THE ROLE OF EFFECTIVE SALES PROMOTION OF CONSUMER PRODUCTS IN A COMPETITIVE ECONOMY IN NIGERIA:

A Case Study of Cadbury Nigeria, Plc, Kaduna.

BY

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BEING A PROJECT SUBMITTED TO THE POST GRADUATE SCHOOL, AHMADU BELLO UNIVERSITY, ZARIA, IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (M.B.A)

DEPARTMENT OF BUSINESS ADMINISTRATION
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OCTOBER, 1998

DECLARATION

I hereby declare that this project is original and a product of my research findings and has to the best of my knowledge never been previously presented in any submissions for a higher degree.

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

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CERTIFICATION

This project entitled "**The role of effective sales promotion of consumer products in a competitive economy in Nigeria**": A case study of Cadbury Nigeria, Plc, Kaduna by **Faniran, Samuel Olatunde** meets the regulations governing the award of the degree of Master of Business Administration (M.B.A) of Ahmadu Bello University, Zaria and is approved for its contribution to knowledge and literary presentation.

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DEDICATION

This study is dedicated to God Almighty for granting me the understanding, knowledge and wisdom to complete the programme.

ACKNOLWEDGEMENT

First and foremost, I must express my deep sense of gratitude to God Almighty for His Devine protection over my life, and for granting me the enablement to undertake the programme successfully.

A good number of people more than I can mention have contributed directly or indirectly towards the success of this study, most especially my parent Mr.S.A. Faniran and Late Mrs. F.A. Faniran whose inspiration, encouragement and contributions towards my educational development shall never be forgotten now and ever.

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Obawede, Mr. Yemi Ajao, Mr. Ayodele Idowu, Mr. Bitru's Bature and Mr. Tajuden Jimoh and a host of others whose names cannot be mentioned here due to time constraints and limited space available.

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ABSTRACT

The study is designed to find out the role of effective sales promotion of consumer products in a competitive economy in Nigeria. The study attempts to find out the effectiveness of sales promotion activities on sales volume and the consumer buying behaviour. The study also dwells on opportunities and limitations of sales promotion activities in Nigeria and its implication for marketing and broad economic policies, using Cadbury Nigeria, Plc, Kaduna as a case study. The researcher employed both primary and secondary sources of data collection. The main instrument of data collection was a consumer opinion survey questionnaire and personnel interview with the company sales and marketing personnel. A total of 200 hundred questionnaires were administered and the researcher used Kaduna State selecting the major towns to represent much broader areas. .After the statistical tests, the first hypothesis was accepted based on the observed significant correlation of sales promotion activities with the sales per unit of volume. This implies to some extent that the two variables are dependent. The study was concluded with some recommendations.

TABLE OF CONTENTS

		PAGE NO
TITLE PAGE		I
DECLARATION		II
CERTIFICATION		III
DEDICATION		IV
ACKNOWLEDGEMENT		V
ABSTRACT		VII
TABLE OF CONTENTS		VIII
LIST OF TABLES		XI
LIST OF APPENDICES		XII
CHAPTER ONE		
1.1	BACKGROUND TO THE STUDY	1
1.2	STATEMENT OF THE PROBLEM	3
1.3	HYPOTHESIS	4
1.4	OBJECTIVE OF THE STUDY	4
1.5	SIGNIFICANCE OF THE STUDY	5
1.6	SCOPE OF THE STUDY	5
1.7	LIMITATION OF THE STUDY	6
1.8	DEFINITION OF TERMS	7
	REFERENCES	9

CHAPTER TWO

2.1	INTRODUCTION	10
2.2	PROMOTION	11
2.3	PROMOTIONAL MIX	12
2.4	SALES PROMOTION	17
2.5	SCOPE	18
2.6	IMPORTANCE	19
2.7	FACTORS RESPONSIBLE FOR THE RAPID GROWTH OF SALES PROMOTION	20
2.8	FORMS OF SALES PROMOTION	21
2.9	TECHNIQUES OF SALES PROMOTION	23
2.10	CONSUMER SALES PROMOTION METHODS	23
2.11	TRADE SALES PROMOTION METHODS	28
2.12	BUSINESS PROMOTION TOOLS	30
2.13	SALES FORCE PROMOTION TOOLS	31
2.14	SELECTION OF SALES PROMOTION TOOLS	31
2.15	OPPORTUNITIES AND LIMITATIONS OF SALES PROMOTION	32
2.16	EVALUATION OF SALES PROMOTION	35
2.17	CRITERIA OF EVALUATION	36
	REFERENCES	39

