EFFECTIVE MARKETING OF SOFT DRINKS IN NIGERIA.

A CASE STUDY OF 7UP BOTTLING COMPANY

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A RESEARCH PROJECT PRESENTED TO THE SCHOOL OF POST GRADUATE STUDIES, FACULTY OF BUSINESS ADMINISTRATION, AHMADU BELLO UNIVERSITY KONGO CAMPUS ZARIA, IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTERS IN BUSINESS ADMINISTRATION (MBA)

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APPROVAL PAGE

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DEDICATION

To God almighty, who gave me this precious life and saw me through all my undertakings.

To the memory of my dear brother late Mr. Daniel Buba who "PLANTED THE TREE BUT COULD NOT SEE IT BLOSSOM."

To MY SISTER Mrs. Comfort Ndahi and her husband Mr. B.B. Ndalai "WHO MADE MY SAILS FULL OT THE WINDS OF DESTINY AND MADE ME WHAT I AM TODAY"

It is my tribute to Mr. Viyayi Tarfa, and Mrs Janet Umaru I appreciate the solid foundation they gave me in education. My dear Halima Sambo Hassan and Mariam Bitrus who have been " FRIENDS IN NEED AND INDEED"

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TABLE OF CONTENT

TITLE PAGE		i.
APPROVAL PAGE		ii.
DEDICATION		iii.
ACKNOWLEDGMENT		iv-v
TABLE OF CONTENT		vi
	CHAPTER ONE	
1.0	INTRODUCTION	1-3
1.1	STATEMENT OF THE PROBLEM	4-5
1.2	PURPOSE AND OBJECTIVE OF THE STUDY	5
1.3	SIGNIFICANT OF THE STUDY	5-6
1.4	SCOPE OF THE STUDY	6
1.5	RESEARCH HYPOTHESIS	6-7
1.6	RESEARCH METHODOLOGY	7-8
1.7	LIMITATIONS OF THE STUDY	8-9
1.8	DEFINITION OF TERMS	9-10
	CHAPTER TWO	
	INTRODUCTION	11
2.0	LITERATURE REVIEW	11-14
	OVERVIEW OF MARKETING MIX	14-33
	FOOTNOTES	34-35
	REFERENCES	36
	ARTICLE	37

CHAPTER THREE

3.0	HISTORICAL BACKGROUND OF 7UP BOTTLING COMPANY	38-39
3.1	RESEARCH INSTRUMENTS	40
3.2	COMPLETION OF TIME OF THE INSTRUMENT	40-41
3.3	VALIDITY OF INSTRUMENT (RELIABILITY TEST)	41
3.4	POPULATION AND SAMPLE	42
3.5	SAMPLE SIZE DETERMINATION	42-43
3.6	QUESTIONNAIRE ALLOCATION AND ADMINISTRATION.	43-47

CHAPTER FOUR

4.1	PRESENTATION AND ANALYSIS OF DATA	48
4.2	TESTING OF HYPOTHESIS USING CHI – SQUARE.	48-61

CHAPTER FIVE

5.0	SUMMARY AND RECOMMENDATION	62
5.1	SUMMARY	62-63
5.2	RECOMMENDATION	63-65
5.3	CONCLUSION	65
BIBLIOGRAPHY		66-67
APPENDIXES.		68-93

CHAPTER ONE

1.0 INTRODUCTION

In every business environment such as ours in Nigeria, every company (i.e. 7UP bottling company Plc), endeavors to keep its present customers and struggle for prospective ones through an effective marketing strategy.

Strategies are action-oriented programme patterned so as to give the organisation a unified direction towards achieving its set goals. Koorts (1, 1976). The development of an effective marketing strategies require a clear understanding of marketing opportunities, product planing, price policy, distribution systems, promotion strategy and cost analysis. Neclumegham (2,1970).

It is a set of principle or decision rules that adjust marketing Mix from one time period to the other, and, therefore, in marketing strategy formulation, the manager is concern with the adjustment of the marketing Mix to fit into the environment valuable, i.e. The economic, political /legal competitive, socio –cultural environments etc.

If the marketing environment are static, there would be little needs for strategic planning, thus to be effective strategic marketing planing most be directly related to the speed at which the environment changes, Markin (3, 1976).

Planing often starts with the question – How great a sales volume can we have to obtain at a profit? (4, 1984). This is generally answered by a marketing analysis and the development of a marketing plan.

The soft drink industry in Nigeria, is multinational in origin, and has enjoyed consistent and substantial growth for some decades now.

The rapid increase in the number of bottling companies has led to buyers market, hence introducing some element of competition. The degree to which these competitions are felt depends on the level of consumers' awareness of the differences in the individual company's products.

Nigeria present economic situation, which is caused by global economic recession, has drastically reduced the real income of her people. As a result of this reduction in real income, people have become rational and prudent in their spending. Thus what determines the product which the consumer will buy is the amount of satisfaction to be derived from the product. In consideration of this prevailing situation (5) more intelligent and aggressive marketing strategies become pertinent in securing the patronage of the consumers limited disposable income.

Now, the orientation of the soft drink industry in Nigeria has changed from just selling their products to finding ways of providing the bundles of product attributes that will get actual satisfaction to the thirsty consumer of their products. This will no doubt encourage repeat purchases. Thus, the adoption of the marketing management orientation which stresses that "the key to organisational goals, requires the organisation to determine the needs and wants of the target market and try to adopt itself to delivering the desired satisfaction more efficiently than competitors" is pertinent for survival.

Sales improvement in any business including soft drink business among other marketing activities, relies on effective application of marketing Mix (4Ps). This marketing Mix includes Product, Price, promotion and Place. As it is clear function of marketing Mix, therefore it is necessary for 7UP bottling company Plc, many soft drink companies to integrate all these valuables well in order to have effective marketing. This is because more of these valuables can exist or be applied in isolation.

It demands production of the products (i.e. be a right quality and quantity), well proceed product in order to be accepted in the market, Promotion of the products in order to create awareness and stimulate demand and placing the product at the right places at the right time. Proper decision on the application of these marketing Mix with other necessary variables, will go a long way to helping the organisations achieve their objectives

Above all, succeeding the market place i.e. (effective marketing) entails the people selling, to employ certain tactics, gimmicks and techniques in their approaches, to be able to make them reach their customer, retain them and constantly make them react to the market offerings,

It is obvious, that bottling companies have been established in almost every part of Nigeria, with Coca-Cola and 7UP bottling companies at each other's necks, in trying to establish a market leadership of the soft drink industry. It is in this note that this research topic "Effective marketing of soft drinks in Nigeria: A case of 7UP bottling company was conceptualized.

1.1 STATEMENT OF THE PROBLEM

Most bottling firms attributes their failure to how sales. It would seen however, that their problems are derived from neglect and improper application of the marketing variables and co-ordination of marketing activities does not affect all aspects of these variables.

Secondly, it also seems from our ever changing environment characterised by, global economics, recession, deregulation of the economy, large scale unemployment, unfavourable balance of payment declining production and cumulative evidence of slump in the economy and charge in money supply which directly affects the rate of spending by the people.

Seven-up bottling company, as a case study shown that the problem does not lie on the products. The products – 7UP, Pepsi, Crush, Team Lemonade and Miranda (soda & Tonic waters) are of high quality and are acceptable in the market like its other counterparts; rather does the problem lie with the price because they are properly and competitively priced.

Therefore, the pertinent questions to ask are these.

- to what extent does constant usage of promotional tools and inadequate distribution affect the sales of 7UP products?
- Is the presence of Coca-Cola bottling company Plc affecting the sales of the company? And
- What role does sentiment play in sales generation of the company?

Answers provided by these question would give clue to the marketing problem of the company.

1.2 PURPOSE AND OBJECTIVES OF THE STUDY

Bottling companies in Nigeria generally see the need to integrate all the marketing Mix available to achieve their organisational goals. Of all the marketing variables, which seem to determine sales, they tend to concentrate on product and price, forgetting promotion and distribution. Where they are used not as effective as required. So, this research thesis tends to narrow or channels its work on the effect of all partially neglected aspect of the marketing Mix as they affect the business in the face of competition thus, the essence of the study is to:

1. Find out the effect of 7UP various promotion programmes on their sales volume.
2. Examine whether the present distribution system being used by the company has impact on how sales, if so, recommend more effective ways of distribution to the company.
3. Examine the impact of the presence of competition on the company's sales effort.
4. Find out if improper application of marketing Mix variables e.g. promotion price etc has any link with the company's occasional low sales

1.3 SIGNIFICANCE OF THE STUDY

It is envisaged that the finding of this research work will enable the soft drink industries to adopt the right marketing strategy for their numerous target markets. The study will

go a long way in helping the bottling company to blend their marketing Mix properly in order td achieve the corporate goals of the companies.

It is of the view that if some of the recommendations made in this research are properly integrated and implemented, in future the bottling companies especially 7UP, will be in such a position to offer stiffer competition to the Coca-Cola bottling company Plc, in Nigeria.

1.4 SCOPE OF THE STUDY

The research covers the various aspect of the marketing Mix – products, price, promotion, and place (otherwise know as marketing 4Ps) identified as causal factors of low sales in any business operation. However, the study was limited to two of these variables namely, promotion and distribution (place) which were discovered to be the peculiar causal factors to the sales problem of the company under study.

The study is limited to Lagos State, specifically Lagos and its environment. Where the company under study is located and its product highly marketed.

1.5 RESEARCH HYPOTHESIS

It is in consideration of these problem and objective enumerated above that the writer formulated the following hypothesis:

Hypothesis1

H1: there is a significant positive relationship between advertisement and sales.

H0: There is no significant positive relationship between advertisement and sales.

Hypothesis2

H1: insufficient application of sales promotion leads to low sales.

H0: insufficient application of sales does not leads to low sales.

Hypothesis3

H1: there is a significant relationship between distribution and sales.

H0: There is no significant relationship between distribution policy and sales.

1.6 RESEARCH METHODOLOGY

In the process of collecting needed information for this research, two main source of data were used.

(a) Primary data

(b) Secondary data.

PRIMARY DATA

All the primary data were gathered through oral interviews, observations and questionnaires administered to the staff of 7UP PLC. (Both juniors and Management staff) distributors and consumers of the company's products.

OBSERVATIONS

All observations with respect to this study were made in the factory, distribution centres/retail stalls and consumers behavior towards the company's products.

ORAL INTERVIEWS

Those interviewed were the marketing manager, Administrative manager, supervisors and other staff of the company. Also interview were randomly selected distributions and consumers of 7UP drinks. The essence of the interview was to compare the respondents' views about 7UP brand of soft drinks with other companies' brands, This is to find solution to the company's sales promotion.

The primary motive of these primary data sourcing is to elicit original information from the respondents and determine their promotions, distribution, price and products qualities.

SECONDARY DATA

The secondary data in the study were collected mainly from articles, publications of other previous work of other writers / researchers on this topic, publishers and unpublished materials, articles and journals, textbooks, Newspapers.

