Looking at marketing from the business perspective, Huegy & Mitchell (1965), see marketing as:

> including those business activities involved in the flow of goods and services between producers and consumers.[4]

The essential elements of the three definitions are that marketing is activity oriented and, therefore, the marketing executive and all the personnel in the marketing organisation must be fully involved. That the satisfaction of consumers is the cornerstone of marketing. Thus the packaging, branding, transportation, warehousing, advertising are geared towards this end.

That satisfaction of the needs and availability of products is not enough. Exchange process whereby the desired goods and services are offered to consumers and the consumers in turn obtain them by giving something in return completes the transaction.

He concludes by stating that marketing includes all business activities necessary to effect transfer in ownership of goods and to provide for their physical distribution from producers to final consumers.

Effective marketing management must of necessity take cognisance of product, price, promotion and place - the four Ps of marketing - if it is to be responsive to the needs and aspirations of consumers. Those four outputs are complementary and interdependent in the marketing system. For example product development, price fixation and physical availability of goods and services to the target audience are inadequate without the creation and dissemination of information to enable the customers make rational choice among various alternatives.

Designing, creating and disseminating information fall within the domain of promotion.

Promotion performs the function of informing, persuading and influencing consumers' purchase decision. Jolson (1978)[5] concludes .... Promotion is a planned, overt communication process directed from the seller to the prospective buyer. Promotion has four components and these components which activate its role performance are identified as advertising, personal selling, publicity and sales promotion. Of these promotools, advertising is rated as the most powerful by marketing experts and executives.

Advertising is all embracing and a purposive communication perpetuated by a

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business organisation to direct its message, visual, spoken or written to the target audience.

Writing on advertisement and the economy, Oyekan (1985) simply defines advertising as:

> the voice we hear on the radio, the printed words, illustrations we read/see in newspapers and magazines and outdoor, the sound and features that are beamed on the television sets, the promotional activities sponsored by the companies...[6]

Advertising accelerates the economic viability of an organisation that sponsors it by creating markets for the finished products.

1.1 BACKGROUND TO STUDY

The company was incorporated as a limited liability outfit on 26th July, 1975 with a sole objective of Brewing and Marketing Lager Beer under the brand name "Rock". It is a joint venture between Plateau State Government on one hand, CEREKEM and IFU (Industrialisation Fund for Developing Countries all of Denmark on the other.

Construction work and machine installation commenced in 1976 and was completed by 1979 with an installed capacity of 1.1 million hectolitres of beer per annum.

Commercial production of Rock Lager Beer started in July, 1979 with an initial production of 500,000 hectolitres per annum. This gradually increased to a peak 930,059 hectolitres (12.5 million crates) in 1985. Currently the commercial production of "Rock" product as at December 31st 1997 stand at: 156930 hectolitres. Over the years the company diversified its business through investment in wholly owned subsidiaries some of which are:

PMC (a Milling Company) was established in 1986 to process maize into brewers gifts for brewing and flour for commercial purposes.

DEMCO (Construction Company) responsible for construction, engineering and estate management activities. It is now a service outfit of the Brewery.

Today, Jos International Breweries is proud to announce the brewing and marketing of "ROCK".

THE RIGHTS ISSUES

In the wake of dwindling resources due to the backward integration which necessitated the purchase of new machinery and modifications in order to meet requirements for using local raw material for brewing, JIB was made to source for funds to meet up this obligation. In this respect, the company went in for a rights issue where 74,250,000 ordinary shares of N0.50 each were subscribed to. Today this has appreciated to 168 million fully paid up shares.

SHARE HOLDING STRUCTURE

Plateau Invest. & Property Dev. Company Ltd.	-	29,700,000 - 17.63%
Guiness Nigeria Plc	-	34,850.000 - 20.68%
IFU - Industrilisation Fund for Dev. Countries	-	18,549.000 - 11.00%
Bruggeriapuppen A/S (Brewery Group Denmark)	-	9,288.000 - 5.50%

As at 31st December, 1996 the shares of the company were held as follows:

-	Individuals/Associates	46,952,549	- 27.89%
-	Institutes/Government	42,627,000	- 25.30%
-	Overseas/Non resident	27,837,000	- 16.52%
-	Corporate	49,881,051	- 29.60%
-	Employees	1,202,400	- 0.71%

ASSET BASE

Jos International Breweries Plc' current asset base is about N1.0 billion.

INVESTMENTS

The company as earlier on mentioned has invested in the following companies:

Pioneer Milling Company Ltd (PMC)	-	100% owned by JIB
Dutse Estate Management Co. Ltd. (DEMCO)	-	100% owned by JIB
Roc International Hotel Ltd.	-	6% shareholding by JIB

COST SAVING STRATEGIES IN THE FACE OF PRESENT ECONOMIC HARDSHIP

- The company currently fabricates most of its spare parts internally. This has reduced their sourcing of spares from abroad.
- Maintaining a good water treatment plant for the production of quality products.
- Maintaining an effective milling plant for Milling Sorghum and Maize Grits for Brewing and Flour for commercial use.

JIB Contributions to Federal and State Governments

In keeping with the requirements of the Federal and State Governments, JIB has contributed to various arms of the Government and philanthropic organisations in the following areas:

Government

Value Added Tax	-	VAT
Pay As You Earn	-	PAYE

Grounds/Tenament Rates

Company Income Tax

These run into a minimum of N50 million in a year.

Community

Among others, Jos International Breweries Plc has rendered and still renders the

following services to the community of its location:

- Employing over 1000 staff in both JIB, PMC and DEMCO.
- It has about 175 Distributors who in turn employ over 1000 staff.
- Local suppliers and their employees also benefit from the company.
- Sale of by-products to community e.g. Spent grains, offals, chaff, broken corn/sorghum etc.
- JIB also accept and train students on SIWES and the National Youth Service Corps.

Achievement so far

Jos International Breweries has recorded some achievements as follows:

The company has been able to pay over N50 million of its syndicated loans in 1996. The first time that loan has been serviced in 5 years. Also, JIB has maintained a steady production in both PMC and JIB has recorded a tremendous improvement in sales.

Future plans

The company intends to go into the following areas for future development:

- Utilising excess capacity of the production lines.
- Possible introduction of a new Malt Drink with 100% local raw materials.
- Increasing production volume to 1 million hectolitres per annum based on improved sales within the year.
- Possible processing and bottling of water from our water treatment plant for commercial purposes where necessary.
- Possibility of further developing "Rock" and changing its packaging.
- Sales of non-core assets to raise more funds.

1.2 STATEMENT OF THE PROBLEM

In the recent times, Nigeria depends entirely on petroleum products for her export earnings and thus petroleum became the target foreign exchange earner. Her Industrial Sector also depends on imported raw materials for its growth and sustenance.

Consequently, the negligence of agricultural products also complement export earnings and non-exploitation of alternative sources of raw materials coupled with price fluctuation of the petroleum products - largely determined by the Organisation of Petroleum Exporting Countries (OPEC) have devastating and dwindling repercussions on the Nigerian economy.

The effects of this on the Brewery Industry are that:

- The country has less foreign reserve to pay for her imported raw materials. This implies that the issuance of import licence is limited and competitive among Brewery industries.
- Few of the Brewery industries that benefit from the import licence become monopolists. They determine the volume of production for the market. The products so supplied will lag behind the needs and demands of the consumers. The resultant effect is that scarcity of these products is created.