CHAPTER THREE

3.1	HISTORY OF CADBURY NIGERIA PLC	41
3.2	THE BRANDS	42
3.3	SALES PROMOTION ACTIVITIES OF CADBURY	

	NIGERIA PLC	43
3.4	RESEARCH METHODOLOGY	45
3.5	DATA COLLECTION INSTRUMENTS	46
3.6	METHOD OF DATA ANALYSIS	46
	REFERENCES	51

CHAPTER FOUR

4.1	AWARENESS OF SALES PROMOTION ACTIVITIES	45
4.2	REASONS FOR PATRONAGE OF CADBURY PRODUCT	54
4.3	APPEAL OF PROMOTION ACTIVITIES	55
4.4	TAKING ADVANTAGES OF PROMOTION ACTIVITIES	55
4.5	CHANGE OF ATTITUDE	55
4.6	SALES PROMOTION TECHNIQUES	55
4.7	DATA COLLECTED FROM THE COMPANY	56
4.8	FINANCIAL SUMMARY OF THE FIRM	57
	REFERENCES	58

CHAPTER FIVE

5.1	SUMMARY	59
5.2	CONCLUSIONS	60
5.3	RECOMMENDATIONS	61
	BIBILOGRAPHY	63

LIST OF TABLES

TABLE		PAGE
i.	THE GENERAL LAYOUT OF A CONTINGENCY TABLE	48
ii.	COMPARISON OF SALES FIGURE BY VOLUME	66
iii.	FINANCIAL SUMMARY OF THE FIRM	57

LIST OF APPENDICES

APPENDIX		PAGE
i.	CONSUMERS AND MANAGEMENT QUESTIONNAIRE	66
ii.	COMPUTER PRINT- OUT	71

CHAPTER ONE

1.1 BACKGROUND OF THE STUDY

Sales promotion is one of the distinct promotional mix that is being employed by many organisations including manufactures, distributors, retailers, trade association and non-profit institutions – to stimulate customer's demand and improve marketing performance of their goods and services. In-fact, most sales promotion activities are designed to impact sales directly. However, sales promotions has grown tremendously in recent times because of the challenges in the marketing environment and the focus of business exerting increasing pressure on the demand for sales promotion, and to boost the level of sales. Also the competitive nature of the products causing many products to loose their distinctiveness, the number of brands has increased; and competitors are offering price reductions, contests and other incentives clearly demonstrate the role and growing importance of effective sales promotion in the Nigeria economy.

The dramatic changes in consumer behaviour as a result of the economic policies, particularly the structural Adjustment of consumption in relation to the present economy goes to support the claim that sales promotion has unmistakably assumed a position of importance. This is very true of an economy where aggregate personal savings are on the decrease couple with the rising inflationary trend and rising prices have made consumers more conscious than ever. Thus sales promotion has become more attractive and more appealing.

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The economic down – turn experienced all over the country, especially the structural Adjustment programme (SAP) contributes in no small measure to the ever – increasing prices of both locally produced as well as imported (foreign) raw materials. This development has had adverse effects on the cost of production of almost all the manufacturing goods in Nigeria including Cadbury Products and others within the operating environment. The result as expected has led to the increasing price of almost all consumer products particularly those produced and marketed by companies. Consequently the standard of living and especially the users of consumer goods which is on the decrease daily lives much to be desired, and the resultant drastic reduction in the purchasing power of such consumers vis-à-vis the consumption requirements.

The most fundamental change in recent years is that the expenditure for sales promotion has increased over and above the outlays for advertisement. In a word, the expenditure usually earmarked for advertisement has been transferred to sales promotion, and this has been the growing trend for now. Although advertisement contribute in a unique way to the overall promotion-mix, but there is the belief that advertisement efficiency has decline to some extent because of rising costs, media culture and legal constraints. With dwindling profit margin and increasing competition both domestic and foreign management is left with no alternative than to appraise and gauge all its expenditure carefully and their promotional impact.

The control and evaluation of effective information cannot be under emphasized, and this places management in a formidable position to know the result when a marketing action is undertaken. This goes to prove that a record of success or the contrary is imperative to a void a repeat performance of past mistakes and to permit further

strengths on actions that worked in the past. Therefore every attempt or effort should be made to assess the strengths and weakness of sales promotional activities with the main objective of falling back on previous experience in future planning.

1.2 STATEMENT OF THE PROBLEM

Evaluation is one of the cardinal requirements for assessing and improving any sales promotion schemes. According to Strang, evaluation of promotion programme has not been receiving the desired attention. This can be adduced to the fact that the very components of promotional mix, all elements including sales promotion are interrelated and that measurement/evaluation of any one by itself is grossly inadequate. Moreso, that business organisations some times use advertising and personal selling to support sales promotion programmes. There is, therefore, a major problem as to the yardstick for measuring effectiveness.