The company sales records and papers. All were used to help achieve the main objective of the study.

1.7 LIMITATION OF THE STUDY

A lot of constraints were encountered in an attempt to carry out this study. Such problems included time factor, lack of materials, finance and the attitude of the respondents.

Available information shows that we have many bottling companies in this country, Majority of them are faced with the problem of low sales. Given this premise, an elaborate study of these plants would have been pertinent so as to clearly establish this problem of low sales in the bottling plants (both indigenous and Multi – national). But owing to financial and time constraint under which the researcher worked, it become necessary to limit the study to the Head office of 7UP bottling plant here in Lagos and its environments. Time constraint has to do with the limited period given by the school with which to complete and submit the project.

1.8 DEFINITION OF TERMS

The following are some operational definitions of concept that one will come across in the analysis of facts in this research thesis. These concepts are:

Environment: people and conditionals both internal and external variables that affect and being affected by the organisation itself.

Firm: it is any independent business unit engaged in the production of some goods or rendering of some services that satisfy a need or want.

Marketing: the process whereby the needs of consumers are identified and product(s) that can satisfy those needs are planned, designed, priced, promoted, distributed and exchanged for cash with the consumer at a profit.

Product: this refers to goods and / or rendering of services e.g. delivery of goods, insurance and Banking services, industrial hard and software's etc.

PLC: Public Liability Company

Strategy: it is an end and means concept. Any device that can get off to achieve an objective in the face of competition.

Hypothesis: Asika (5,1991). A prediction or a conjecture state well in advance of observation (or actual collection of data) about what can be exported to occur under stated or given conditions.

Variables: A concept that changes in magnitude, kind and attributes it assumes Overtime and Space e.g. Age, Weight, Distance,Rainfall, Population etc.

Consumers: they make things happen in the market place. They are end users.

Marketing Mix: it is the 4Ps of marketing e.g. Product, Price, Promotion and place.

Population: it is that concept of the population that the research is interested in e.t.c.

CHAPTER TWO

2.0 LITERATURE REVIEW

INTRODUCTION

Marketing is the discovery and definition of customer /client needs, the translating of these needs and the delivery of these products and / or services to the people at a profit. Strategy means the employment of all objectives in the face of competition.

Hansen (1,1975) is a view that strategy may be successful or unsuccessful. Promotion is the exchange of information by any means. There are facts, ideas, and concepts. Etc of a product or service which need free and easy. Circulation from a firm to the marker and also in the opposite direction (2,1975).

Marketing consideration play an important part in framing overall corporate strategy. The corporate Strategy of a firm represents the pattern of its resources deployment in order to achieve the desired quality and care of interaction with its environment.

Marketing strategy is the competitive posture of the firm in the market, and is reflected in its product or service mix, promotion, distribution, pricing and the structure of its marketing organisation. Marketing strategy is closely associated with a firm, because it is a means of avoiding deviance from and gauging progress towards stated objectives. The best strategy is one which optimises company profit over the long-term. Stated more precisely, the best strategy maximises the present value of cash flows from business operations.

Planing is not left out. According to Christopher Martin, "Marketing planing is the systematic application of marketing resources to achieve marketing objectives. It is the means by which an organisation seeks to monitor and control the hundreds of external and internal influence on its ability to achieve profitable sales. Marketing planing also provides an understanding throughout the organisation of the particular competitive stance that an organisation intends to take to achieve its objectives. This helps management of different functions to work together rather than to pursue their own".

A marketing plan, therefore contain a review of the following i.e. the elements.

- Marketing environment
- Assumptions
- Overall objective and strategies
- More detailed program concerning responsibilities, timing and costs.

There are difficulties and problems in planing " The problem is that while an a process, it is intellectually simple to understand in practice, it is the most difficult of all marketing taxes. The reason is that it involves bringing together into coherent plan all the elements of marketing, and in order to do this at least some degree of institutionalised process is necessary".(MC Donald).

The main problem is therefore that of property allocating marketing resources. Improper definition of company mission and goals is also a major problem. For longer range plans, the need to predict changes in customer tastes and wants, changes in technology and changes in the economy also pose a problem.

According to Drek and Hammond, market opportunity analysis deals with "how to analyze customers, competitors, market characteristics and environmental trends to asset market opportunity and on the other hand how to analyse company's strength and weakness to determine whether and how the opportunity may be exploited.

When competitors are analyzed, the planner is able to see how the market is served. Areas that are under served are discovered and an attempt is made to exploit the opportunity. This is significant t effective marketing and each such group constitutes a market segment.

These criteria are used for selecting segments. They are:-

- **Measurability** :- characteristic on which the segment is based should be able to be measured e.g. the population of a city, or college grandaunt.

- **Size:-** the segment has to be large enough to make the marketing effort worthwhile. There most be enough potential buyers to cover the cost of producing and marketing the product to give sufficient profits.

- **Reliability:** - segment must be accessible to the organisations marketing effort.

- **Marketing** Responsiveness:-A clearly defined segment should react to changes in the marketing Mix e.g. if segment are determined by potential customer interested in economy will buy less if a product's price is raised.

CONSUMER CHARACTERISTIC APPROACH

The most commonly used. Bases for the consumer characteristic approach are Geographic, Demographic, and Socio –Economic and Psychographic. These basis describe consumers interms of where they live, who they are and how they think.

OVER VIEW OF MARKETING MIX

A. DISTRIBUTION /LOGISTICS

In the study of marketing and the operations of marketing department in business, a great deal of attention is paid to buying and selling then physical (distribution) handling of goods. In his speech at the Boston Conference on distribution, Ivy Panel (3,1954) recognised this problem and commented this "problem of physical distribution are too often brushed aside as of little importance to this aspect of market". However he did not suggest or specify the process to bring the distribution to lime light. It is wrong to consider distribution as a high cost factor. A well planned and carefully selected distribution channel adds value to the products at every point from the producers to the consumers.

According to Moss (4,1966), channel selection involve careful differentiation of all the alternatives means by which the goods could be moved to the consumers and evaluating the alternatives.

Companies may opt to channel their product through retailers and wholesaler or they may decide to deal directly with the consumers. The distribution decision specifically involves the seller in determining the most profitable ways to reach the market we want to serve. If he decides to sell direct this has implications on thee size and type of sales force, type of product, the size of his advertising budget and his prices among other

considerations. On the other hand, if he opts to sell through middlemen, his decision will sell for a different plan for sales force activities, advertising and planning.

TOWARDS INTEGRATED LOGISTICS

Prior to 1950, the typical enterprise treated the process of logistical management of a fragmentancy basis. Although a great many authors acknowledge the fundamental importance of logistics to marketing and manufacturing no formalised or integrated management concept prevailed.

From the beginning of industrial revolution on national capacity to mass distribute, Shaw (5,1963) says that modern marketing place priority upon:-

(1) Extensive line item proliferation,

(2) Selling identical product through a wide variety of marketing channels and different types of retailers

(3) And the wide spread offering of product contained services, combined to create a need for a new and less expensive approach to the physical support of marketing.

Shaw tried to compare the period of emergence of physical distribution and its present importance to marketers and manufacturers and went further to discuss the strategic aspect of physical distribution.

Lawn (6,1968), in his air freight study, explained the economic jurisdiction for high cost of air transport and introduced the concept of total cost analysis. Total cost was presented as a measure of all expenditure required to accomplish a logistical mission.

The researcher contended that the high freight rates characteristics of air transport could in selected situation be more than offset by reduction in inventory holding or warehouse operation cost. However, the researcher did not specify the ways of minimising the total cost or total cost analysis maintenance.

Anderson (7, 1958) did additional study on the aspect of distribution logistics, which relates to overall channel arrangement. Most logistical systems were initially studied from the vantage part of a single or vertical integrated enterprise. During the crystallization decade, considerable attention has focused on the recognition that logistical activity and responsibility seldomly stop at the point of ownership transfer. An overall perspective of integrated logistics illustrate that significant costs may occur as a result of the practice of channel arrangement.

The interface of two or more individual logistical systems may result in excessive cost generation and customer service improvement for overall channel. The researcher went further to say that even if individual logistical systems are fully compatible, the total cost of the channel may escalate rapidly as a result of duplicated efforts.

CHANNEL IN THE SERVICE SECTOR

Abler (8,1971) states that "the concept of marketing channels is not limited to distribution of physical goods' The producer of service and ideas also face the problem of marketing their output available and accessible to target population. For example hospitals must be geographical sited to serve the people complete medical care at no extra cost or time, and schools must be built close to the children who want to learn. Fire stations must be located to give rapid access to potential users, voting booths must

be placed so that people can cast their ballots with out expending reasonable amount of time efforts and money to reach the polling station. The researcher also contends that channels sector relates also to societal non- profit making activity, hence a wide target population concerned.

Buckline (9, 1972) in this book " Composition and Evaluation Trade" contend that consumption is mutually a distance from production and that some mechanism is required to overcome the gap between the two. He identified this mechanism as the channel of distribution. He defines a product distribution system as a services of agencies who is the process of bridging the gap, operates upon three major and distinguishable flow:

(a) the flow of information to and from the customer

(b) The product flow, handling, moving and storing, sorting by grading and breaking of bulk;

(c) The title flow, the passage of ownership.

This Bucklin's definition was defective in the sense that it did not specify what exactly is an ideal channel of distribution hence corporate distributive objective was identified as it flows in a manner that is superior to other alternatives.

B. PROMOTION

Olugbenga (10,1983) stipulated that in marketing context, promotion is made up of those activities that are directed at attracting the attention of the man on the street to the exchange table. When there is an advertisement on the television, say at interview periods, what the advertiser is doing is promotion. An insurance sales person giving a

sales talk about the importance of holding life policy is clearly engaged in promotional activity. When at times there are specific features on a particular industry and editorials are written relating to a particular company's product offerings or service offerings, promotion is involved. Stanton (11,1983) identifies promotion as consisting a five major components—Advertising, Personal Selling, Sales promotion, Publicity and Public Relations. He identified personal selling and advertising as the most widely used. According to him, sales promotions include such activities as setting up store displays, holding trade shows, and using samples and premiums.

According to Kotler (12, 1983) "sales promotion consist of a wide variety of promotional tools designed to stimulate earlier and /or strong market response". Publicity is a non-personal form of demand stimulation and is not paid for by the person or organisation benefiting from it. It takes the form of a favourable news presentation for a product, service or organisation, and is made in prints, radio or television or in some form of public address. Public relation is a planned effort by an organisation to influence some groups' attitude or opinion towards that of an organisation. The market target for the public relation's effort may be any given public. Such as customers, government agencies, employees or people living near the promotion organisation.

American Marketing Association (AMA) (13, 1975) defines advertising as any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor. From this definition, it is identified that advertising has these elements. Advertising is paid for, it is a commercial transaction, it is non- personal and it is done by an identified sponsor.