It is true that when products are relatively scarce, manufacturers are able to dispose of their products without adherence to advertising and other promotional tools. But in whatever the state of the economy, consumers interests and needs with reference to information on the products and services should be preserved and protected. In consonance with the above view, Stanton (1981) warns:

> with the shift to excess demand and a seller market, some companies may be tempted to abandon the customer orientation, the keystone in the marketing concept. Any such ideas are stupid at best and suicidal at worst, for several reasons. First, good customers are a major asset for any firm. They are harder to acquire than most assets. Second, the shortages in any area may prove to be short-run, but ill-treated customers have long memories.[7]

In a situation where import licence is competitive for raw materials, where you are forced by Government policy to look inwards for raw materials , where the purchasing power of consumers had reduced, you need the back-up services of advertising.

Industrial organisations recognise the indispensability of advertising at any point in time in a marketing system. But these organisations are faced with the problem of determining and allocating advertising budget. The decision of how much to spend on advertising has provoked much controversy among scholars and students of marketing.

One of such scholar is Jelson (1978) whose intellectual exposition on the subject is worthy of note:

> It is difficult to conceive of any firm that has not promotional tasks to perform, that is, has no need to find prospects or make contacts with them, no need to stimulate desire for ownership use of its products, no need to close sales or retain customers. Yet some firms may opt to allocate substantial funds and effort to product improvement, price reduction, employee development or improved services, thus decreasing the level of resources allocated to promotion.[8]

The problem of advertising appropriation is further compounded with lack of reliable measurement for assessing the results of its expenditure. Because of this reason, various methods are adopted such as percentage of sales, task or objective, fellow competitors among others, to arrive at an acceptable criteria, but none of these methods has proved adequate for such an evaluation.

In addition to the problem of allocating advertising budget is the problem associated with the selection of media of communication to the target audience.

Advertising to the wrong people in the wrong markets, with resulting ineffectiveness, take a high toll cost. The question is not only how many readers, viewers or listeners there are, but who they are.

Historically advertising planners have focused most of their efforts on creating good copy and good art. The selection of appropriate media has frequently been regarded as routine, automatic and divorced from the need for systematic planning and creative imagination.

While adequate advertising is a necessity for any industrial organisation, effective performance of advertising depends on the selection of appropriate media of communication.

1.3 HYPOTHESES

The researcher has analysed the problem of Advertising in an Era of Scarcity. Based on these problems, he has come up with the following hypotheses:

Hypothesis 1

Null - **There is no need for advertising in an Era of Scarcity.**

Alternative - **There is great need for advertising in an Era of Scarcity.**

Hypothesis 2

Null - **Appropriate media selection does not affect advertising in an Era of Scarcity.**

Alternative - **Appropriate media selection affects advertising in an Era of Scarcity.**

1.4 OBJECTIVES OF THE STUDY

The objectives of this study are as follows:

1. To find out the need for advertising in an Era of scarcity.
2. To find out if proper media selection for advertising will increase the sales

volume of the product during scarcity period.

3. To offer suggestion for the effective utilisation and management of advertising in an era of scarcity in JIB and other related businesses.

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1.5 SIGNIFICANCE OF THE STUDY

The role of advertising in the consumer producing industries especially Brewery is so gearing that it needs no emphasis. The market share and the overall viability of Brewery Industries depend, to a large extent, on a purposeful, influencing, informing and persuading advertisement.

In his book, How Advertising is Organised, Nicholl (1978) provided an elucidated assessment of advertising when he stated:

> "…. Advertising, by ensuring wider markets for a product means that product becomes more profitable to make and cheaper to buy, which in turn ensures larger turnover and expansion, which increases jobs while making as wider variety of goods and services ….. It makes experiment with the new product a more worthwhile risk, development of an established product a more viable and attractive economic proposition."[9]

Because of the activities of competitors in Brewery Industries, it is desirable that management recourse to the advantages of advertising campaign to consolidate and widen its market potentials.

On the relevance of advertising to businessmen, Nicholl (1978)[10] concluded that Businessmen, however, cannot afford to be cynics and they should realise that advertising is today the most essential link in the chain of activities that consolidate modern mechandising.

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The behaviour of advertising as a total campaign programme is outlined by Starch (1966) as follows:

> Advertising calls attention to and informs people about products and services via mass communication media. In fulfilment, the function, advertising establishes a favourable or preferential association link between a need and a

> brand name, so that when the need arises the name will come to mind-with a favourable or preferential image established, through repeated advertising and through satisfactory use performance of the product itself."[11]

The quality of the product will enhance its market potentials hence, "Rock" Lager is brewed to an enviable standard and backing with progressive advertising will compete favourably with the existing brands (see Appendix 1A & B).

This study is significant to the Jos International Breweries Plc especially as no prior scientific investigation has been conducted on Advertising in an Era of Scarcity of resources (raw materials and finance).

The study will, therefore shed light on the contributions of advertising to the positive progress of the company by establishing a stronghold on the local market (referring to JIB in particular) and ensuring the competitiveness of "Rock" Lager Beer against older and well established brands in the market places.

1.6 SCOPE OF THE STUDY

Specifically, attention will be focused on the Role of Advertising in Jos International Breweries Plc, the Brewer of "Rock" Lager Beer, and, therefore, investigation is limited to the Corporate Affairs Division which handles the advertising needs of the company.

A period of five years (1993 - 1997) will be covered.

Also included in the study is the background to the study (brief history of Jos International Breweries Plc).

1.8 DEFINITION OF TERMS

Below are the definition of the major terms used in this study:

Marketing:

Is that human activities directed at the exchange of goods and services for the

ultimate satisfaction of consumers' needs.

Advertising:

Is any form of non-personal, oral or visual communication process about a product, service or idea that is paid for by an identified sponsor.

Advertising media:

Are the channels through which messages are communicated to the target audience e.g. Newspapers, Radio, Television etc.

Advertising Budget:

Is the expected amount of money to be expended on advertising during a given period of time.

Consumer:

Is an individual, institution or government that buys goods mainly for consumption.

Target audience:

Is that group of individuals that are the main focus of advertising.

Scarcity:

A recessive development resulting in shortage of raw materials and spare parts leading also to reduction in sales.

FOOTNOTES

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CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 The Concept of Advertising

Advertising is an aspect of marketing used to revitalise or activate economic activity during the period of abundance and scarcity. The concept of advertising is to serve as a promotool to accelerate the economic viability of an organisation by creating markets for the finished products. It helps to quicken sales of a product but it is different from selling entirely. It is in support of this claim that David H. Bangs said in his book Practical Marketing (1989) said:

> Advertising and promotion are not substitutes for selling. They can make prospects aware of you, make them receptive to your products and service and even stir customers to call or write for more information but they can't replace continual sales efforts[1]

Furtherance to the concept of advertising is the fact that after thorough work is done, effective creativity is based on good knowledge of product, target markets and competitive conditions. Effective advertising therefore involves the advertising agency knowing what your objectives are, what your budget is, and when you plan to run your campaign.[2]

A successful advertising and promotional campaign requires answers to these questions:

i) Who? Who are your customers and prospects? After you have segmented your markets, you can describe who the promotion or advertising is aimed at.

ii) Why? What are you trying to accomplish? Increase sales? Introduce a new product? Retain or increase market share? Create or maintain image?

iii) When? Timing in advertising is all-important. The best advertising or promotion will fail if the timing is off or wrong.

iv) What? What specific product or service are you trying to move or

advertise? What are their unique selling proposition?

v) Where? What media would be best for your campaign?

vi) How? The how should be left for your advertising agency

Effective advertising encompasses a wide range of activities such as:

- Paid advertising: Radio & Television.
- Print: Newspapers: Magazines etc.
- Direct mail: Letters, Newsletters, Flyers, Postcards brochures etc.