However, taking into consideration the analysis above, the contemporary marketing management places premium on measurement of an effective sales promotion, and which calls for evaluation. Therefore, business concern will have to analyse their market, categorise them into segments and identify their consumers for the purpose of satisfying their needs and wants. This position is reinforced by the fact that marketers need to develop some key indicators to measure the precise role of effective sales promotion techniques.

The task of this research is to establish the impact of effective sales promotion of consumer goods in attaining marketing objectives in the Nigeria economy and its challenges in the next millennium.

1.3 HYPOTHESIS

a) Sales promotion is an effective technique of increasing sales per unit of volume (H1)

b) Sales promotion makes little or no impact on the overall sales (Ho)

1.4 OBJECTIVE OF THE STUDY

1. The principal objective of this study is to find out the role of effective sales promotion of consumer products in a competitive economy.
2. Establish the role of effective sales promotion by correlating incentive values with sales response so as to have insight into the sales response promotion.
3. To determine whether sales promotion will bring about increase or decrease in total sales of Cadbury Nigeria, Plc products for the period under review.
4. To discuss how Nigeria markets have utilized sales promotions in their response to the prevailing marketing problem due to the restructuring of all facets of the Nigeria economy.
5. Attempt to consider the empirical expectations of marketing benefits from sales promotion on established brands.

1.5 SIGNIFICANCE OF THE STUDY

The testing of the role of effective sales promotion will enable management to know which sales promotion techniques will boost sales in highly competitive environment, and why they are preferred, and this ultimately will serve as guide to future planning. John Ward (1984:250) succinctly put it thus "whilst no one can pontificate and state categorically what a particular type of promotion might achieve, it is based on experience and can be used as a guide".

Apparently, the manufactures perceived goal of conducting sales promotion is the strive to increase products sales volume and to maximize his profitability. A point worthy of note here, is that, the role of effective sales promotion on profitability is crucial so as to guide management in making rational decisions and to enhance allocation of resources/budgets between items in the promotional and marketing mixes. The net result is to establish the place of effective sales promotion methods in the promotional mix ingredients particularly advertising and personal selling and to enhance the overall effectiveness of utilizing sales promotion techniques.

1.6 SCOPE OF THE STUDY

The research project is on "The Role of Effective Sales Promotion of Consumer Products in a Competitive Economy in Nigeria". The research work intends to find out the role of effective sales promotion on consumption of consumer products in competitive economic forces.

The research also intends to determine the place of effective sales promotion tools, being silent on the other three elements that constitute the promotional mix – Advertising, Personal Selling and Publicity.

Above all, there is immense competition among various industries and also between firms within the industry in the manufacturing of consumer products, but the research has chosen Cadbury Nigeria, Plc, Kaduna as a case study in order to narrow the focus of the study.

1.7 LIMITATION OF THE STUDY

1. The unwillingness of the organisation to divulge some information because of their responsibility to maintain secrecy about sensitive areas of operation particularly on the expenditure involved on sales promotion and the profitability level.
2. Management in the organisation as means to combat competitor's activity might have altered secondary data and information used in the research.
3. There was also the problem of determining the sample size and how for it is representative of the population is another limitation
4. Another limiting factor was the lack of cooperation from the respondents as some are quite reluctant to fill in the questionnaire and thereby making the collection of data rather difficult.
5. The researcher had limited time as his disposal to conduct the research. The time constraints with in which the research has to be undertaken constitute another limitation.

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1.8 DEFINITION OF TERMS

SALES PROMOTION

Sales promotion is defined as those promotional activities (other than advertising, personal selling public relations and publicity) that are designed to stimulate customer's demand and improve the marketing performance of sellers. These include coupons, premiums, in-store displays, trade shows, and samples, in store demonstrations and contests.

PROMOTION MIX

Promotion mix is the combination of personal selling, advertising, sales promotion, publicity and public relations that helps an organisation achieve its marketing objectives or that which a company uses to pursue its advertising and marketing objectives.

CONSUMER PRODUCTS

These are products intended for use by the ultimate consumer or household and in such form that they can be used without (further) processing or for non-business purposes.

ADVERTISING

This is defined as consisting of all activities involved in presenting to a group or non-personal sponsor-identified message about a product or organisation.

PEROSNAL SELLING

This is oral presentation in a conversation with one or more prospective purchasers for the purpose of making sales.

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PUBLIC RELATIONS

Public relation has been defined, as building good relations with the company's various publics by obtaining favourable publicity, building up a good "corporate image and handling or heading off unfavourable rumours, stories and events.

ROLE

This refers to the impact of effective sales promotion of consumer goods in a competitive environment.