Advertising has numerous objectives, which include the following:-

- To build primary element,
- To inform introduce a price deal
- To inform about a product's availability
- To build brand recognition or brand preference
- To create awareness
- To increase the frequency of usage through stimulation's
- To build overall company's image
- To modify existing product and buying motives
- To effect immediate buying actions
- To reach new areas or new segments of population within existing areas.

These adjectives indicate that the ultimate aims of an advertising campaign is directed at a short term increase in sales volumes, the development of a net market, an increase in share of an existing market or the building of a favourable attitude to the company as a whole. Ibekwe (14, 1983) – personal selling refers to face to face oral presentation explanations and negotiations by salesmen and negotiations by salesmen for the purpose of transferring little to buyers and following up the sales with necessary attention and services to ensure customer satisfaction.

The salesmen and sales manager may not render the service directly but must follow up to find out if the services rendered are adequate. If he notices any shortcomings or discrepancies appropriate personnel should be contacted for necessary action to ensure customer satisfaction and the good image of the organisation. Some of the services requiring the attention of the sales man are delivery, installation, supply of

spare parts and accessories, services calls education in are and repairs. Personal selling is the most effective tool at certain stages of the buying process, particularly in building up buyer's preference, conviction and action. The reason in that personnel selling when compared with advertising has three distinctive qualities as identified by levy (15,1971) and they include personal confrontation, cultivation and response.

Effective promotion relies on a careful blending of all the promotional Mix elements personal selling, advertisement, public relations, public exhaustion, point of sales and presales services, use of premium e.t.c. No one element is more important than the other, although in a given marketing of low unit cost item like soft drinks which is bought across different regions and geographical areas, the broad advertising will be at the forefront of all the promotional activities that are general towards enhancing the rate of patronage of the item. The actual blend of promotional six elements, depends on the product(s) being sold (as shown in the example above); the nature of the market, the channel of distribution among others. Planning for optional mix is best begun with analyzing the techniques used for successful competitive products, for instance any new bottling firm could start its promotional activities by determining the promotional technique s of other existing successful bottling company like the Nigerian Bottling Company Limited (NBC), Seven-up,etc.

This does not mean that there should not be room for innovation or that companies following good steps of successful companies are unproductive. Although promotional goals will vary with situations, these include increasing demand, to differential the product, establishing the value of a product as well as maintaining a certain sales level and the like.

In effect, promotion is that aspect of marketing Mix that tries to make explicitly those qualities of the product to which other elements implied. Viewing it from this perspective, Kotler (16,1983) defines promotion as that attempts to inform, remind individuals and persuade them to accept result, recommend or use a product, service, idea or institution. Then what aspect of this definition to people often criticises? Most people welcome promotional role of reminding and informing but they criticise its role of persuading the consumers. One other dimension of the definition is that promotion is not only directed to consumers alone, also to institutions, opinion leaders, and manufacturers among others. It is a useful tool to both profit and non-profit organisations. Chauvet is of the view that international associations rely in freedom of self regulated commercial information because advertisement contributes to economic, social and cultural development. He further said that advertising informs people about products and services, it lowers cost by high sales, and help to modernize our own world. Advertising has a social role through public service and it has a redistribute effect all these as pointed out by Chauvet, further appraisal of there particularly the criticism could be pertinent. Advertising has been the subject of much economic and social controversy. Proponents of advertising have argued and itemised some of the advantages of advertising. However, critics have said that it wasted resources, misinforms consumers, distribute the consumers' national preference patterns, increase cost, contributes to monopolisation of market, that increases in sales cannot be attributed to advertisement e.t.c. Actually, these statements are full of contentment but it could be proper to X – ray some implications of these statement and or argument.

INFORMATION AS AGAINST PERSUASION

Some scientists are of the view that advertising is both informative and persuasive. Thus the information aspect should be commented. Advertising has both positive and negative aspects, on the positive side, it informs us about market conditions so that we know were to go for the best product need and at a considerable price. On the negative side, much advertisement thrives not to inform but to mis – inform us. It seeks to change our preference patterns and create wants which our private introspection would deny. It thriven at making that consumers believe statement, which may be scientifically untrue. At the point where advertising departs from its function of informing and seeks to persuade or deceive the consumers, it tends to become a waste of resources. The doctrine's ultimate aim seems to be contained in the following syllogism propounded by Spencer et al (17,1981). "Consumer sovereignty is a necessary condition in our economy, advertising to the extent that it persuades rather than informs and distorts consumer sovereignty. Therefore persuasive advertising causes a misinformation and waste of resources". This criticism is shown above has been widely accepted by many social reference including a good number of economist. The doctrine appraise advertising by comparing it with result that would be expected in the economic theory of perfect competition – a theoretical model which as the eminent British economist Kaldir, Has enumerated is built on motions of technique that is opt to conceal the true complexity of the problems presented by competitions in imperfect market.

The evaluation in Kotler's ward ought to be made in relations to existing real world alternations, not in relation to some ideal but perfectly non-existent system. The distinction and advertising that persuades seems to snack of academic spacouness, for in reality, it is usually impossible to differentiate the two. It is not very clear whether

persuasive advertising which result in the creation of new wants is necessarily bad as per se, since new wants are undoubtedly a powerful stimulant for raising the standard of living economist have being agreed that advertising may add utility to products and to the extent that it is not easy to differentiate the utility inherent from the product it self.

However, advertising may some times have the reverse effect. It may be deception or even carry false information, there by resulting in distinctinly. However, laws exist to prevent these possibilities but they are necessarily broad and sometimes difficult to enforce so that these adverse effects can at best be reduced rather than eliminate. Consequently, no one can deny that advertising does provide some useful information to consumers.

EFFICIENCY AS AGAINST WASTE

Another argument relates to the question of whether advertising resulting to higher or lower product cost. Nzeribe (18,1985) argues that advertising familiarize the consumer with non- product and thereby broadens the market. This stimulus encourages further an innovation by business executives, resulting in a large scale of operations and therefore, lower cost as a result of mass production. At the same time, expansion in advertising tends to make expenditure on other forms of selling for instance through salesman less necessary and to the extent that advertising replaces more costly selling activities, particularly for goods, bought by many people, it may lower selling cost by reducing the amount of retail sales, efforts per unit of retail sales. Competition tends to be no terms of advertising rather than price and any real economies of scale even if they existed at a loss through advertising.

Spencer et al (19,1981) reiterate the enumeration of the neo-classical economic theory which states that " firm will tend to approach their optimum size in the long run on the basis of price and cost relationships exclusively. Therefore, there is no need for advertising nor is there even any room for it in the economical model. But in real world, the long run may take years of decades, therefore, advertising of operations, tends to hasten the process and is this relievable. New classical theory also argued that advertising facilitates the growth of oligopolistic industries and therefore enhances market concentration. This happens according to them because of the existence of economic of scale. As a result, the cost of advertising exposure per unit of product sold are lower for firms unit, large sales volumes, successful exposures are usually necessary for advertising to be effective.

Furthermore, many advertising media grant substantial quantity discounts (at times as much as 30 percent) to large advertisers with discount rate applying to the advertisers total advertisers total advertising rather than to a specific product. Thus there is an argument that advertising creates hardship against small firms which are seeking to gain market acceptance of their products, while it tends to favour established multi product firms whose revenue from sales are higher to embark continuously on heavy advertising.

COMPETITION AT AGAINST CONCENTRATION

Ogilry argues that advertising tends to encourage competition in various ways. Consequently, we have competitive advertising as one of the three types of advertising. This is mainly used in industry like Soft drink industries where competitions is very high. It has been said that advertising by making product information available to a large

number and wider distribution of consumers reduces the opportunity for small-scale firms (indigenous bottlers) to earn local monopoly profits. Furthermore, it makes firms both young and old to introduce new product and gain market acceptance for them much more rapidly than would be possible without advertising. As a last point, with the trend in Nigeria industries (mostly the bottling companies and breweries) toward organisation based on diversified product lines, it has been contended that advertising may enhance the effective sentry of these new lines and thereby encourage more efficient organisation structures within firms as well as more efficient competition between them.

INCREASE IN SALES CANNOT BE ATTRIBUTED TO ADVERTISING

One of the functions of advertising is that it is used in creating volume of sales for producers. It economies a large scale cannot be realised without advertising (large-scale marketing). But many critics like Baker (20,1983) argues that increase in sales cannot be linked directly with advertising. This argument looks convincing, but he forget to consider that among other factors that increase sales that advertising creates awareness, stimulates demands and draws the consumer close to the producers.

Actually it cannot be said that only advertising alone increases sales. There are so many other factors like product quality, use of other promotion tools, product positioning, price of the product e.t.c. But one/ thing / certain is that advertising is the most widely used and it facilitates the use and importance of these products to the consumers.

That is why Nzeribe (21,1985) says that " any business without advertising is like a man whispering to a girl in the dark". This means that the business will not be known without advertising, neither will it get to the target market and thus its sales will be affected.

PRICING

Marketing executives who hers their responsibilities on promoting the product or services that are marketing frequently ask such question as :

- How much do you think we should sell it for?

This question will be more correctly be warded if they ask:

- How much do you think people will buttress the generalization that prices are on troll.

Stanton (22, 1983) defines price as an offer or an experiment to text the pulse of the market. If customers accept the offer, the product is properly priced but if rejected, the price should be quickly changed or the product may even be withdrawn from the market depending on the circumstance.

Marketing executives before determining their products, prices should therefore find out the pricing goals, objectives, meaning and acceptance in the market.

Many of the problems associated with pricing is borne out of the fact that we do not know the meaning of the price. From the economic point of view" price value and utility are related concepts. Utility is the attribute of an item that makes it capable of want satisfaction, value is the quantitative treasure of the worth of a product to attract other product in exchange. Because our money as a common denominator of value. Then

the term price is used to describe the money value of items. Price is expressed in terms of Naira and Kobo or any other monetary medium of exchange.

State or Federal legislation demand and supply sometimes affect A Company's price structure. The price of a product or services is a major determinant of the market product acceptance, a firm's competitive position and its share and its share and its share of the market. Consequently, price has a considerable link on company's revenue and net profit. The price of a product also effects the firms marketing programme. In product planing, for instance, management may decide to improve the quality of its product or add differentiating features. The decision can be implemented only if the market will accept a price high enough to cover the cost of these changes. However, there are often forces that may inhibit the significance of pricing in a company's marketing programme. Differentiated product features or a favourable brand may be more important to consumers than price and as a result, these forces tend to make price more rigid, that is less responsive to changes in demand and supply. To appreciate the role of pricing is a company marketing programme, we assume that price is important, but in explaining market success. The current state of the economy has a considerable influence on the importance that business executives associate to pricing relatively to other marketing activities. When economic conditions are good and price is not regarded as important as products planing and promotional activities.

Okenga (23, 1974) says whether recessionary or inflation any periods, that however, executives consider that pricing is an all important activity helping to achieve marketing success. Also marketing executives should try to acquaint them selves with some of the psychological aspects of pricing. For instance, consumers depend heavily on price as

an indicator of a products quality particularly when they must make purchase decisions based on incomplete information.