Advertising is therefore that part of marketing of which the consumer is most aware. It is a communication tool and the cheapest way of reaching large number of strangers who may also be potential customers.

2.2 The Role of Advertising in general

Since advertising as a concept has become fundamental to the industrialised society, its role in marketing has become an important aid to individual manufacturers and business of every kind.[3]

Advertising has attracted the attention of marketing and sales executives to the extent that Weir (1970) examined its role in management and came to the conclusion that advertising:

> Is essentially controlled communication about a product. It is a substitute for sampling. Through the symbols of language, written or spoken and pictorial presentation, advertising conveys a sense of what a product, service or a company is and can do.[4]

Advertising is a means of bridging a communication gap and accelerating the satisfaction of consumer wants by creating awareness of the products and its characteristics, prices and distributive channels, by influencing and persuading consumers to purchase these products with the ultimate goal of enhancing the standard of living. Churchhill (1948) analysed the unique role of advertising in

modern industrial society as follows:

> Advertising nourishes the consuming power of men. It sets up before a man the goal of a better home, better clothing, better food for himself and his family. It spurs individual exertion and greater production. It brings together in fertile union those which otherwise would not have met.[5]

In an era of business sophistication where competition had become so keen and stiff, Iromuoh (1985)[6] contended that no utilisation of various advertisement organs for the projection of business image would not only be suicidal but out of line with economic trend.

Writing on Basic Convictions about Advertising in a broader perspective, Procter and Gamble (1973) the largest national advertiser with an outlay of almost $300 million in all forms of advertising and sales promotion had brought into focus what it considered to be the role of advertising in a marketing environment:

> Advertising creates new market
> Advertising lowers costs to consumers
> Advertising spurs continual product improvement
> Advertising forces competition
> Advertising and scientific research work hand in glove on a vast and amazingly productive scale.[7]

Young J. W. (1965) a pioneer advertising man had identified five basic ways by which advertising achieves its goals and itemised them thus:

> by familiarising
> by reminding
> by spreading news
> by overcoming inertias
> by adding value that may not be already in the product.[8]

Young submitted that advertising could make the product more than it was without deception by not only informing the existence of a product but by actually promoting that product.

Like any other channel of persuasion the concept of advertising is to communicate a selling message to a potential customer.

2.3 Advertising in an Era of Scarcity

During the oil boom period when there was a free flow of crude oil to the world market, bringing in return, considerable revenue for a liberal importation of consumer items, raw materials and spare parts, the economy was seen to be buoyant.

Today, that condition has changed. In its place there is scarcity with its manifestation in reduced business activity, temporary close-down of business, soaring rates of mass retrenchment, scarcity of raw material and consumer items and up-surging inflation all resulting in a chain of reactions, namely corruption, hoarding, profiteering, smuggling etc.

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A period of scarcity normally affects enterprises and consumers in one way or the other. To the manufacturers it is a direct experience of shortages in raw materials and spare parts resulting in a decline in production levels which in turn means reduced sales and consequently reduced profit margin or, at the worst, operational loss.

In a period of scarcity where the manufacturer cannot produce to meet demand - where there is less to produce than to sell - one might ask the question: Is there any need for advertising? In other words, is the advertising men's claim that "it pays to advertise" valid, considering the fact that the primary function of advertising is to inform consumers about goods that are available for sale? This is the moot question and the answer to it varies from one kind of manufacturer to another. While some due to their own reasons may decide to stop, others like the relatively small number of multinational oriented manufacturers among whom the bulk of advertising in this country is concentrated, their answer should be a matter of mixed options - to stop, reduce, continue or even increase existing campaigns.

These are some of the dilemmas which should be looked at critically against the background of the short and long-term consequences.

At first though, it appears sound reasoning to stop further advertising in a period of scarcity when there is little to produce, commodities are scarce and selling may not necessarily require the creative finesse and jass of advertising.

Jos Ackah in his contribution to a write-up on Advertising in a Recession – A must for success said:

> But experience shows that many products which do not come into advertising focus during recession sink into oblivion and are hardly remembered after the period.[9]

Some organisations respond to period of scarcity by reducing their advertising budget to what, in the professional parlance, is called "affordable budget" - the so-much-fund that the advertiser can provide, having taken care of a host of other variables. Reducing the advertising campaign to an affordable budget may be a realistic approach. After all, faced with the high prices that usually occur in period of scarcity, consumers react by reducing their volume of purchase.

Advertising can be said to be a young industry in Nigeria. The economy of Nigeria is now in the early industrial stage and true mass production with its attendant mass advertising belongs to the future. Since many products are relatively scarce a typical producer does not spend much on advertising and some do not advertise at all.[10]

An economy that is noted for scarcities of essential commodities does not in any way lend itself to purposeful advertising because advertising is an expensive venture where profits are not easily visible.

Obodumu (1982) examined critically the problems of marketing in Nigerian

context and thus resolved that:

> Advertisement do no longer move consumers. As a result of the scarcity of goods, consumers get irritated by advertising activities. The only function of advertisements is to inform consumers of the existence of a brand and not to persuade .[11]

In a counter reaction, Oyekan (1982)[12] maintained that it was commercially prudent and expedient for marketing organisations producing in a purely monopolistic environment with high demand potential to commit heavy funds for generating consumer awareness for the products to ensure full employment of production capacity or certain volume of sales of the product.

Scarcities of raw materials for the production of consumer commodities have provoked much complexities and complications among marketing executives and scholars to the effect that the future of marketing is in doubt. A business columnist Compo's (1973) conclusive analogy is worth noting:

> There is little doubt that the energy crisis will force an alteration in the role of marketing man. In some industries it may alter him out of existence... When demand exceeds supply marketing men can be replaced by an order-takers. The art of selling is unnecessary. There s also no need for advertising, sales promotion, incentives, sweeptakes, trading stamps, freee roadmaps or even wind shield cleaning.[13]

Compo's simplistic and pessimistic conceptual analysis of marketing had failed to take cognisance of organic dynamism of marketing which must function within the premises of its components, scarcities not withstanding.

In a sharp reaction, Kotler (1973) advocated for a systematic management of advertising programme in a period of shortages when he wrote:

> Advertising should probably be reduced but by no means abandoned. It can be re-directed to building up demand for company products that come in over supply; to create buying interests in new products and product identifications, to educate buyers in more economical uses of the scarce product and to keep customers informed of steps the company is taking to solve the shortages.[14]

Stanton (1981)[15] pointed out that during the period of scarcities, advertising could be shifted to more informational advertisements with emphasis on utilitarian

appeals because according to him, this device could play a major role in getting consumers to conserve rather than squander resources.

Properly planned and integrated with other aspects of marketing mix, the scope of advertising during the period of scarcity can be existing in promoting the company's offering to the market. From the short analysis above, it is evident that scarcity period is no time to discontinue advertising.

Here in Nigeria, before the outbreak of the civil war "Ovaltine", propelled by a forcible advertising campaign as a "supreme food drink for strength, energy and vitality", was the market leader of the beverage brands. But for one reason or the other the tempo of the campaign died down, steadily giving way to the more competitive brand like "Milo" and "Bournvita" which together now take a major share of the beverage market while "Ovaltine" is yet to regain its "supremacy".