COMPETITIVE ECONOMY

This is an economy in which business rivals offers similar products or services.

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CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 INTRODUCTION

The Nigeria economy has a large number of organizations or businesses that engage in production of industrial and consumer goods and marketing products that are similar to, or can be substituted for its products, and offering the to the market a various prices and a times arrange for the physical distribution through the same channel(s). Therefore, this opportunity in Nigeria and elsewhere provide an added advantage to customer to select or choose the type of products or services of various alternatives made available to them by manufacturing organisation/ or producers. We are also not in doubt that manufacturers need to inform their potential consumers and other buyers of their goods and service or products, and to bring more information into the buying decision process. These include informing or reminding consumers on the benefits to be derived by using the product or service, the price, even to some extent the content of the product.

A carefully examination at the intense competition for consumer attention goes to buttress the point that no manufacturer/producer will produce a product and fold its hands expecting the product to market itself without making any concerted effort to communicate and persuade the ultimate consumer that the product exist , and to point out its benefits. A note worthy thing is that manufacturers/business concern must take measure(s) to inform, persuade and remind the market of the organisation and/or its product.

Sales promotions are used by most organisations such as government institutions, educational institutions, trade association and non-profit organization. As a matter of fact, a lot of promotional appeal are targeted at consumer's day to day from various sources. This explains why promotional activities have assumed paramount importance, and has been the practice by almost every producer and manufacturers of goods and services in our economy.

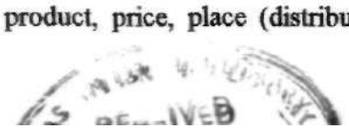
2.2 PROMOTION

Promotion is a term, which has assumed varied meanings over the years. However, the term promotion refers to the coordination of all sellers initiated efforts, to set up channels of communication and persuasion in order to facilitate the sale of a product or service or the acceptance of an idea.

Stanton (1991:410) defines promotion as the element in an organisations marketing mix that serves to inform persuade and remind the market of the organisation and/or its products. In essence, promotion is an attempt to influence potential buyer's feelings, beliefs or behaviour.

Engel (1983:6) defines promotion strategy as "a controlled integrated programme or communication, method and materials designed to present a company and its product to prospective customer; to communicate need satisfying attributes to products, to facilitate sales and thus contribute long-run profit performance".

It is gratifying and worthy of note that promotion is only a total marketing mix strategy product, price, place (distribution) and promotion must be well coordinated



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into an organised and integrated programme of an action. Each variable contributes in no small measure to the overall objectives of maximising long run returns on investment. For example, no amount of promotion can move an unwanted product, which is over priced.

2.3 PROMOTIONAL MIX

2.3.1 ADVERTISING

This is a non-personal means of presenting information to a selected audience. It is normally paid for by an identified sponsor. It consists of those activities by which visual or oral message are addressed to selected publics for the purpose of informing and influencing them to buy products and services and to act or to be inclined favourably towards ideas, person, trade marks, or institutions featured.

McCarthy/Perrault, JR (1990:360) defined Advertising as "any paid form of non-personal presentation of ideas, goods or services by an identified sponsor". This includes the use of such media as magazine, newspapers, radio and television signs and direct mail.

Stanton (1991:452) defined advertising as "consisting of all activities involved in presenting to a group a non-personal sponsor – identified message about a product or organization". He pointed out that this message can be verbal and/or visual, and disseminated through one or more media. It is used mostly by business firms and a wide range of non-profit organisations, professional and other agencies.

McCarthy/Stanton accepts that advertising is a non-personal but sponsored publication of facts or opinions of goods and services to awaken the public interest and persuade them to purchase the product.

Advertising activities include the following form of message; The ones carried on newspapers and magazine, on outdoor boards, on street cars, buses and trains, cards and posters in radio and television broad – casts, and in circulars of all kinds, whether distributed by mail, by person through tradesmen or by inserts in packages or attached to the product and etc. Labels, tags and other literature accompanying merchandise are also deemed advertising.

PURPOSE OF ADVERTISING

Many companies have their own individual objectives in using advertising. The main objective of advertising in most cases is to inform and sell. There are other reasons for advertising and which include the following:-

1. To remained customers and potential customers constantly of the availability of the existing products and companies and how they compare with other products and firms.
2. To create awareness of and build consumer interest in new products, new technology and new – companies.
3. To reduce customers dissonance (state of anxiety that arises when a person has once or more ideas that conflict with other ideas or beliefs held) and eliminating some dissatisfaction.
4. To resell products and ideas. This help in supplementing the effort of the sales persons

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5. To alert and sensitise all members of a marketing channel (e.g. retailers and wholesalers) to products, products improvement, special promotions and other features in a company's operation

2.3.2 SALES PROMOTION

Stanton (1991:466) defines sales promotion" as promotional activities other than advertising, personal selling, public relations and publicity), that are intended to stimulate customer's demand and improve the marketing performance of sellers". This include coupons premium, in-store, displays, trade show, samples, in-store demonstration and contest. Sales promotion activities may be carried out by producers or the producer's sales promotion may be aimed a middlemen or end users – household, business users or even at firm's own employee/producers own sales force. While the middlemen sales promotion may be targeted at their sales people or prospects further along the channel of distribution.