Monroe, in his research has shown that consumers receive product quality as varying directly with price, the better the quality that is perceived to be. Riesz also confirmed these consumer judgement as often done when there are no available information relating to product perception by consumers can also be influenced by store reputation, advertising and other variables.

More recently, owing to worldwide inflation, price has attributed considerable attention and is now viewed by many marketers as the most element in the marketing mix, following the product. The pricing function is handled in quantity of ways in different companies. In small companies, pricing is often a decision of top management and may be out of hands of marketing or sales departments. In large companies, price determination is typically in the hands of divisional and productive managers. Even hare top managers' sets the general pricing objectives and policies and often has to approve the price proposed by low level management.

Kotler (24, 1988) has identified pricing to constitute problems in four conditions:-

- when a firm must set a price for the first time, this happens when the firm develops or acquires a new product, when it introduces its regular product into a new distribution channel or geographical area or when it regularly enters bids on new contract work.

- Pricing is a problem when circumstances lead a firm to consider initiating price changes. The firm may not review weather its price is right in relation to its demand cost, and competitor prices.
- Pricing is a problem when competition initiates a price change. The firm has to decide whether to change its own price and, if so by how much?
- Pricing is a problem when the company produces several products that have inter – related demands and / or costs. The problem is that of determining optional price relationship for the productions in the line.

PRICING OBJECTIVE

The firm has to first take a decision of what it wants to achieve with the particular product. Where the firm has selected its target market and market positioning carefully, then its marketing mix strategy including price will be simple. The clearer s firm is about it objectives the easier it is to set price.

- Firms set survival as their major objectives, if confronted with over capacity, severe competition or changing consumer wants. To keep the plant going and the inventories turning over, firms must set a low price, hoping that the market is price sensitive.

- Many firms want to set a price that will maximise current profit, cash flow or rate of return on investment. In most cases emphasis is on current financial performance instead of longrun performance.

- In some firms, both large and small, the major pricing objectives is to maintain or increase the share of the market held by the firm. They believe that the company owing the largest share will enjoy the lowest cost and the highest long-run profit. They go after market share leadership by setting prices as how as possible. A variation of the objective is to pursue a specific market share gains: say the company want to increase its market share from 20 percent to 35 percent in one year. It will definitely search for the price and marketing programme that will achieve this.

- A firm might adopt the objective of being the product quality harder in the market. This normally calls for changing a high price to cover the high product quality and highcost of research and development. A considerable number of firms, sizes not with standing, intentionally price their products simply to met competition.

In industries with a price leadership, the objectives is often price stabilization, in such industries where demand can flatriate frequently and at times considerably, large firms particularly will try to maintain stability in their pricing. It is worthy of note that price leadership does not necessarily mean that all firms in the industry charge the same prices and set by the leader. Price leadership means that there as some relationship between the leader's price and those charged by other price follower – firms the essence of price stability is to over price was whether demand is increasing or declining.

D. PRODUCT

Product is are of the most important elements of the market mix. Kotler (25,1983) thinks of product an anything that can be offered to a market for attention, acquisition, use as consumption it includes physical objects, services, personalities, places, organisations and ideal.

The names for a product would be the offering offer, value package or benefits bundle. It has three distinctions namely; core, formal, and augmented products. The recognition leads the seller to look at the buyers total consumption system. According Harper and Levy (26, 1963) the way a purchaser of a product performs relines on the *total task of what ever it is that he or she is trying to accomplish when using the* product. Levitt (27 – 1969) goes on to say that the new competition is not between what companies produce in the factories but between what they add to their factory outputs in firm of packaging, services, advertising, customer advice, financing, delivery arrangements, ware housing and other things that people value. This the watch word for management must often be to innovate and this innovating attitude can become a philosophy almost paralleling that of market concept.

Druker (18, 1954) recognise the importance of the two concepts when he said " because it is its purpose to create a customer, any business enterprise has two basic functions of marketing and innovation"

Many companies will get a substantial position of their sales volume and not profits this year from product that did not exist some year ago. More over, various studies have shown that the growth industries are those that are oriented to new products.

Unfortunately, in recent years, a wide variety of industries and companies have shown unstable signs of a cut – back in research and development activity. This is the activity that traditionally has been the source of innovations.

Novette, on the other hand contends that are factor determining new products development is the fear that the new product will gain a market largely at the at the expense of the innovators existing products i.e. the company's new product will steal sales from present products in that company.

Recently, consumers have been more selective in their choice of products. As consumers disposable income have increased and as abundance of products have become available consumers have fulfilled many of their wants.

Veblen, theorized that as members of a social class attain the means to accumulate wealth, they pass through a period of conspicuous consumption, during which they acquire Ostentation materials to impress their neighbours. What they have prove to themselves that they can pay for basic waits and needs then they switch on to practice conspicuous consumption.

If market situation in terms of product quality and quantity does exist to some extend, it follows that consumers may become critical in their appraisal of new products. While the consumer is being increasingly selective, the market is being delivered with products that are imitation or that offer only marginal competitive advantage the situation may be leading to "

Novettee says the solution to this is to develop really a new product, that is innovation not just imitation.

FOOT NOTES

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CHAPTER THREE

3.0 HISTORICAL BACKGROUND

Mr. Mohammed El- Khali is the Chairman and founder of Seven –UP (7UP). The advent of 7UP bottling companies Plc. In Nigeria alongside Nigeria's independence celebration on October 1st, 1960, marked the genesis of bottling companies in Nigeria. This was the day it rolled out its first 336 bottles into the Nigeria market, from the Head –office plant at Apapa road Ijora Lagos. Presently their production capacity stated at 1.2 billion bottles per year.

Seven –up main objective is growth and expansion turnover is secondary, in the light of this, it has since its inception made giant strides in the soft drinks industry in Nigeria between 1980 and 1990, additional product plant were commissioned at Ibadan, Ilorin, Kaduna, Kano and Aba to add to the Apapa and Ikeja plants making 7 plants and 1500 sales truck Nation – wide.

This gradual incursion into the Nigeria soft drinks market began with just two brands: 7UP and Orange Crush, and with the successful negotiation and acquisition of franchise their corporate social responsibilities to the community, providing music, entertainment, dance, scholarship for employee's children, festivals, theatre arts, culture and spirit in general.

Seven –up Plc, have staff strength of about 5,000. The height of their outstanding performance has been rewarded by various national and International merit awards e.g.

"Bottle of the year Worldwide Award" International quality award, the NTA " Client of the year award" and PMAN "Best cooperate sponsor of the year e.t.c.

Despite the present economic down of Nigeria, 7UP Plc has continued to identify its corporate identity with Nigeria as one great family. It has come a long way with the people of Nigeria who belong to the choice of the new generation from Messrs. Pepsi – cola international of New York to bottle and market Pepsi – Cola, Teem Lemonade. Mirinda (Orange, Soda water and tonic water), 7UP has tremendous competitive advantages in their expansion programme and future growth.

Of their 38 years in operation, 7UP bottling company plc, achieve greater efficiency and total commitment to people through their numerous innovative sales promotions among which are: Naira rain, Money spinner (its raining again): 7 wonders of 7UP world, 7UP guard shade, 7UP money shower, Naira rain lottery, 7UP Chess the stars, 7UP cash machine, 7UP express winning numbers, 7UP spell and win e.t.c.

Their promotion budget rose from initial 0.5 to about N50m. the three A's of 7UP Acceptability, Availability and Affordability – of their product constitutes the basic structure on which is built their marketing strategies, that today gives them an enviable position in the quality and excellence of their products.

The company believes in the people who make things happen. The PEOPLE are their greatest asset. Hence from the early days of their foundation, they have demonstrated.

3.1 RESEARCH INSTRUMENT

The research instrument used in this research work include questioners and mapped out questions for oral interviews. Three sets of questioners were designed and given out to three categories of respondents namely, the staff of company, the distributors and the consumers of 7UP products. In designing the questionnaire, the researcher started with general questions that were in structured or unstructured forms. The structured questioned here simple alternatives and multiple choice questions. Under the simple alternative questions, the respondents were expected to kick against the response appealing to him/her. Under the multiple choice questions a range of possible answers were provided for the respondents to select from.

In designing the unstructured questions, the research pre- supposed no exact, answer from any respondents, hence they had considerable freedom in pluralising their answers.

3.2 COMPLETION TIME OF THE INSTRUMENT

The instrument development for this study was administered to ten respondents each from the different categories of the respondents to determine the completion time. The outcome of the exercise is shown in the table below.

TABLE1

NO OF RESPONDENTS	TIME OF COMPLETION	TOTAL TIME
4	9 Minutes	36
3	8 "	24
6	7 "	42

3	6 "	18
10	5 "	50
4	4 "	60
30	39 minutes	186 Minutes

To determine the average completion time

= 186 =6.2 minutes

30.

6 minutes approximately.

From this exercise, it was found that it took a minimum of Nine minutes and an average of six minutes to complete the item in the instrument. With this, it was noted that the respondents did not all find it difficult in understanding and filling the questionnaires.

3.3 VALIDITY OF INSTRUMENT (RELIABILITY TEST)

The instrument development for this study was administered to Ten consumers of 7UP products at Apapa to establish its reliability. Data collected for this purpose was analysed using spilt – half reliability formular.

The correlations co-efficient were obtained as follows with questions 6 –15.

TABLE11

RELIABILITY CO- EFFICIENT OF TEST INSTRUMENT

Item	Reliability
Number (s)	Co –efficient
6 –15	0.8964

This proved the instrument valid or reliable.

3.4 POPULATION AND SAMPLE

The first problem in any sampling operation is to define the population being studied.

Nwabuoke (1986) defines population as any finite and infinite collection of objects under study. For this project, it means the entire group of bottling companies, which the research wishes to study. Thus, the population of this study is defined to be about forty-two (42) mineral firms in Nigeria. (see appendix). It would be pertinent to mention that the researcher has out of this population chosen 'seven –up bottling company plc" as her case.

SAMPLE SIZE SELECTION

The sample frame for this research covers the list or number of all the consumers, distributors of 7UP soft drinks and staff of 7UP plc in Lagos.

For effective selection of sample the researcher has chosen Stratified sampling method and Random sampling method, in order to achieve optimal objective of the study, the basis for the choice of this method, apart from income, occupation, age, educational levels, is to ensure no element of bias in the selection of the respondents.

3.5 SAMPLE SIZE DETERMINATION

The sample size for this study comprising the distributor consumers and staff of the company under study were not arbitrary chosen. Tuckman's formular was used in calculation and determination of the various sample sizes. From the pilot study, the consumers sampling size depicts 303, while the distributions sample size shows 174.