It is therefore understandable from the foregoing that the period of scarcity (recession) is a cyclical phenomenon in the scheme of business. It comes through the interaction of internal and external forces on the economy. And it goes through the interaction of realistic measures to alleviate the effects, just like taking the bull by the horns.

2.4 General Criteria for Allocating Advertising Budget

Advertising appropriation has invoked much controversy among industrial concerns with the result that different approaches have been adopted. The explanation given for the controversy stems from the fact that there is no reliable measurement for assessing the result of its expenditure. Because of this anomaly, four approaches for establishing the amount of money

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which is to be allotted for advertising are identified as follows:-

2.4.1 The Percentage of Sales Approach

By this device management sets advertising expenditures for one year on the bases of sales in the preceding year.

This approach is rigid and insensitive to the prevailing marketing environment because of its dependence on the previous year's results.

Allen (1973)[16] observed that this approach did not permit a rapid, defensive campaign to be mounted in the event of changing circumstances such as new product innovation, new distribution area or a major campaign by a competitor. He concluded that the fixed ratio should be a guide to expenditure but should never be allowed to become a deciding factor, for it was too mechanistic and deprived the campaign of its essential flexibility.

2.4.2 The Task Approach

The advertising budget is arrived at by defining the advertising objectives, by determining the tasks to be performed to achieve the objectives and by establishing the costs of performing these tasks. This approach is acknowledged as the scientific model of all.

"The major set back is that it does not indicate how the objectives themselves should be chosen and whether they are worth the cost of attaining them".

2.4.3 The Economic Approach

The level of expenditure is determined from a consideration of cost and revenue. This approach operates on the philosophy that the investment in advertising is justified so long as the resulting increase in sales exceeds the cost of advertising and the marginal cost of meeting the extra demand.

Both Kotler (1980)[17] noted that the practical application of the Economic approach would create problems in terms of fluctuating advertising budget and thus preventing long range market development.

2.4.4 The Competitive Approach

This approach leads manufacturers to study the advertising activity of their competitors as a guide to their own level of expenditure. The basic short coming of this approach in the words of Kotler "is that the competitors advertising needs and goals are likely to differ from those of its competitors and thus their budgets are not reliable for firm to follow."[18]

Barker (1974)[19] had provided a concise summary of the four approaches in a statistical sequence based on the survey conducted in a British Industry for determining advertising appropriation.

Proportion of Expected Future Sales	39%
Analysis of Needs or Objectives	19%
Proportion of Past Sales	11%
Proportion of Profit	7%
Historical Expenditure	2%
As much as can be Afforded	1%

All these approaches to allocating advertising appropriation has failed to yield the desired dividends. There is, therefore, a need for a positive adaptive modification approach which will be responsive to the requirements of a particular marketing or commercial organisation.

2.5 Media Selection

The selection of information carrying media ranging from Newspapers, Magazines, Radio, Television, Outdoor, Direct mail among others has a direct bearing on the audience's reaction to the communicator, the message and the channel. Effective media selection must take note of these factors because neglect of each can mar the advertising campaign of any enterprise.

Sequel to the factors that usher in a successful advertising programme to be

enhanced by a carefully planned media selection, Barker (1974) listed the following complementary factors thus:

> The character of the medium
> The atmosphere of the medium
> The coverage of the medium
> The cost of the medium.[20]

Another writer on marketing, Stanton (1981)[21] maintained that media decisions must be made in conformity with the following guidelines provided:

a) Objective of the advertisement:

Media choices are influenced both by the purpose of specific advertisement and the goal of an entire campaign.

b) Media Circulation:

Media circulation must match the distribution patterns of the product. Furthermore, media should be selected that will reach the desired type of market with a minimum of waste circulation.

c) Requirements of the Message:

The media should fit the message as in the case of salt, beer or sugar, then bill board may be the best choice.

d) Time and Location of Buying Decision:

The media should reach the prospective customers at or near the time they make their buying decisions and the places where they make them.

e) Cost of Media:

The cost of the advertising media should be considered in relation to the amount of funds available and the circulation of the media.

The successful media selection is contingent on the fact that the right message must be communicated to the right audience at the right place. Advertising to the wrong people in the wrong markets....takes a high toll costs. The question is not only how many readers, viewers or listeners there are, but who they are.

2.6 Measuring Advertising Effectiveness

For advertising to be effective it must be aimed at reaching specific target customers. Unfortunately, not all potential customers read all newspapers, magazines or other printed media. Also, not all consumers that listen to all radio and TV programmes. So not all media are equally effective.

For advertising to be effective depends on which media is used. It is dependant on the following:

i) your promotion objectives
ii) what target market you want to reach
iii) the funds available for advertising
iv) the nature of the media including who they reach, with what frequency, with what impact, and what cost

Advertising specialists are always looking for cost-effective, new media that will help advertisers reach their target markets. Whichever media selected for advertising purposes should offer the advantage of making an advertiser's message stand out from the usual advertising "clot" in the mass media.

Effective advertising involves the advertising agency knowing what your objectives are, what your budget is and when you plan to run your campaign.

To ensure the effectiveness of advertising it is important that advertising managers, product managers and top-level marketing managers to determine whether the message will create the desired effect on awareness or attitude.

It is very necessary for managers to evaluate the effectiveness of advertising to determine whether advertising expenditures are being well utilized.

In particular, they should evaluate the effectiveness of individual messages (before ordering the implementation of the programmes) and the effectiveness of the overall advertising programme in achieving advertising objectives.

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CHAPTER THREE

3.0 METHODOLOGY

This chapter deals mainly with the methods used in gathering relevant information (data) on the subject in order to arrive at a concrete, and reliable outcome.

3.1 Research Design

This is a case study analysis of the Role of Advertising in an Era of Scarcity with particular reference to Jos International Breweries Plc, Jos. It is purely a field survey (descriptive) where personal interviews were conducted. Questionnaires were designed and distributed to two categories of respondents that is, some staff of the company and selected consumers of "Rock" Lager Beer in Jos metropolis.

3.2 Sources of Data

Two major sources were used in this study namely: Primary and Secondary Sources. Both sources enhanced successful completion of this research work.

3.2.1 **Primary Source**: Here the researcher had to rely on the responses received from the personal oral interviews conducted and the questionnaires distributed to the selected respondents.

3.2.2 **Secondary Source**: The prominent secondary sources used in this study were textbooks, journals, and magazines. Some write-ups/manuals like the background history of JIB.

3.3 Research Instruments

Unstructured interviews and questionnaires which were employed in data collection for the study were designed to highlight the problems posed by the study - the Role of Advertising in an Era of Scarcity in Jos International Breweries Plc, Jos

3.1.1 Interviews

Unstructured interviews were conducted with the Management and consumers of "Rock" Lager Beer respectively.

The interview with Management centred on the following areas that deal directly with the two:-

a) Do you advertise your product generally?

b) Is it necessary to advertise in an Era of Scarcity?

c) Do you think appropriate media selection affects advertising in an Era of Scarcity?

d) What are your main reasons?.

e) Does advertising budget depends on level of sales of your product?

Information derived from the interviews proved useful in analysing the findings and recommendations that emanated from the study.

3.3.2 Questionnaires

Two sets of questionnaires were administered to two categories of people namely the consumers of "Rock" Lager Beer and the Management of Jos International Breweries Plc, Jos.

3.3.3 Administration of Questionnaires

In distributing the questionnaires, the researcher employed what has been designated as "face to face" situation technique. That means that the researcher personally took the questionnaires to the respondents and administered them. Although, the method is time consuming, it has its advantages. For example, as the researcher met the respondents face to face, he was able to explain the importance and purpose of the study to them. He was able to appeal to them to complete the questionnaires on time.