Philip Kotler and Gary Armstrong (1979:510) sees sales promotion as "consisting of short term incentives to encourage purchase or sales of a product or service". Apparently, sales promotion offers reasons why potential consumer must buy now.

Sales promotion include" those marketing activities other than personal selling, advertising and publicity, that stimulate consumer purchasing and dealers effectiveness, such as display shows and exhibitions, demonstration and various efforts not in the ordinary routine" Chicago; AMA (1960:20)

2.3.3 PERSONAL SELLING

McCarthy/Perreault, JR (1990:366) believes that personal selling involves direct face to face communication between sellers and potential customers". The face to face selling also provides immediate feedback which helps sales people to adapt. Sales people are included in most marketing mixes, and also work to build and maintain long-term relationships with customers. They established these relationships by listening to customers, assessing customer's needs, and organising the company's effort to solve customers problems and endeavour to satisfy their needs.

Stanton (1991:430) defined personal selling as "The personal communication of information to persuade a prospective customer" to buy a good, service, or idea". He also stated clearly that personal selling has the advantage of greater flexibility. This implies that sales people can monitor sales presentation to meet the needs and behaviour of individual customer. Also it offers sales people the opportunity to see the prospects immediate reaction to sales approach and make adjustment as the need arises.

Personal selling can also be used for creating product awareness, arousing interest, developing preference, negotiating prices and other terms, closing a sale and providing post transactional reinforcement. Personal selling has certain distinctive qualities as a component of the promotional mix. These include the following:-

1. Personal Confrontation: This involves an alive, immediate, and interactive relationship between two or more persons
2. Cultivation: This permits all kinds of relationship to spring up, ranging from selling relationship to deep personal friendship.

3. Response:- Personal selling, in contrast with advertising makes the buyer feel under some obligation for having listened to the sales talk or using his time becomes a necessity for the person to respond even if it is just a polite thank you

2.3.4 PUBLIC RELATIONS

This is another major mass promotional tool. Kotler (1997:518) sees public relations as "building good relations with the company's various publics by obtaining favourable publicity, building up a good "corporate image" and handling or heading off unfavourable rumours, stories and events". Precisely, public relation is a very broad concept that includes publicity as well as many other activities. Public relations may be used to promote products, people, places, ideas, activities, organizations, and even nations. Public relations have a strong impact on public awareness at much cheaper rate than advertising. The company does not pay for the space or time in the media. Rather it pays for a staff to develop and circulate information and to manage events.

Stanton (1991:471) also posited that public relation "is a broad overall communication efforts to influence various group's attitude toward the organisation". Public relations activities are tailored to build and maintain a favourable image for a company and favourable relationship with its various publics such as customers' prospects, employees, the local community and the government.

He further clarified that good public relations can be achieved by supporting charitable projects, participating in community events, sponsoring athletic teams,

funding the arts and disseminating information through exhibitions, displays, and tours

2.4 SALES PROMOTION

2.4.1 DEFINITION

Sales promotion has been defined by the American Marketing Association as encompassing "those marketing activities other that personal selling, advertising and publicity that stimulate consumer purchasing and dealer effectiveness, such as displays, shows and exhibition's, gifts, games, demonstration and various non-recurrent selling effort not in the ordinary routines" Chicago AMA (1960:20). This implies that sales promotion is a catch-all for various promotion tools that are not formally classified as advertising, personal selling and publicity.

McCarthy/Perreault, JR (1990:368) views sales promotion as those "promotion activities other than advertising, publicity and personal selling that stimulate interest, trial or purchase by final consumer or others in the channel". This goes to say that company's sales promotion may be directed at consumers, a middlemen or even a manufacturers own sales force. Examples include coupons, samples of consumer products, special sweepstakes and contests, point of purchase materials, and display at trade fairs.

Philip Kotler (1997:510) also sees sales promotion as "comprising a wide variety of tactical promotion tools of a short-term incentive nature, designed to stimulate earlier or stronger target market response". In other words, the term is used to describe a special campaign usually fairly short in duration, to encourage sales of a particular

brand or product. It is a period through which temporary improvement in consumer perception of product values are created to stimulate purchase.