NNOBI	22,435	0.04	20
ITIRE	65,537	0.11	56
APAPA			
ORILE	17,850	0.03	15
-IJORA	3,250	0.01	6
WARF	2,500	0.01	5
CUSTAIN	5,380	0.01	6
ERIC MORE	4,488	0.01	6
AJEGUNLE	65,782	0.12	61
FESTAC	24,280	0.04	20
ISLAND			
V.ISLAND	7,821	0.01	6
MAROKO	12,320	0.02	10
IKOYI	9,337	0.01	6
OBALENDE	8,249	0.01	6
MARINA	6,110	0.01	6
	560,241		

A total of 507 questionnaire were administered to various categories of respondents: consumer 303, distributors questionnaire, the distribution of these questionnaires are shown below.

TABLE IV

QUESTIONAIRE ADMINISTERED TO CONSUMER OF 7UP PRODUCT

CATEGORIES OF PEOPLE	SUB UNITS			
	S/LERE	APAPA	ISLAND	TOTAL
Private sector employees	17	16	9	42
Civil servants	10	18	9	37
Self –employed (artisans)	13	10	13	36
Landlords	10	11	8	29
Students	25	15	15	55
Farmers	15	12	9	36
Applicants	10	8	5	23
Traders	20	13	12	45
TOTAL	**120**	**103**	**80**	**303**

TABLE V

RETURNED RATE OF CONSUMERS QUESTIONNAIRES

LOCATION OF THE RESPONDENTS	NUMBER ISSUED	NOT REQUIRED	NUMBER REJECTED	NUMBER USED
Surulere	120	25	4	91
Apapa	103	15	5	83
Island	90	10	4	66
	303	**50**	**13**	**240**

TABLE VI

QUESTIONNAIRE ADMINISTERED TO THE DISTRIBUTORS OF 7UP DRINKS.

LOCATION	NUMBER ISSUED	NO NOT REJECTED	NUMBER USED	PERCENTAGE NO. USED
SURULÈRE				
OJUELEGBA	10	1	9	5.17%
MUSHIN	8	-	8	4.60%
IKATE	7	1	6	3.44%
ILASAMAJA	7	-	7	4.02%
AGUDA	7	-	7	4.02%
IWAYA	12	2	10	5.75%
LAWANSON	9	1	8	4.60%
IJESHA	10	1	9	5.17%
YABA	7	-	7	4.02%
ITIRE	6	-	6	3.44%
NAOBI	11	2	9	5.17%
APAPA				
ORILE	10	1	9	5.17%
IJORA	7	-	7	4.02%
WARF	8	-	8	4.60%
CUSTAIN	9	-	9	5.17%
ERIC MORE	7	-	7	4.02%
AJEGUNLE	10	2	8	4.505
FESTAC	7	1	6	3.44%

ISLAND				
V.ISLAND	6	1	5	2.87%
MAROKO	4	-	4	2.29%
IKOYI	4	-	4	2.29%
OBALENDE	4	-	4	2.29%
MARINA	4	1	3	1.72%
TOTAL	**174**	**14**	**160**	**91.95%**

TABLE VII

QUESTIONAIRE ADMINISTERED TO STAFF OF 7UP PLC IJORA LAGOS

CATEGORY OF STAFF	NO ISSUED	NO RETURNED	PERCENTAGE RESULT
Admin manager	1	1	3.33%
Marketing manager	1	1	3.33%
Accountant	1	1	3.33%
Shipping manager	1	1	3.33%
Sales supervisor	1	1	3.33%
Salesmen	8	8	26.67%
Client	1	1	3.33%
Purchasing manager	1	1	3.33%
Others	14	14	46.695
Total	**30**	**30**	**100%**

CHAPTER FOUR

4.1 PRESENTATIONS AND ANALYSIS OF DATA

This chapter present responses from respondents through the administering of questionnaires. Equally hypotheses were less tested and presented here.

In the analysis and presentation of the data, most related data (question) were analysed jointly to reduce complexity. Much emphasis were placed on this questions which are related to objective and hypothesis of the study.

A total of five hundred and seven (507) questionnaires were administered to the group of respondents Viz:

1) the consumers of 7UP products
2) The distributors of 7UP products
3) The staff of 7UP product Plc. Apapa Lagos.

It is illustrated as shown below:

TABLE VIII

RETURN RATE OF QUESTIONNAIRES

CATEGORY OF RESPONDENTS	NO ISSUED	NO. NOT ISSUED	NO REJECTED	NUMBER USED
Consumers	303	50	13	240
Distributors	174	10	4	160
Staff	30	-	-	30
	507	**66**	**17**	**430**

From the above three hundred and three (303) questionnaire were administered to consumers of 7UP products and which fifty (50) were not returned, thirteen (13) rejected, only 240 (two hundred and forty) were used. While 9 total of one hundred and seventy four (174) questionnaires were administered to the distributors only four were rejected and 10 (ten) not returned, but one hundred and sixty (160) were used. Similarly, for the staff of the company, a total of thirty (30) questionnaires were administered to them. They were returned and correctly filled. Thus, a total of four hundred and thirty (430) questionnaire respondents were used in this study.

It is pertinent to note that questionnaires were analysed separately mostly in consumer questionnaire, so as to achieve the objective of the study. Note also that emphasis were placed much in the consumer questionnaire and staff questionnaires as they provide the researcher with the most vital information needed.

TABLE IX

SEX OF RESPONDENTS

SEX	DISTRIBUTORS		DISTRIBUTORS		STAFF	
	NO	PER %	NO	PER %	NO	PER%
Male	137	57%	117	73%	24	80%
Female	103	43%	43	27%	6	205
TOTAL	**240**	**100%**	**160**	**100%**	**30**	**100%**

Source: Questionnaires.

The above depicts that in consumer questionnaires, 57% of the respondent were males, while 43% were females.

In distributing questionnaires, 73% indicates to be male respondent while 27% were females.

This shows that both sexes were represented in this study to remove any element of bias.

TABLE X

AGE OF RESPONDENTS

AGE	CONSUMER		DISTRIBUTORS		STAFF	
	NO	PER%	NO	PER%	NO	PER%
Below 18 years	41	17	21	13	7	23
18 – 25 "	48	20	43	27	6	20
26 – 35 "	65	27	27	17	8	27
35 – 45	48	20	37	23	5	17
Over 45 "	38	16	32	20	4	13
TOTAL	**240**	**100**	**160**	**100**	**30**	**100**

This table showed that out of the 240 consumer/respondents, 17% were below the age of 18 years, 20% were between 18 – 25 years, 27% were between 26 and 35 years, 20% were between 36 and 45 years and above.

For the distributors questionnaire, out of 160 respondents, 137% were below the age of 18years, 27% were between 18 –25 years, 17% were between 26 and 35 years, 23% were between 35 and 45 years and 20% were above the age of 15 years.

Out of the 30 usable staff/respondents 235 were within the age of 18 years, 20% were between 18 and 25 years, 27% were between 26 and 35 years, 17% were between 35 and 45 years and 13% were above 45 years of age.

This showed that the study covered all necessary age brackets in order to get accurate information.

TABLE XI

RESPONSES	TOTAL RESPONSES	PERCENTAGE
Yes	209	87%
No	31	13%
TOTAL	**240**	**100%**

From the above table, 87% of the consumer respondents indicated that they have taken 7UP soft drinks, while 13% indicated not to have taken 7UP drinks before.

TABLE XII

REASON FOR NOT HAVING TAKEN 7 UP DRINKS

REASON	TOTAL RESPONSE	PERCENTAGE RESPONSE
a) Not aware of the existence of the company and its product	8	25%

b) Aware but no available	23	75%
c) Poor quality	-	-
d) But to high price	-	-
TOTAL	**31**	**100%**

Various reasons were provided for the respondents to indicate why they here not taken 7UP soft drinks. From the previous questions where only thirty-one (31) respondents indicated not having taking 7UP drinks before, 25% representing empty the respondents indicated not being aware of the company of its products. 75% representing twenty-three (23) persons out of the total of thirty-one respondents indicated that their reasons for not taking 7UP drink before as being aware of the company and its products but that the products are not always available when needed.

No complaint was made on both price and quality of the products. This shows that the company does. Advertise or promote their products adequately but their logistic system is not very sound since the product are not easily available.

TABLE XIII

ADVERTISEMENT OF 7UP DRINKS

RESPONSE	SUB-UNITS		ISLAND	TOTAL	PERCENTAGE TOTAL
	S/LERE	APAPA			
NO	32	64	16	112	45%
YES	72	16	40	128	53%

The table showed that out of the 240 consumer/respondents, 47% representing 112 persons from various sub units claimed to have not read/seen/heard any advertisement on 7UP soft drinks, while 53% representing 128 respondents from various sub-units claimed to have.

This clearly proved the statement of one of the marketing supervisors during the oral interview that advertising is a waste, but they seen to forget that advertising brings the consumer and producer nearer to the exchange table.

TABLE XIV

PRICE OF 7UP SOFT DRINKS

RESPONSE	SUB-UNITS		ISLAND	TOTAL	PERCENTAGE TOTAL
	S/LERE	APAPA			
YES	72	64	48	184	78%
NO	24	16	16	58	22%
TOTAL	96	80	64	240	100%

This table showed that 78% of the consumer respondents agreed that the present price of the 7UP product are properly priced; while 22% had contrary view since the greater percentage forward the present price then the problem of low sales can not be directly linked to the price of the products.

TABLE XV

QUALITY OF 7UP SOFT DRINKS

RESPONSE	TOTAL RESPONSE	PERCENTAGE
HIGH	284	66%
LOW	146	34%
TOTAL	**430**	**100%**

The above table depicts that 66% or 284 respondents were of the opinion that 7UP soft drinks are of high quality which 34% or 146 respondent were of contrary view. The high quality assertion by the respondents collaborates with the claim made by marketing supervisor and the administrative manager of the company during the oral interview that 7UP soft drinks are of high quality

TABLE XVI

AVAILABILITY OF 7UP PRODUCTS.

RESPONSE	TOTAL RESPONSE	PERCENTAGE
YES	344	80%
NO	86	20%
TOTAL	**430**	**100%**

From the table, it is shown that 344 persons or 80% of the consumer/respondents do find the product available when they want to buy any of their, while 20% representing 86 respondents are of contrary view.

This shows that the company's problem of sales can be partially wanted to non-availability of the product when needed.

TABLE XVII

AWARENESS OF SALES PROMOTIONAL TOOLS USED BY THE COMPANY TO INCREASE ITS SALES

RESPONSES	SUB-UNITS S/LERE	PAPA	ISLAND	TOTAL	PERCENTAGE
NO	64	16	24	104	43%
YES	16	80	40	136	57%
TOTAL	80	96	64	240	100%

From the above table, 43% of the respondents indicated not being aware of sales promotional tools used by the company to improve its sales, but 57% of the respondents said that they are aware of promotional tools used by the company for sales improvement.

This means the lack of sales promotional tools has direct link to poor sales of the company.

TABLE XVIII

STAFF RESPONSE ON DISTRIBUTION POLICY INFLUENCE ON SALES.