No doubt the method yielded encouraging results for out of 60 questionnaires distributed to JIB staff, 50 were completed and returned. Also, out of 55 questionnaires sent to consumers, 50 were completed and returned.

3.4 Population & Sample Size

The study was restricted to cover only the Jos International Breweries Plc with an approximately, 500 staff strength made up of senior/junior staff.

For purposes of good, simple and reliable results 60 members of staff (senior/junior) were sampled out of which 50 responded. Out of 60 questionnaires distributed to the consumers of the product, 50 were returned completed.

3.5 Documentation

As a supplement to the questionnaires and interviews, the researcher collected and reviewed pamphlets, annual reports and brochures that were got from the company. He also consulted the following:-

Newspapers	-	The Nigeria Standard, Daily Times, Business Times, New Nigeria.
Magazines	-	West Africa Magazines, Newsweek, Nigeria's International News Magazines, Newswatch.
Journals	-	Harvard Business Review, Business Horizon, Journal of Marketing.

Other supportive materials included Textbooks, Handbooks, Abstracts, Indexes, Dictionaries and Encyclopedia and related Theses were consulted as secondary sources, which of-course enhanced the success of this study.

3.6 Method of Data Analysis

The data gathered in the course of this study would be analysed and inferences made by statistical technique using simple percentages. This would be based on the interviews conducted and the questionnaires administered.

CHAPTER FOUR

4.0 PRESENTATION AND ANALYSIS OF DATA

4.1 In this chapter, the raw data gathered from the administration of questionnaires and the subsequent interviews held are presented in tables, analysed and discussed. The gathering instruments used in this study are questionnaires and oral face-to-face interview with selected management staff of the company. The questions on the questionnaire list and the interview questions are of the same nature intended for the purpose that is getting useful responses, most especially questions that directly relate to the two hypotheses posed in the study.

To make the analysis very simple to understand and for easy interpretation, simple percentages were used as can be seen below.

The analysis of data covered the two population of respondents sampled, that is staff of Jos International Breweries Plc and consumers of the product. In the light of this, 50 questionnaires were designed and administered to the two categories of respondents respectively. Interview questions are also the same with that of the questionnaires but directly on those that had to do with the two hypotheses.

At the end of the analysis, results/finding were expected for a final testing leading to either the acceptance or rejection of the hypotheses as the case may be.

4.2 DATA ANALYSIS

4.2.1 Staff Questionnaires (Appendix 2)

Time was taken to analyse all the important questions contained on the questionnaires administered to the staff of the company. Where the response (answer) got from one question answers the next question, such question (that is, the next one) needed no further analysis. This was so, to save time. However, the table showing responses

would be given.

Note: That only question that directly relate to the hypotheses was given detailed analysis in order to come out with findings to arrive at the testing point.

Question 1

Table 1: **Showing whether Rock is advertised generally or not.**

	No. of Respondents	**Percentages**
Yes	48	96
No	2	4
Total	50	100

As can be clearly seen from the table, 48 of the 50 staff indicated **Yes** representing 96% while only 2 of them representing 4% said **No**. It can therefore be concluded that JIB, realising the advantage of advertising generally do embark on the programme.

Question 2

Table 2: **Showing why advertising is necessary.**

	No. of Respondents	**Percentages**
Enhances sales	24	48
Competitors advertise too	16	32
Budget set for it	10	20
Any other reason	0	0
	50	100

From the table, it can be seen clearly that advertising increases or enhances sales because 24 out of 50 staff indicated for it representing 48%. It for this reason that JIB embarks on advertising Rock thereby increasing its sales volume.

Question 3

Table 3: **Showing who handles advertisement programme.**

	No. of Respondents	Percentages
Commercial Manager	12	24
Corporate Affairs Manager	30	60
Public Relations Manager	5	10
Advertising Manager	3	6
Total	50	100.

From the responses above, 12 indicated for Commercial Manager representing 24%, 30 for Corporate Affairs Manager representing 60% and 5 staff showing for for Public Relations Manager giving a total of 10%. Only 3 staff members indicated for the Advertising Manager representing 6%. This means that in JIB, the Corporate Affairs Manager takes care of advertising programmes. This, however, is not proper a business organisation like Jos International Breweries not having an Advertising Unit

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Question 4

Table 4: **Showing which media is best to be used for advertisement purposes.**

	No. of Respondents	Percentages
Radio/Television	22	44
Newspapers	8	16
Magazines	2	4
Bill Boards	18	36
Total	50	100

The clear understanding here is that Radio/TV are being utilised by JIB in advertising their product (Rock) with 22 of them representing 44%, showing for the two while 8 of them indicated for Newspapers giving a total of 16%. Magazines and Bill Boards had 2 and 18, representing 4% and 36% respectively. It can then be said that

Radio/TV are channel of communication through which the company gets across to its numerous consumers.

Preference for Radio/TV may be borne out of the fact that the advertisement is communicated in the language (English) that the consumers can understand and also the obvious advantages of sound , sight and colour via the Television which of-course stimulate their interest for the product. No wonder then that JIB uses the two in advertising its product (Rock).

Question 5

Table 5: **Showing if money is budgeted for advertising Rock Beer.**

	No. of Respondents	**Percentages**
Yes	47	94
No	3	6
Total	50	100

Advertisement is meant to encourage and stimulate consumers to buy more of a product thereby increasing sales volume of same.

Jos International Breweries Plc realising this allocates much money for the purpose. This is noted from the above table where 47 respondents out of 50 indicated **Yes** representing 94% while only 3 of them responded **No** representing 6%.

Question 6

Table 6: **Showing whether advertising budget is dependent of sales volume of the product.**

	No. of Respondents	**Percentages**
Yes	45	90
No	5	10
Total	50	100

As clearly stated from the above statistics, the amount budgeted for advertising programme depends solely on how much sales is realised from the product. This means that, the more the sales, the more money budgeted for it so as to make more sales.

From the results above, 45 staff responded by saying **Yes** representing 90% while only 5 of them said **No** giving a total of just 10%.

Question 7

Table 7: **Indicating whether there is always a reduction in advertising budget during the period of scarcity.**

	No. of Respondents	Percentages
Yes	28	56
No	22	44
Total	50	100

Here the analysis shows that anytime the company experiences scarcity of raw materials thereby affecting level of production, amount budgeted for advertising is reduced. The responses show that 28 respondents said **Yes** representing 56% while 22 of them expressed their minds by saying **No** representing 44%.

HYPOTHESES NO.1

Null - **There is no need for advertising in an Era of Scarcity.**

Alternative - **There is need for advertising in an Era of Scarcity.**

Question 8

Table 8: **Showing if there is need for advertisement in an Era of Scarcity.**

	No. of Respondents	Percentages
Yes	27	54
No	23	46
Total	50	100

This is an important question posed to both populations sampled in this study because it has to do with the first hypotheses as seen above.

Based on the responses contained in the table above and as received from the 50 questionnaires distributed, 27 respondents said that there is need for advertisement in an Era of scarcity representing 54% while 23 of them indicated **No** representing 46%.

Question 9

Table 9: **Showing why it is necessary advertising in an Era of Scarcity.**

	No. of Respondents	**Percentages**
Increases sales and creates awareness	26	52
To utilize amount budgeted for it	3	6
To prolong its lifespan	7	14
To discourage other competitors	14	28
Total	50	100

The responses show that advertising is necessary in an Era of Scarcity because it increases sales and creates awareness of the product with 26 out of 50 staff representing 52% indicating.