Thus, in the words of these scholars, sales promotions are designed to act as direct inducement, offering added value or incentive to purchase the product, to resellers, salespersons or consumers. Above all, in competitive markets, where products/brands are very similar, sales promotion provides additional inducements that encourage purchase.

Essentially, the economic crunch experienced all over the country in recent years couple with the present world wide economic recession has made sales promotion to be increasingly viewed as a true auxiliary and support activity for advertising and personal selling, however the effect of sales promotion are more immediate and measurable than those of advertising.

2.5 SCOPE

The scope of sales promotion is very broad. However, many business concerns carry out sales promotion activities for a variety of reasons. In essence, manufacturers and suppliers of many consumer and industrial products may conduct sales promotion. Therefore, sales promotion activities are designed to stimulate or boost the sales of a product or service usually fairly short in duration, such as a sales conducted by a retail store and featuring price reduction on many items of merchandise.

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Sales promotion may be targeted at consumers in the form of consumer promotion. Also manufacturers distributor and retailers may initiate their own sales promotion. In addition, the operators of departmental store and super marketers may embark on sales promotion at certain period to clear their inventories. The product/brand being promoted is usually in large supply, otherwise it would have been needless to engage in any special activity to boost sales.

2.6 IMPORTANCE

Sales promotion consists of a wide variety of promotional tools designed to stimulate earlier and/or stronger market response. Sales promotion is distinct from advertising and personal selling, but all the three activities are integrated and interrelated. However, sales promotion is being integrated into the total marketing strategy in many forms.

Sales promotion tools vary in their specific objectives for example, a free sample stimulate consumer trial. Sellers may use sales promotion to attract new tiers, to reward loyal customers, and to increase the repurchase rates of occasional users. It also enables the manufacturers, to adjust to short term changes in supply and demand and to differences in customer segments. It encourages consumers to try new products as opposed to staying with their current ones.

Sales promotion results to more varied retail formats, such as the every day-low-price store or the promotional pricing store which offers consumer more choice. It establishes greater consumer awareness of prices, and consumer themselves do take the advantage of price specials. Specifically, sales promotion may be conducted to;-

1. Increase sales of a product especially at those times when normal sales are sluggish
2. Stimulate consumers at the point of purchase
3. Increase sales over a short period of time
4. Periodically (for instance, annually or semi-annually) clear goods in a store before inventory taking and restocking.
5. Introduce a new product or improved product and encourage the customers to try it
6. Combat competitors promotional activity.

2.7 FACTORS RESPONSIBLE FOR THE RAPID GROWTH OF SALES PROMOTION

Sales promotion has grown tremendously in recent years. Consequently, expenditure for sales promotion have increased more rapidly than that of advertising, and this trend is expected to continue to grow faster than advertising. However, several factors contributed to the increasing growth of sales promotion, especially in consumer markets. Strang, identified a number of factors that have contributed to the rapid growth of sales promotion in recent times. These can be classified into External and Internal factors.

2.7.1 INTERNAL FACTORS

it. Promotion has become more acceptable to top management as an effective tool to boost sales.

ii. More product managers are qualified to use sales promotion techniques.

iii. Product managers are under greater pressure to increase their current level of sales.

2.7.2 EXTERNAL FACTORS

it. The number of brands has been on the increase

ii. Competitors have become promotion pruned

iii. Inflation and recession have made consumers more deal oriented

iv. Trade pressure for more deal from manufacturers has increased.

v. Advertising efficiency has decreased due to rising cost, media clutter and legal control

2.8 FORMS OF SALES PROMOTION

Sales promotion tools vary in their specific goals. Not all-sales promotion activities are geared to reach the same target audience or to achieve the same promotional objectives. Certain activities may be used to stimulate consumer trial of the new product. While some may be developed to encourage the company's sales force to provide extra selling effort at a particular point in time so as to make sure that re-sellers are stocked with a new product before its introduction to the economy. Other activities are tailored to gain added promotional support from sellers such as eye-level display in super markets to aid in the initial introductory promotional efforts.

However, the forms of sales promotion vary with the type of target market the manufacturers have in mind. The major sales promotions are targeted at consumers, industrial users, distributors and dealers, and members of the sales force. In the light of this, sales promotion can be grouped into two categories namely consumer sales promotion and Trade sales promotion.

2.8.1 CONSUMER SALES PROMOTION

Consumer sales promotions are those promotional activities, which we are familiar with in our day to day interaction. These are techniques designed to encourage or stimulate potential consumers to patronise retail store or try a particular product or to increase the consumption of an established brand. There is also the need to integrate these activities with other elements of the promotional mix, especially advertising, if the full impact of the sales promotion is to be achieved. New product sales promotion includes free samples, introductory sales price and cash rebates. Manufacturers also direct sales promotion at consumers with the objectives of increasing the consumption of established products. These efforts may be needed to respond to competitive pressures.