RESPONSE	SUBMITS S/LERE	APAPA	ISLAND	TOTAL	PERCENTAGE
No	4	5	2	11	35%

Yes	6	7	6	19	65%
TOTAL	**10**	**12**	**8**	**30**	**100%**

The above table depicts that decentralised distribution system lead to increase in sales. This statement can be informed from the table as a greater number of the respondents (65%) are of the opinion that increase in sales can be achieved by decentralised distribution system, while about 35a5 were contrary view. The company's inability to decentralise its distribution system fully has affected its sales.

TABLE XIX

STAFF RESPONSE IN SETTING UP OF MORE SALES DEPOT IN STRATEGIC LOCATIONS.

RESPONSE	SUB UNITS S/LERE	APAPA	ISLAND	TOTAL	PERCENTAGE
YES	8	8	7	23	78%
NO	3	2	2	7	22%
TOTAL	11	10	9	30	100%

From the above table, 78% the respondents favoured the setting up of more depots in strategic location, while 22% of the respondents felt that the present number of sales depots are adequate perhaps their reason for wanting more depots is to make the company's products reality available encourage dealer patronage can centralized distribution discourages dealer patronage and to improve the company's distribution net work.

TABLE XX

INFLUENCE OF COCA-COLA (NBC) PLC ON THE SALES OF 7UP PRODUCTS.

RESPONSE	SUB-UNITS S/LERE	APAPA	ISLAND	TOTAL	PERCENTAGE
YES	9	8	6	22	73%
NO	3	2	3	8	27%
TOTAL	12	10	8	30	100%

A look from the above table shows that 73% representing 22 persons agreed that the presence of NBC is actually affecting the sales of 7UP product, while 27% have contrary view.

The effect is really being felt on the company because of the powerful nature of the NBC in resources and aggressive marketing efforts. Thus, for this company to succeed, efforts must be geared towards appropriate improvement in its marketing operations.

4.2. TESTING OF HYPOTHESIS USING CHI – SQUARE.

Chi – square test or X^2 test in a statistical method for ascertaining whether more than two population proportions may be assured equal. It gives a basis for finding if a set of observed frequencies differ greatly from a set of expected frequencies that the hypothesis under which the letter frequencies which were demanded should be rejected.

The expected frequency is competed using the formula:

$$\text{This (E); } = \frac{\text{(Row 1) (Column)}}{}$$

Grand Total

Where (E); = Expected frequencies for a cell in its row and ; the column. Row; = Total of frequencies in the row.

Column = Total of the frequencies in the 1st Column.

Grand Total = the total of all the frequencies in the table.

The statistics for computing X^2 test is given by the formular.

$$\text{This } X^2 = \frac{(O - E)^2}{E}$$

Where X^2 = Chi – square

O = Observed frequencies

E = Expected frequencies

The test gives answer to the question: Is the computed valve of X^2 so large that we are required reject the null hypothesis?

The application of the X^2 test need a certain level of confidence as well as number of degrees of freedom (df). For a table containing "r" and "c" column there are (r – 1) (c – 1) degrees of freedom (df).

Decision Rule

Accept H_O if X^2 calculated $<X^2$ tabulated.

Reject Ho if X^2 calculated $>X^2$ tabulated

Hypothesis Number one

H_1 : there is a significant positive relationship between advertisement and Sales

H_0: there is no significant positive relationship between advertisement and sales

Decision

X^2t = (2. 0.05) = 5.991

X^2c = 55.98

:. = X^2c 7 x ^2t

55.987 5.991 (refer to Appendix II)

Hence the calculated value (55.98) is greater than the tabulated value (5.991) the will hypothesis (H0) which stipulated that there is no significant positive relationship between advertisement and sales is rejected. Therefore at 0.05 level of significance and 2 degree of freedom, the alternative hypothesis (H_1) which stipulated that there is a significant positive relationship between advertisement and sales is accepted.

This statistical finding is very compatible with reality due to the fact that increased advertising campaign will help in any manufacturing firm most especially bottling firms in making consumers (target market) aware of their products which will ultimately lead to high sales.

HYPOTHESIS NUMBER TWO

H_1: Insufficient application of sales promotion leads to how sales

H_0: Insufficient application of sales promotion does not lead to low sales.

Decision = (2,0.05) = 5.991

X^2c = 679.39

∴ = X^2c 7 X^2t

679.3975.991

(Refer to Appendix III)

Based on the computation appendix III as the calculated value (679.39) a greater than the tabulated value (5.991), the null hypothesis (H_0) which stipulated that insufficient application of sales promotion does not lead to low sales is rejected.

Therefore, 0.05 level of significance and of degree of freedom, the alternative hypothesis (H_1) which stipulated that insufficient application of sales promotion leads to low sales is accepted. This implies that sales promotion is an important component in the arrays of tool to stimulate sales in the soft drink industry.

Hypothesis Number One.

H_1 = There is a significant relationship between distribution policy and sales.

H_0 = There is no significant relationship between distribution policy and sales.

Decision

X^2 t = (2,0.05) = 5.991

X^2 c = 1.77

: X^2 c L X^2 t

1.77 L5.99

(Refer to Appendix IV)

Since the calculation value (1.77) is lest than tabulated value (5.991) The alternative hypothesis (H_1) which stated that there is a significant relationship between distribution policy and sales is rejected. Therefore, at 0.05 level of significance hypothesis (H_0) which state that there is no significant relationship between distribution policy and sales is accepted.

This statistical finding has no relevant to reality and it disagrees that certralised distribution policy does not necessarily increase sales nor that decentralised distribution, retailer and consumers thus leading to increase in sales.

CHAPTER FIVE

5.0 SUMMARY, RECOMMENDATION AND CONCLUSION.

5.1 SUMMARY

This research work has attempted to highlight and analyse some of the marketing Mix problems associated with bottling companies. In the process, questionnaires were designed and analysed and hypothesis formed were tested and, consequently, numerous finding were made.

SUMMARY OF FINDINGS.

HYPOTHESIS	CALCULATED TA	TABULATED	DECISION
1	55.98	5.991	Accept H_1
			Reject H_0
11	679.39	5.991	Accept H_1
			Reject H_0
111	1.77	5.991	Accept H_1
			Reject H_0

The table depicts summarise the result got after each of the hypothesis were tested using Chi–sguare (X^2) statistics. The statistical finding from the hypothesis tested showed that.

(a) There is a significant positive relationship between advertisement and sales.

(b) That insufficient application of sales promotion leads to low sales.

(c)There is no significant relationship between distribution policy and sales.

Numerous questionnaires analysed in chapter IV revealed that:

(a) Enough intensive advertising campaign has not been carried out on 7UP product which invariably has affected the overall sales performance:

(b) A greater majority of the respondent were of the opinion that the present price of 7UP drink is right and the researcher therefore thinks that the product is not over priced, not poorly produced.

(d) A very considerable number of consumers attested to the quality of 7UP drinks And this corresponded with the claim made by top management of 7Uo Plc and Therefore the researcher concludes that the quality of 7UP can reasonably be compared with other good soft drinks in the market.

(e) Numerous respondents frowned at the present distribution system hence it was found to be inadequate. Many of the respondents were of the view that the present levels of sales promotion tools used are okay but need improvement.

(f) often findings not related directly, to the objective of the research but are deemed vital for the company to consider in her future plane include.

- Inadequate trucks for distribution,
- Some inexperience salesmen and most of the salesmen are ill-equipped,
- Lack of workers motivation.

5.2 RECOMMENDATIONS

Based on the findings of this study, the following recommendation are made by the researcher.

PROMOTION

The company should conduct an aggressive advertisement campaign to remind, convince and stimulate the consumer's demand for her products. This could be

achieved through advertising content research so as to come up with that psychological message contents that will stimulate consumers' interest in the product. The result will be a subsequent increase in purchase of 7UP products. In designing the advertisement copy, the company should bear in mind that the key to success his in originality, presentation and power of its appeal to the consumers. Also the company should make use of their promotional tools to help increase the sales of her products. The company's public relations should be greatly improved. This has indirectly created a lot of handicap to the company's sales efforts.

Furthermore, the use of publicity, exhibition and premium need adequate attention by the company. If only the company will improve in the adequate usage and implementation of those promotional tools and more, the sale problem of the company will directly, or indirectly improve.

DISTRIBUTION

The company should implement a more decentralized distribution system in order to take their products more available and there by encourage dealer patronage. In order to achieve this, it has to:

(a) Open up sales depots in strategic location within and outside the state to create more awareness of the product, and sales.

(b) Employ the services of public warehouses when and where necessary so that it can reach every body even in local areas.

(c) Review the methods of appointing her distributors,

(d) Buy more sales vans,

(e) Increase its inventory of empty bottles and creates.

(f) Design a package of incentives to motivate the salesmen.

(g) Use intensive distribution system.

OTHER RECOMMENDATIONS

The company's sales are affected by some sentiments i.e. this state and beyond, with respect to the belief that the sugar content of 7UP is high. But the researcher was made to understand that 7UP even reduced fat in the body system so, in order to avoid, low sales that result from sentiments, it will be very necessary for 7UP Plc to highlight and enlighten the public more on the above, through the media e.t.c.

If these recommendation are properly and effectively carried out, the sales problem of the company will go a long way to improve, if not be a thing of the past.

5.3 CONCLUSION

This research work has tried even through not very elaborates, to unveil some of the promotional, distributional and other marketing Mix problems associated with bottling companies in general and specifically the case study = Seven –Up Bottling company plc.

The research sincerely envisages that if some of the recommendations are properly integrated in the promotional and distributional strategies of bottling companies in general and in particular 7UP Plc, they will be in such a position in future to serve their consumers better.

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APPENDIX 'A'

SAMPLE SIZE DETERMINATION

Tuckmen' formular was used in determining the sample size and it is represented thus:

$$N = \frac{(2)^2 (p).(g)}{(e)}$$

Where n= size of the sample.

z= the desired confidence level

p= positive response expressed in percentage

e= the estimated standard error

q= negative response expressed in percentage.

FOR THE CONSUMER

From the pilot survey conducted and the questionnaire indications, it was found out of 30 customers interviewed, 22 persons indicated to have taken Reno products before. It can be deduced therefore that 73% representing the 22 persons have taken products before, while 27%, representing 8 persons indicated not to have Reno before:

$$U \quad \frac{22}{30} \times \frac{100}{1} = 73\%$$

$$P = 73\%$$

While $33.22 = 8 \therefore$

$$\therefore \frac{8}{30} \times \frac{100}{1} = 27\%$$

$$9 = 27\%$$

The researcher allowed 5% error of estimate, hence the desired confidence level is 1.96

Therefore , applying the formular

$$N = \frac{(2)^2 (p)(q)}{(e)}$$

where 2 = 1.96

p = 73%

q = 27%

e = 5%

$$\therefore \quad \frac{(1.96)^2 (73)(27)}{5}$$

$$= (0.392)^2 (73)(27)$$

$$= 0.153664 \times 73 \times 27 = 302.87$$

$$= \underline{303 \text{ approx.}}$$

FOR DISTRIBUTORS

Similarly, the pilot survey directed that out of 30 distributors interviewed with respect to the quality and price of the products. 87% representing 26 Person ascertained that the products are properly priced and are of high quality. But 13% representing four person have contrary view:

$$\text{i.e. } \frac{26}{30} \times \frac{100}{1} = 87\%$$

$$P = 87.$$

While

$30 - 26 = V$

$\therefore \frac{4}{30} \times \frac{100}{1} = 27\%$

$q = 27\%$

the researcher allowed 5% error of estimate, hence the desired confidence level is 1.96

therefore, apply the formular:

$n = \frac{(2)^2}{e} (p)(q)$

Where $z = 1.96$

$P = 87\%$

$Q = 13\%$

$E = 5\%$

$\therefore \frac{1.96^2}{e} (87)(13)$

$= (0.302)^2 (87)(13)$

$= 0.153664 \times 87 \times 13$

$= 173.79$

$= 174$ approximately.