Before testing this hypothesis, the above responses would be compared with responses that would be received from consumers on this same question and also what management staff would express during an interview with them.

HYPOTHESES NO.2

Null - **Appropriate media selection does not affect advertising in an Era of Scarcity.**

Alternative - ***Appropriate media selection affects advertising in an Era of*** **Scarcity.**

Question 10

Table 10: **Showing if appropriate media selection has any effect on advertising in an Era of Scarcity.**

	No. of Respondents	Percentages
Yes	47	94
No	3	6
Total	50	100

This question is considered very vital in this study. It is also one of the questions posed during the interviews held with six management staff of the company.

As clearly seen in the table, 47 of 50 staff of the company representing 94% said **Yes** while only 3 of them representing 6% expressed a contrary feelings of **No**.

Question 11

Table 11: **Showing why the best media should be selected for advertising.**

	No. of Respondents	Percentages
Increases in sales	28	56
Repeats purchase	4	8
Increases profit	8	16
Increases awareness	10	20
Total	50	100

As clearly seen from the above table, the selection of the best media for advertising will increase sales volume of the product hence the choice for it by JIB. 28 out of 50 respondents showed for this representing 56%

4.3 DATA ANALYSES

4.3.2 Consumers Questionnaires (Appendix 3)

In any producing company like JIB, the position of consumers is highly appreciated because without them buying, production will be a complete waste. The questions especially those that relate to the two hypotheses are of the same nature with those

posed to the staff of the company. Therefore, only questions No.1-8 are considered useful to this study and were analysed accordingly.

In order to get a more concrete and authentic results, responses here were compared with those gathered from staff questionnaires and also, those from the interviews held with six of the management staff.

Question 1

Table 1: **Showing whether it is reasonable to advertise 'Rock' Beer.**

	No. of Respondents	Percentages
Reasonable	48	96
Not Reasonable	2	4
Total	50	100

From the table above, out of 50 respondents, 48 of them said it is reasonable to advertise Rock Beer representing 96% while only 2 of them indicated that it is not reasonable representing 4%.

Question 2

Table 2:**Showing why it is reasonable to advertise in an Era of Scarcity.**

	No. of Respondents	Percentages
Enhances sales	48	96
Other competitors advertise too	2	4
Amount set for it	0	0
Any other reason (specify)	0	0
Total	50	100

48 of the 50 consumers representing 96% indicated that the selection of the best media for advertising enhances sales of Rock Lager Beer. This is why JIB makes sure it embarks on advertising programme.

Question 3

Table 3: **Showing who should handle advertisement programme.**

	No. of Respondents	Percentages
Commercial Manager	12	24
Corporate Manager	8	16
Public Affairs Manager	10	20
Advertising Manager	20	40
Total	50	100

As outsiders but consumers of Rock Beer, the above table shows their responses. Out of 50 respondents, 12 indicated it should be the Commercial Manager representing 24% while 8 of them felt it should be the Corporate Affairs Manager. Also, 10 of the staff said it should be the Public Relations Manager with 20 of them saying it is best, the Advertising Manager representing 20% and 40% respectively. As customers and consumers of the product with no idea of the internal organisation of the company felt it is most appropriate for the Advertising Manager to take care of advertising needs of the company.

Question 4

Table 4: **Showing how consumers get information about the product.**

	No. of Respondents	Percentages
Radio/Television	30	60
Newspapers	10	20
Magazines	3	6
Bill Boards	7	14
Total	50	100

Here, out of the 50 respondents, 30 of them indicated Radio/Television as media through which they get information about the product representing 60% while 10 of them said it is through Newspapers with 20% and 3 saying through Magazines representing only 6%. Lastly, 7 staff said they get theirs via Bill Boards given out by

the company.

It is therefore possible to say that the majority who get their information through Radio/TV have assess to the two either by owning theirs or that of their friends. The few for Newspapers and Magazines may be because they cannot read or have assess to papers generally. The 7 who said through Bill Boards may be, took advantage of the company giving out freely, or pasting Bill Boards everywhere.

Question 5

Table 5: **Showing whether they are in support of advertising in an Era of Scarcity.**

	No. of Respondents	Percentages
Yes	46	92
No	4	8
Total	50	100

This is another question that is very important in this study because it relates so much to the hypotheses. It is a core question.

As clearly as it is in the table above, 46 respondents of the 50 sampled support the idea of advertising in an era of scarcity representing a total of 92% while only 4 of them indicated no support to the idea representing 8%.

Question 6

Table 6: **Showing why advertising is necessary in an Era of Scarcity.**

	No. of Respondents	Percentages
Increases sales and creates awareness	25	50
To utilize the budget set for it	10	20
To prolong life span of the product	5	10
To have upper hand over competitors	10	20
Total	50	100

From the table above, it is seen that 25 out of 50 consumers indicated that advertising in an Era of Scarcity increases sales and creates product awareness. This is therefore the main reason why JIB advertises not only during abundance but also during scarcity.

Question 7

Table 7:**Showing whether appropriate media selection will affect advertising in an Era of Era of Scarcity.**

	No. of Respondents	Percentages
Yes	47	98
No	1	2
Total	50	100

The purpose of advertisement cannot be fully achieved if the right media is not selected and adequately utilized.

This question is as important as question No.5 because it relates to the second hypotheses in the study. Here, it can be seen that they have the same feelings with the staff as 49 of them said **Yes** representing 98% while only 1 of them responded by saying **No** giving a total of 2%.

Question 8

Table 8: **Showing why the choice of appropriate media is necessary.**

	No. of Respondents	Percentages
Increase in sales	30	60
Increase in profit	50	10
Repeat purchase	7	0
Increases awareness	15	30
Total	50	100

As seen from the table, 30 out of 50 respondents said the choice of appropriate media will increase sales of the product representing 60%.

4.2.2 INTERVIEW HELD

To further confirm the two hypotheses posed in this study, interview were held with selected management staff of the company. Responses from the interview would be compared with those received from the administration of the questionnaires to both staff and consumers of the product.

Six (6) Management staff were interviewed including the Corporate Affairs Manager, Financial Manager, Sales/Marketing Manager, Public Relations Manager, Management Accountant and the Reconciliation Accountant. As the purpose of the interview is to confirm in order to compare responses, questions centred mainly on the two hypotheses only.

Below are questions asked during the interview mainly on the 2 Hypotheses:

1. Do you advertise your product generally?
2. Is it necessary to advertise in an Era of Scarcity?
3. Do you think appropriate media selection affects advertising in an Era of Scarcity? What is your main reason?

Analysis of the interview (Appendix 4)

For time factor, the researcher took time to analyse only questions that directly relate to the two hypotheses in the study. As usual, simple percentages were used and resented in table as seen below:

Hypothesis No. 1 - **There is no need for advertising in an Era of Scarcity.**

Question 2

Table 1: **Showing whether it is necessary to advertise in an Era of Scarcity.**

	No. of Respondents	**Percentages**
Necessary	6	100
Not necessary	0	0
Total	6	100

The question is very important in this study because it has to do with the first

hypotheses as seen above.

From the table, the 6 management staff interviewed said it is very necessary to to advertise in an Era of Scarcity representing 100%. Reasons being that, apart from increasing sales volume and creating more awareness of the product, it also keeps the product in the mind of consumers so that after the scarcity period, it is not entirely forgotten. They also expressed that if the product is not advertised during this period other competitors will take advantage of it and take over the market.