2.8.2 TRADE SALES PROMOTION

These promotional methods are used to stimulate wholesalers and retailers to carry manufacturer's product and to market these products aggressively. The wholesalers and retailers perform the essential function of bringing about exchange in such a manner that the goods produced by various manufacturers are available to buyers in wide range of assortments.

Manufacturers are also involved in providing services to distributors such as conducting training programmes for the middlemen-sales force and giving managerial advice and installing point of purchase displays. The goal is to encourage resellers to carry there products and promote them effectively. Also within the manufacturers marketing department, the sales promotion division can prepare manuals, demonstrating kits and other selling aids used by salesmen.

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2.9 TECHNIQUES OF SALES PROMOTION

Several tools can be used to achieve sales promotion objectives. The consumer sales promotion tools include samples, coupons, cash refunds, premiums, price-off offer, bonus packs, point of purchase displays, demonstrations, consumer contest and sweepstakes. Trade sales promotion methods are buy-back allowance, buying allowances counts and recounts, trade allowances, free goods, sales contest and cooperative advertising and etc.

2.10 CONSUMER SALES PROMOTION METHODS

2.10.1 FREE SAMPLES:

This is a free distribution of an item in order to obtain consumers(s) acceptance. The offer is usually a miniature size of the product and its life span is shorter than the regular package. This may be delivered door to door, sent by mail, handed out in a store, attached to another product or inserted into packages containing other products. The provision of free sample may stimulate trial of a new product, to increase sales volume in the early stages of a product's life cycle; and often produced quicker response than other promotional efforts. However, not until the trial translates into repurchase the sampling promotion can be said to have achieved the desired goal.

Free sample is most effective when the product attributes that distinguished the new product apart from its competitors are difficult to describe appropriately in print or visual media. For instance, product attributes such as scent, taste, consistency and the likes are selling points that can be effectively communicated by sampling.

Consumer sampling is an effective but very expensive means of introducing a new product. However, free samples are not appropriate for mature products and slow turnover products

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2.10.2 PRICE-OFF OFFERS AND SPECIAL SALES.

This refers to the several ways of reducing the price of product's regular package by indicating the price reduction on the package itself or by selling the price of two packages for the price of one. This offers the buyers a certain amount off the regular price shown on the label or package. Price off can be single packages sold at a reduced price of one or it could be two related products banded together, for example, tooth brush and toothpaste. This method can be very effective in stimulating trial of the product, it can also increase product sales, yield short-term sales increase and promote products in off-season.

Special sales may be conducted by retail organisations at a special time of the year, and feature attractive price reductions on several items or products. The Christmas and Sallah sales provide concrete examples in the Nigeria environment as the sales within the stipulated period helps clear the inventory before restocking.

The use of short-term reduction in price is targeted a encouraging consumers trial of a new product or induce demand for an established brand. However, it needs to be added that if the aim is to offset competitors promotional activity, price-off offers can generate quick and purposeful results.

2.10.3 BONUS PACKS

This is very common with consumer packaged goods. The techniques work well with several products and some marketers use it on regular basis. The bonus pack usually consists of special container, package and carton etc in which the consumer is given the same or low price than in regular containers.

There are two major types of bonus packs. Larger container with more products offers at the same or reduced price. The package is simply made larger and extra-product is included.

The second type is a package made up of several units of product banded together in some way so that an extra unit of product is offered at the same price or even a no cost. However, not all products can make use of bonus packs as sales promotional techniques. For example, industrial goods and some consumer durable cannot be subjected to bonus packs. Bonus packs are limited to products that are fairly low cost and have a single packaging characteristic with possibility of including extra product as desirable reward.

2.10.4 CONSUMER CONTESTS AND SWEEPSTAKES.

This sales promotion method is typical of Cadbury, Coca-Cola and Seven-up promotions. Consumer contests and sweepstakes are very effective and most rewarding. They are the most common sales promotional tool and involve heavy expenditure. The trade often reacts favourable because of high consumer participation. The desire to win a price often compels consumers to consume more of the product a an increased repurchase rate.

2.10.5 CONSUMER CONTEST(S)

This is an event that invites the consumer to compete for prizes based on their analytical or creative skill. It is an event that warrants consumers to submit entries, and use of skill or proof of purchase or other necessary requirement before entry judgement. In a word, contests have three basic components namely-prize/prizes,

skill or knowledge as a basis for selecting the winner and some form of consideration to enter.