FOR STAFF

A randomly selected staff were picked out of the total 87 staff of 7UP bottling Plc, 30 staff were carefully selected randomly and given questionnaire for competition.

Consumer 303

Distributor	171
Staff	30
	507

APPENDIX 'B'

COMPUTATION OF CHI –SQUARE TO TEST HYPOTHESIS ONE

H_1 : There is a significant positive relationship between advertisement and sales

H_0 : there is no significant positive relationship between advertisement and sales

The contingency table for the above test is shown below.

TABLE XI: (question 10 in Consumer questionnaires).

RESPONSE	SUB UNIT			TOTAL	PERCENTAGE
	S/LERE	APAPA	ISLAND		
Yes	72(52.47)	16(42.67)	40(29.87)	128	53%
No	32(48.53)	64(37.33)	16(26.13)	112	47%
TOTAL	**104**	**80**	**56**	**240**	**100%**

Note: the figures in parenthesis are expected frequencies,

Computation of expected frequencies

$\frac{104 \times 122}{240} = 48.53$, $\frac{80 \times 112}{240} = 37.33$

$\frac{56 \times 122}{240} = 26.13$, $\frac{104 \times 128}{240} = 55.47$

$\frac{80 \times 128}{240} = 42.67$, $\frac{56 \times 128}{240} = 29.87$

calculation of the degree of freedom (df)

d.f = (r – 1) (c –1) where r = number of rows.

= (2 –1) (3 –1)

= (1) (2) c = number of column.

∴ d f = 2 r = 2

c = 3

computation of X^2

$$X^2 = \frac{(O - E)^2}{E}$$

Where X^2 = Chi square

E = expected frequencies

O = observed frequencies

$$X^2 = \frac{(32 - 48.53)^2}{48.53} + \frac{(64 - 37.33)^2}{37.33} + \frac{(16 - 26.14)^2}{26.13}$$

$$\frac{(72 - 55.47)^2}{55.47} + \frac{(16 - 42.67)^2}{42.67} + \frac{(40 - 29.87)^2}{29.87}$$

= 5.63 + 19.05 +3.83 + 4.93 +16.67 + 5.77 = 55.98

$X^2 = 55 = 98$

∴ X^2c = 55.98 (calculated).

X^2t = 5.991 (tabulated).

APPENDIX 'C'

COMPUTATION OF CHI –SQUARE TO TEST HYPOTHESIS TWO

H_1 : insufficient application of sales promotion lead to low sales

H_0 : insufficient application of sales promotion does not lead to low sales

The contingency table for the above test is show below:

Table XVII : (Question 16 in Consumer questionnaire).

AWARENESS OF SALES PROMOTIONAL TOOLS USED BY THE COMPANY TO INCREASE ITS SALES.

RESPONSE	SUB UNIT			TOTAL	PERCENTAGE
	S/LERE	APAPA	ISLAND		
Yes	16(45.33)	80(54.40)	40(36.30)	136	57%
No	64(34.67)	16(41.60)	24(27.70)	104	43%
TOTAL	**80**	**96**	**64**	**240**	**100%**

Note: The figure in parenthesis are expected frequencies.

Computation of expected frequencies.

$\frac{80 \times 104}{240} = 34{,}67, \quad \frac{96 \times 104}{240} = 41.60,$

$\frac{64 \times 104}{240} = 27.70$

$\frac{80 \times 136}{240} = 45.33; \quad \frac{96 \times 136}{240} = 54.40; \quad \frac{64 \times 136}{240} = 36.30$

calculation of degree of freedom (d.f)

d.f = (r –1) (c- 1) where r = number of rows

=(2 –1) (3- 1) c = number of columns

(1) (2)

d.f. = 2 r = 2

c = 3

Computation X^2

$$X^2 = \frac{(O-E)^2}{E}$$

Where X^2 = Chi –square.

E = expected frequencies.

O = observed frequencies.

$$X^2 \frac{(80-54.40)^2}{34.67} + \frac{(16-41.60)^2}{41.60} + \frac{(24-27.70)^2}{27.70} + \frac{(16-45.33)^2}{45.33}$$

$$X \frac{(80-54.40)}{54.40} + \frac{(40-36.30)^2}{36.30}$$

= 24.82 + 15.8 + .5 + 19 + 12+ -4

$X^2 = 72.52$

$\therefore X^2 c = 72.52$ (calculated)

X^E = 5.991 (tabulated)

APPENDIX 'D'

COMPUTATION OF CHI –SQUARE TO TEST HYPOTHESIS THREE

H_1 : There is a significant relationship between distribution policy and sales

H_0 : There is no significant relationship between distribution policy and sales

The contingency table for the above test is shown below:

TABLE XVIII : (Question XVIII in staff Questionnaire)

DISTRIBUTION POLICY INFLUENCE ON SALES.

RESPONSE	SUB UNIT			TOTAL	PERCENTAGE
	S/LERE	APAPA	ISLAND		
Yes	6(6.3)	7(7.6)	6(5.070	19	65%
No	4.(3.67)	5(4.4)	2(2.9)	11	35%
TOTAL	**10**	**12**	**8**	**30**	**100%**

Note ; the figure in parenthesis are expected frequencies.

COMPUTATION OF EXPECTED FREQUENCIES

$\frac{10 \times 11}{30} = 3.67$; $\frac{12 \times 11}{30} = 4.4$

$\frac{8 \times 11}{30} = 2.9$; $\frac{10 \times 19}{30} = 6.3$

$\frac{12 \times 19}{30} = 7.6$; $\frac{8 \times 19}{30} = 5.07$

Calculation of degree of freedom (d.f)

d.f = (r –1) (c- 1) where r = number of rows

=(2 –1) (3- 1) c = number of columns

(2) (2)

d.f. = 2 r = 2

c = 3

Computation of X^2

$$X^2 = \frac{(D - E)^2}{E}$$

Where X^2 = Chi –square.

E = expected frequencies.

O = observed frequencies.

$$X^2 \frac{(4 - 3.6)^2}{3.6} + \frac{(5 + 4.4)^2}{4.4} + \frac{(2 - 2.9)^2}{2.9}$$

$$X \frac{(6 - 6.3)^2}{6.3} + \frac{(7 - 7.6)^2}{7.6} + \frac{(6 - 5.07)^2}{5.07}$$

= 0.44 + 0.82 + 0.28 + 0.05 + 0.17

X^2 = 1.77 (calculated)

X^2 E = 5.991 (tabulated)

APPENDIX 'E' (A)

Department of Business Administration
Faculty of Business administration
A. B. U Zaria
Kongo Campus.
Date:

Dear Respondent,

I am a post graduate student of the above address currently carrying out a research study on this "Effective marketing of soft drinks in Nigeria" a case study of selected Bottling Company – 7UP Bottling Company"

You are considered most qualified to furnish useful information by virtue of your recognition as a consumer of the company's product.

All information given will be solely for this research work and will be strictly treated as confidential.

CONSUMER QUESTIONNAIRE.

Please tick ( ) ( ) and fill where appropriate.

(1) Sex (a) Male ( ) (b) Female ( )

(2) Marital status (a) Single ( )

(b) married ( )

(c) Divorced ( )

(3) Age (a) Below 18 years

(b) 18 - 25 "

(c) 26 – 35 "

(d) 30 – 45 "

(e) Over 45 "

(4) Place of Residence .....

(5) Do you take soft drinks

(a) Yes (b) No ( )

(6) if the answer is 'Yes' which of these do you take

(a) Seven up(7UP drinks ( )

(b) Rano drinks ( )

(c) Coca – Cola drinks ( )

(e) Olympic drinks ( )

(d) All ( )

(e) Others (specify) .....

(7) Have you taken 7 – UP drink ?

(a) Yes ( ) (b) No ( )

(8) If the answer is 'Yes' which of the flavours do you prefer?

(a) Pepsi – Cola

(b) Crush Orange

(c) 7 –UP

(d) Teem Lemonade

(e) Mirinda Soda water

(9) If the answer to Question 7 is 'No' what do you think is responsible for this?

(a) Not aware of the existence of the company and its product ( )

(b) Aware but not available ( )

(c) Poor quality of the product ( )

(d) Due to high price ( )

(e) Any other reason (specify .....

(10) Have you ever seen / read/ heard any advertisement on 7UP drinks?

(a) Yes ( ) (b) No ( )

(11) If the answer is Yes' through what medium?

(a) Television ( )

(b) Bill board ( )

(c) Radio ( )

(d) Magazine/ Newspaper/ Trade journal ( )

(e) Others (Specify) .....

(12) In your opinion, do you think presently that the product is properly priced?

(a) Yes ( ) (b) No ( )

(13) How is your opinion, would you consider the quality of the product?

(a) High ( ) (b) fair ( ) (c) Low ( ) (d) No ( )

(14) Is the product always available when you want to buy it.

(a) Yes ( ) (b) No ( )

(15) If the answer is 'No' what do you think the company can do to make the products available to consumer?

.....

.....

(16) Are " you aware of any sales promotional tools used by the company to increase its sales?

(a) Yes ( ) (b) No ( )

(17) If ' Yes' has the use of any of the promotional tools increased the number of the company's product you consume?

(a) Yes ( ) (b) No ( )

APPENDIX 'E' (B)

Department of Business Administration
Faculty of Business administration
A.B. U Zaria
Kongo Campus.

Date:

Dear Respondents,

I am a post graduate student of the above address currently carrying out a research study on "Effective marketing of soft drinks in Nigeria" a case study of selected Bottling Company – 7UP Bottling Company"

You are considered most qualified to furnish useful information to me relating to your company. All information given will be used solely for this study and will be strictly confidential.

STAFF QUESTIONNAIRE.

Please tick ( ) ( ) and fill in where appropriate.

(1) Sex (a) Male ( ) (b) Female ( )

(2) Marital status (a) Single ( )

(b) married ( )

(c) Divorced ( )

(3) Age (a) Below 18 years

(b) 18 - 25 "

(c) 26 – 35 "

(d) 30 – 45 "

(e) Over 45 "

(4) Qualification (a) Senior staff ( )

(b) Intermediate staff ( )

(c) Junior staff ( )

(5) Place of Residence .....