Hypothesis No.2 - **Appropriate media selection does not affect advertising in an Era of Scarcity.**

Question 3

Table 2: **Showing whether appropriate media selection affects advertising in an Era of Scarcity.**

	No. of Respondents	Percentages
Yes	6	100
No	0	0
Total	6	100

This is the 2nd important question during the interview. It has to do with the second hypotheses in this research work.

If advertisement is to achieve its aim, the right media needs to be selected and adequately used. Like the first question, the 6 of them expressed their feelings by saying appropriate media selection affects advertising in an era of scarcity representing 100%. When the appropriate media is selected, there will be good sales of the product because correct information about the product is communicated.

4.3 Testing of Hypotheses

Responses from the administration of questionnaires and the interviews held were compared and used to test the validity of the two hypotheses. For good

understanding and clarity, tables are also used.

To avoid confusion, the two hypotheses have been separately tested as seen below:

4.3.1 **Test of Significance**

(a) The need for advertising in an Era of Scarcity will be statistically tested using simple percentages and presented in tables.

Hypothesis 1: **There is no need for advertising in an Era of Scarcity.**

The responses gathered from the 3 instruments used with their corresponding percentages are presented in a table as below:

Table 1: **Showing the need for advertising during scarcity period.**

	Respondents		Total
	Yes	No	
General Staff Questionnaires	28(56%)	22(44%)	50
General Consumers Questionnaires	46(92%)	4(8%)	50
Interviews (6 Management staff)	6(100%)	0(0%)	6
Total	80	26	106

As can be seen from this table responses from questionnaires administered to 50 staff of the company, 50 consumers of the product and the 6 management staff interviewed have been brought forward to see and test for the acceptance or rejection of the first hypotheses.

Based on the percentage of responses (Yes/No), it is clearly seen that Jos International, Breweries do advertise its product (Rock) not only at the period of abundance but also at the period of scarcity. Reasons being that advertising increases sales volume by informing, influencing, motivating etc and moreso, makes the product to be ever remembered by consumers.

Therefore based on the responses (Yes/No) from respondents with their corresponding percentages, it is seen that Jos International Breweries advertise its product at the

of abundance and also at the period of scarcity.

The Null Hypotheses: That 'There is no need for advertising in an Era of Scarcity' is rejected and the initial (alternative) hypotheses "There is need for advertising in an Era of Scarcity is accepted.

4.3.2 **Test of Significance**

b) The need for appropriate media selection for advertising in an Era of Scarcity will be tested statistically using percentages and presented in tables.

Hypothesis 2: **Appropriate media selection does not affect advertising in an Era of Scarcity.**

All responses gathered from the 3 instruments with their corresponding percentages are presented in a table as can be seen below.

Table 2: **Showing the need for appropriate media selection in an Era of Scarcity.**

	Respondents		**Total**
	Yes	No	
General Staff Questionnaires	47(94%)	3(6%)	50
General Consumers Questionnaires	49(98%)	1(2%)	50
Interviews (6 Management staff)	6(100%)	0(0%)	6
Total	102	4	106

The table shows responses from questionnaires administered to 50 staff members, 50 consumers and the 6 management staff interviewed. This is to enable the researcher know in order to test for the acceptance or rejection of the Hypotheses No. 2 above. Based on the responses (Yes/No) from respondents, it can be concluded that Jos International Breweries utilizes appropriate media in advertising its product.

The Null Hypotheses: That 'appropriate media selection does not affect advertising in an Era of Scarcity' is rejected and the initial (alternative) hypotheses "Appropriate media selection affects advertising in an Era of Scarcity" is accepted.

CHAPTER FIVE

5.0 SUMMARY,CONCLUSION, RECOMMENDATIONS & LIMITATIONS

5.1 SUMMARY

Since advertising as a concept has become so fundamental to the industrialised society, its role in marketing has become an important aid to individual manufacturers and business of every kind.

The results obtained from the study, show that advertising in an Era of scarcity has been well exploited by the Jos International Breweries Plc. This fact was disclosed during the interviews held with some management staff of the company when it was mentioned how other competitors took advantage of their not advertising due to a temporary stoppage in production for lack of raw materials. That, consumers almost forgot about Rock Lager Beer. This was further exemplified by the amount of money allocated to advertising programme.

Media selection has played a significant role in informing, influencing and persuading the consumers of "Rock" Lager Beer.

5.2 CONCLUSION

It is often stated that it is economically prudent for manufacturers producing even in a purely monopolistic environment with high demand potential to commit heavy funds in generating consumers awareness for the products to ensure full employment of production capacity as well as maintaining a certain volume of sales. Thus, Stanton (1981) emphasized that:

> During the period of scarcities, advertising could be shifted to more informational advertisements with emphasis on utilization appeals because this could play a major role in getting consumers to conserve rather than squander resources.[1]

Purely planned and integrated with other aspects of marketing mix, the scope of advertising in an Era of scarcity can be exciting in promoting the company's

offering to the market. Thus, advertising as a purposive communication perpetuated by a business organisation to direct the target audience is an indispensable phenomenon which must prevail and pervade economic activities both at the time of abundance and scarcity. Advertising should be made to be a continuous programme whether a company is experiencing hard period or not because of its importance.

5.3 RECOMMENDATIONS

The following recommendations are made:-

1. The Jos International Breweries Plc (JIB) recognising the importance of advertising both at the time of abundance and scarcity should create a separate Advertising Unit to function directly under the Corporate Affairs Division of the company. The present arrangement where the Corporate Affairs Manager combines the functions or duties of advertising with his own duties would not augur well for the company. The Advertising Unit then acts as the liaison between the agency and the company. The Unit will also approve the agency's plans and advertisements, prepare and administer advertising budget.
2. To provide effective and professional service to the consumers, a qualified personnel should be appointed to perform the functions of Advertising Manager. Also, adequate professional training should be provided for staff of the Advertising Unit.
3. The profitability and viability of any organisation depend among others on the purposive advertisement. Advertisement is said to cause sales and sales increases, the financial bouyancy of an organisation especially when investors are attracted by its performance. Efforts should be intensified to utilize various facets of promotional mix. Periodic sales promotion is strongly advocated, where the real product will be displayed and where positive or

negative reactions from consumers will be noted carefully for further actions.

4. Effective and broad based media selection should be embarked upon in addition to Radio/TV e.g. Bill Boards which could be taken to rural areas for enlightenment about the product. Mostly, Nigeria Standard is utilized for disseminating information about the product to its target consumers.

5.4 LIMITATIONS

The following are areas of difficulties or limitations in the course of the study:

Time: As we know, time is always very important in whatever we do especially in a research work such as this. The researcher, a worker, indeed lacked enough time. This of-course was the main reason why the study was limited to only one organisation, the Jos International Breweries Plc. Time was also a big problem during the administration of questionnaires and collection of same. Each time of his calls, he was unable to see some of the respondents. For lack of time, he had to manage the little at his disposal to conduct personal interviews relevant to this study with some management staff of the company.

Finance: In the area of finance, it was a serious obstacle. Due to other pressing and equally important responsibilities demanding the researcher's attention, he had to judiciously manage the little money available especially for transportation, typing work etc.

Co-operation: Although, some respondents co-operated, some refused to likewise especially in filling and returning questionnaires administered. Even though, it was a hand-to-hand distribution/collection, the researcher couldn't get the desired responses, as a result he had to do with what he was able to gather.