(6) Are you aware of other bottlers in this Lagos state.

(a) Yes ( ) (b) No ( )

(7) If 'Yes" please list them.

(a) ..... (b) .....

(c) ..... (d) .....

(f) ..... (f) .....

(8) What are the promotional activities your company uses in making the product known to the customers?

(a) Advertisement ( ) (b) Personal selling ( )

(c) Sales promotion ( ) (d) Publicity ( )

(9) What sales promotion tools does your company presently use?

(a) Bottle Opener ( ) (b) Novelties ( )

(c) Premiums ( ) (d) Calendar ( )

(e) Car Stickers ( ) (f) None ( )

(g) Others (specify) .....

(10) If the answer to question (9) is 'F' why do you not use any of these promotional tools?

(a) It is expensive ( )

(b) It is unnecessary ( )

(c) It is a waste ( )

(d) Other reason (specify) .....

(11) How does your company make her products known to customers?

(a) Television ( )

(a) Radio ( )

(b) Magazine/ Newspaper/ Trade journal ( )

(12) What distribution strategy does your company use?

(a) Centralized distribution ( )

(b) Decentralized distribution ( )

(c) Both ( ) (d) None ( )

(13) Do you think your company's distribution strategy presently used is

(a) Effective ( )

(b) Ineffective ( )

(14) (a) how many depot does your company presently possess?.....

(b) Where are they located? .....

(15) In your opinion do you think they are enough?

(a) Yes ( ) (b) No ( )

(16) Do you think the company should set up more sales depots in strategic location .

(a) Yes ( ) (b) N0 ( )

(17) What do you think is the cause of non – availability of company's products outside Lagos as alleged by the customer? .....

(18) Is there any significant relationship between the company's distribution policy and sales. (a) Yes ( ) (b) No ( )

(19) Based on your sales figures for the past three years, how do you feel with the sales performance?

(a) Satisfied ( ) (b) Dissatisfied ( )

(20)If the answer to question '19' is (b) what you think are the reasons (factors) keeping your sales at this dissatisfactory level.....

(21)Do you think the product price affect the sales of the Company?

(a) Yes ( ) (b) No ( )

(22)How is the quality of your product as compared with your competitors?

(a) high ( ) (b) Moderate ( )

(c) Low ( ) (d) Insignificant ( )

(23)Have competition and presence of Coca-Cola have any effect on sales of the Company?

(a) Yes ( ) (b) No ( )

(24)Has Government policy or action hindered your sales performance in any (a)significant way over the years?

(a) Yes ( ) (b) No ( )

(25)Any other information .....

Department of Business Administration
Institute of administration
A.B.U Zaria
Kongo campus.
Date:

Dear Respondents,

I am a post graduate student of the above address currently carrying out a research study on "Effective marketing of soft drinks in Nigeria" a case study of selected Bottling Company – 7UP Bottling Company"

You are considered most qualified to furnish useful information by virtue of your recognition as the distributor of the company's products.

All information given will be used solely for this study and will be strictly confidential.

DISTRIBUTION OF QUESTIONNAIRE.

Please tick ( ) ( ) and fill in where appropriate.

(1) name of the respondent (optional) .....

(2) Location .....)State.....

(3) Sex (a) Male ( ) (b) Female ( )

(4) Age (a) Below 18 years

(b) 18 - 25 "

(c) 26 – 35 "

(d) 30 – 45 "

(e) Over 45 "

(5) Type of business .....

(6) Do you deal on 7UP drinks?

(a) Yes ( ) (b) No ( )

(7) What is the level of demand of 7UP product.

(a) High ( ) . (b) Moderate ( )

(c) Low ( ) (d) Insignificantly ( )

(8) How often do you get your supply?

(a) Daily ( ) (b) Weekly ( )

(c) Fortnightly ( ) (d) Monthly ( )

(9) How is the product delivered to your store / warehouse?

(a) By the company ( ) (b) Use of personal van ( )

(c) Use of public Transport ( ) (d) Others(Specify) .....

(10) Do you get supply directly from the manufacturer?

(a) Yes ( )

(b) No ( )

(11) What are the condition for becoming a distributor?.....

(12) what credit facilities do you get from the manufacturer? .....

(13) Who are your main Customer ?

(a) Individuals ( )

(b) Retailers in the market ( )

(c) Canteen and Hotels ( )

(d) Super markets, Kiosks and Shops ( )

(e) Others (Specify) .....

(14) Do you advertise?

(a) Yes ( ) (b) No ( )

(15) What median of advertisement do you use in making the products known to your customer?

(a) Television ( )

(c) Radio ( )

(d) Bill board ( )

(e) Newspaper ( )

(f) Advertisement

(16) Who bear the cost of advertisement?

(a) Self ( )

(b) Manufacturer ( )

(c) The customer ( )

(17) What factors influence your stocking of 7UP drinks?

(a) Cheap price ( ) (c) Availability ( )

(b) High quality ( ) (d) Customer demand

(f) Other (specify) .....

(18) Is the product properly priced presently

(a) Yes ( ) (b) No ( )

(19) Have you noticed customers' loyalty to this product?

(a) Yes ( ) (b) No ( )

(20) Is the presence of the Nigeria Bottling company Plc (Coca – cola) product affecting your dealer ship patronage on 7UP drinks.

(a) Yes ( ) (b) N0 ( )

(21) If 'Yes' could you please explain .....

(22) What are the other products you distribute besides 7UP drinks. ----------

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(23) Apart from advertisement, what other promotional activities do you use for effective marketing of 7UP drinks?.....

(24) What incentives do you receive from the company to enable you carry on the dealership of her products?.....

APPENDIX 'E' (D)

(1) When did 7UP come into Nigeria.

(2) What actually prompted their establishment in Nigeria.

(3) Coca --Cola NBC Plc. is your major competitors. How has its presence affected 7UP bottling company market share for your various products i.e. Pepsi, 7UP and Crush.

(4) Is your present promotion a way to fight your competitor(s)? How?

(5) What other strategies have you had in the past?

(6) Did they prove effective? How?

(7) Apart from your competitors, what other environmental factors weighting heavily on your marketing strategy? To what extent?

(8) How do you overcome these challenges?

(9) What is 7UP Plc. Product planing, price, policy Distribution system and promotion strategy like?

(10) Some school of thought hold the view that your recent promotions is capitalising on your socio-cultural environment, characterised by high acquisition tendency, to improve on your market share which the Coca-Cola share which the Coca-Cola millionaire game threatened. How?

(11) What role(s) is/are your marketing cum sales department playing towards achieving and effecting marketing of 7UP drinks target.

(12) Are they being motivated? How?

(13) The sole aim of 7UP bottling company Plc. is to bottle and market their various products and also contribute to the socio- economic development of

Nigeria. How are you been able to live up to this business of socio- economic development? Viz.: Social responsibilities of the company.

(14) Please, highlight on the touched areas' you consider necessary for this academic work.

Thank for your cooperation.

.....

Grace Habiba Buba
Research student
Department of Business Admin.
A.B.U. Zaria
Kongo campus.

Marketing
Research manager
Advertising and Promotion
Manager.

APPENDIX "F"

ANAMBRA STATE

1. Nigeria Mineral Water industries limited – Bottlers of sweet brand of soft drinks, Outside.

ENUGU

2. Nigeria Bottling company Ltd. (Plant) at 9th Mile Corner, Ngor near Enugu – Battlers of Coca- Cola brand.
3. Rexonoh Bottling (Breweries) company Ltd. 9th Corner, Ngor Enugu – bottlers of Rano drinks

ANAMBRA

4. Olympic Bottling Company Limited, Abagana, Njicoka L.G.A – Bottlers of Gina brand.

BAUCHI

5. Bolori Bottling Company Limited, Gwani road, Gombe bottlers of Bolo brand.
6. Nigerian bottling Company Limited, has plant in this state.

DELTA

7. Canada Dry (Nig) Ltd. Plot N176 Sapele Road Warri.
8. Nigeria Bottling Company has a plant in this state – Coca-Cola brand
9. Rainbow Industries, a division of Ibru organisation – bottlers of Pepsi brands.

BENUE

10. Nigerian Bottling Company has a plant at Banle Road Makurdi

BORNO & YOBE

11. Nigerian Bottling Company has two plant located along Jos Road Potiskum.

CROSS RIVERS

12. Dr. Pepper Bottling Company Limited, 8 second Avenue, Calabar – Bottlers of Dr. Pepper brand.

IMO

13. Falcon Bottling Company Ltd. at Osisioma Industrial Layout Aba, Bottlers of RC brand.

14. Interland Resources Ltd, Alorji Village Ogbor Hill Aba, bottlers of Intersoft brand.

15. Seven –up bottling Company Ltd. at Umuohia Village, Ogbor – hill Aba Bottlers of 7UP brand.

16. Nigerian Bottling Company has two plants both at Aba and Owerri.

KWARA

17. Abiola and Sons bottling company at Ilorin.

18. Shagaya Bottling Company (Nig) Ltd. 157 Abdul Azeez Attah road, Ilorin.

19. Nigeria Bottling Company Ltd. has a plant in Ilorin.

LAGOS

20. Dr. Pepper Bottling Company Limited, has a plant at 10 –12 Military street, Onikan, Lagos

21. Nigeria Bottling Company Ltd. has 3 plant in the State.

22. Nigeria Soft Drink Company Ltd. Agidingbi Ikeja.

23. Seven –up Bottling Company Ltd. 247 Apapa Road, Ijora.

24. Sunrise Bottling Company Ltd, 2 Creek Road Apapa Wharf Lagos.

OGUN

25. M.K.O. soft Drinks Limited, Toaridi Akrede street, Ifa –Oshin Abeokuta,

26. Sunrise Bottling Company Ltd., also has a plant at 69 Seico Adunni street Lagos road Ijebu Ode.
27. Nigeria Bottling Company Ltd. has 3 plant in Ogun State.
28. Nigeria Bottling Company Ltd. has 2 plant in Ondo State.
29. Seven –up Bottling Company in Ondo State.
30. Limca Bottling Company – Bottlers of LIMCA brand.
31. Lagelu Bottling Company Ltd. Plot 2A Biks Oluyole plots South- West ring Road.
32. Nigeria Bottling Company Ltd. has about 3 plant in Oyo State.
33. Tella fruit Juice Industries. Apata ganja.
34. Remo Bottling Company – bottlers of ore soft drinks.
35. Arewa Bottlers, Murtala Mohammed way, Jos.
36. Hill Top Bottling Company, Jos.
37. Plateau Bottling Company Ltd., Plot 4146 Liberty Bankevard, Jos.
38. Nigeria Bottling Company Ltd. has a plant in Jos.
39. Nigeria Bottling Company Plc. Trans – Amadi, Port – Harcourt. has a plant in Ilorin.
40. Sokoto soft drinks factory, Bye-pass.
41. Zaki bottling Company Ltd. Opposite Rima bakeries, Canteen area, Sokoto.
42. Limca bottling Company – bottlers of Limca Products.