FOOTNOTES

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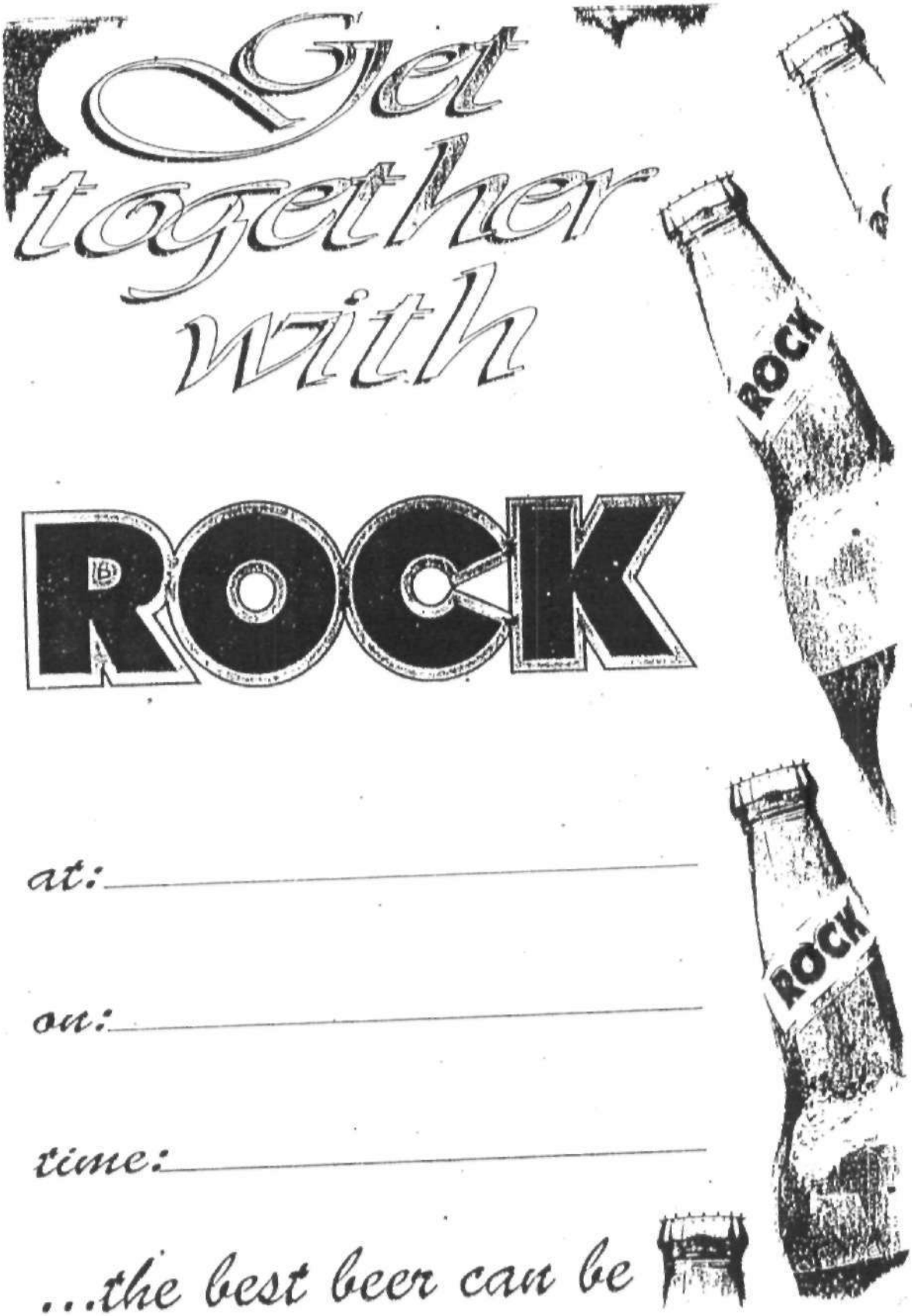
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Appendix 1A


Get together with
ROCK
ROCK
ROCK
at:
on:
time:
...the best beer can be

Appendix 1B


ROCK
THE BEER FROM THE HIGH PLATEAU WITH SPARKLING PURITY
ROCK
LAGER
BEER
INTERNATIONAL BREWERIES PLC
ettle for
ROCK

Appendix 2

Dept. of Business Administration
Ahmadu Bello University
Kongo Campus
Zaria.

Part A: **Questionnaire for JIB Staff of "Rock" Larger Beer**

I am an MBA student of the above institution conducting a scientific research on the "Role of Advertising in an Era of Scarcity" using Jos International Breweries Plc as a case study.

Please you are kindly required to fill/tick as appropriate the following questions. Your co-operation in this respect will be highly appreciated and would be strictly and confidentially used for this purpose only.

Thank you.

David S. Abaniwo
(G93/BAP/**7102**)

1. Do you advertise your product at all? - Yes or No

2. If yes, why do you think it is necessary

   Because:
   a) advertisement enhances sales
   b) our competitors advertise too
   c) budget is set for it annually
   d) any other reason

3. Who is responsible for media selection?

   a) Commercial Manager
   b) Corporate Affairs Manager
   c) Public Relations Manager
   d) Advertising Manager

4. Which of the under-mentioned advertising media do you utilize?

   a) Radio/TV
   b) Newspapers/Magazines
   c) Magazines/Radio
   d) Bill Boards

Appendix 3

Dept. of Business Administration
Ahmadu Bello University
Kongo Campus
Zaria.

Part B: **Questionnaire for consumers of "Rock" Larger Beer**

I am an MBA student of the above institution conducting a scientific research on the "Role of Advertising in an Era of Scarcity" using Jos International Breweries Plc as a case study.

Please you are kindly required to fill/tick as appropriate the following questions. Your co-operation in this respect will be highly appreciated and would be strictly and confidentially used for this purpose only.

Thank you.

David S. Abaniwo
(G93/BAP/7102)

Please tick as appropriate

1. To you, is it reasonable to advertise "Rock" Beer?

   Reasonable/Not reasonable

2. If yes, why do you think so?

   Because:
   a) advertisement enhances sales
   b) other competitors do same
   c) amount is set for it
   d) any other reason (specify)

3. Whom do you think should handle advertising programme?

   Because:
   a) Commercial Manager
   b) Corporate Affairs Manager
   c) Public Relations Manager
   d) Advertising Manager

4. How do you get information on "Rock Beer"?

   Through: Radio/TV
   Newspapers
   Magazines
   Bill Boards

5. Are you really in support of advertising in an Era of scarcity?

   Yes/No

6. If yes, why do you think so?

   Because:
   a) it increases sales and creates awareness of the product
   b) to make sure the amount budgeted is used
   c) to help prolong the lifespan of the product
   d) to gain an upper hand over competitors

8. Are you sure choosing appropriate media will boost sales of "Rock" Beer?

   Yes/No

8. If yes, which is your reason?

   a) increase in sales because the information is well passed
   b) increase in profit
   c) repeat purchase
   d) increase awareness

9. Do you drink Beer? Yes/No

10. If yes, which is your brand? Rock, Star, Gulder, Class

11. What is assessment of Rock Beer? Very satisfying/Satisfying/Not satisfying
    Can't say

12 Age:

13. Sex:

14. Occupation:

15. Address:

Appendix 4

INTERVIEW QUESTIONS

a) Do you advertise your product generally?

b) Is it necessary to advertise in an Era of Scarcity?

c) Do you think appropriate media selection affects advertising in an Era of Scarcity?

d) What are your main reasons?

e) Does advertising budget depends on level of sales of your product?