2.10.6 CONSUMER SWEEPSTAKES

This is a game of chance in the sense that winners are determined by drawing from all entry forms. Here, prizes are awarded on the bases of chance, and the sponsor of sweepstakes may require consumer to submit proof of purchase of the product.

The matching/symbol sweepstakes involves that in which numbers and or pictures/letters are borne by the product. It could be the formation of a complete symbol. The winner is often determine by matching the symbol or number with a pre-selected one. For example Coca-Cola promotional push. Sweepstakes may also warrant programmed learning. The entrant is expected to give back some information from the label or the package. Winners are chosen among those that submit the correct entries.

Sweepstakes are used to stimulate sales, and to enhance creative product positioning and can be used as collective brand promotions. On the contrary, it entails heavy promotional expenditure.

473336

2.10.7 COUPON(S)

This is not very common in Nigeria because of the low level of industrialization. The most important aspect of a coupon is the face, i.e. the front of the coupon. Traditionally coupons have been thought of as certificate that entitle the holder to prize reduction, a special value or a gift of some sort in purchasing a product. In

modern times, coupons are used to stimulate trial of a new or established product, to increase sales volume quickly, to attract repeat purchases or to introduce new package features.

2.10.8 DEMONSTRATIONS

This sales promotion method is put in place to get the attention of potential customer with ease. Manufacturer often use them temporarily to either to encourage trial use and purchase of the product or a best to demonstrate how the product actually works, product benefits and proper application.

2.10.9MONEY REFUNDS

With the level of inflation in recent times, and as consumer seek relief measures, money refund has attracted more and more appeal than ever known. A refund promotion is an offer by manufacturer or a marketer to refund some amounts of money when a product is purchased alone or in combination with some other products. This may range from a small percentage of the retail price of the product to the full amount. It could be on purchase of leading products in the line or any other product commonly used with the purchased brand. The primary purpose of money refund is to promote trial use of a product. The marketer has to pay a certain price to obtain trial of the product. Refund(s) has the advantage of building excitement for a brand at relatively low cost and it also helps to build brand loyalty, and load up the consumer.

2.11 TRADE SALES PROMOTION METHODS

These promotional methods are targeted a retailers and wholesalers. Trade promotion is designed to persuade retailers or wholesalers to carry a brand, give it shelf space, promote it in advertising, and apparently put it to consumers. Trade sales promotion include the following:

2.11.1 BUYING ALLOWANCES.

This is a temporary price reduction to resellers for purchasing specified number of a product. These offers may be an incentive to handle a new product, achieve a temporary price reduction or stimulate the purchase of an items in larger number than normal purchases. The buying allowance which take the form of money, yields profits to resellers and is simple and straightforward to use. There are no limitations on how resellers use the money, which increases the promotion effectiveness.

2.11.2 BUY-BACK ALLOWANCES.

A buy back allowance is a certain sum of money given to a purchaser for each unit purchased after an initial deal is over. This method is secondary incentive in which the total amount of money that resellers can obtain is proportional to their purchases during an initial trade deal, such as a coupon offer. Buy back allowances has the advantage of fostering cooperation during an initial sales promotion effort and induce re-buy afterwards. The main problem of this method is that it is very expensive.

2.11.3 FREE GOODS

Manufacturers sometimes offer this to resellers who purchase a stated quantity of the same or different products. For example, the manufacturer can offer the retailer one extra package for the purchase of 2 packages. The free good(s) is for a limited time. Manufacturers particularly prefer the free merchandise offer since the only cost is the product being offered. Some manufacturers like the free goods because it may encourage retailers to purchase more at a given time. This trade promotion method is good for moving type products, yet it does not work well with slow moving products.

2.11.4 COUNTS AND RECOUNTS.

This promotion is based on the payment of a specific amount of money for each product unit moved from a re-sellers warehouse at a particular time. Units of products are counted at the beginning of the promotion and again at the end to establish how they have moved from the warehouse. This approach can reduce retail stock-out by moving inventory out of warehouses and can equally clear distribution channels of obsolete products or packages and minimize warehouse inventories.

2.11.5 DATING

This implies that a retailer can purchase certain amount of a product now and be billed for it over a period of time. On the other hand, purchases can be moved now a reduced prices and shipped later on. The retailer is not obliged to pay for the goods in advance but can spread the payment out as the merchandise is sold out in the store.

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2.11.6 CO-OPERATIVE ADVERTISING

This is an arrangement whereby a manufacturer agrees to pay a certain amount of a retailer's media costs for advertising the manufacturer's goods. The amount allowed is usually dependent on the quantities of the goods purchased. However prior to payment, a retailer is expected to prove that advertisements did appear. These payments provide retailers additional funds for advertising. The only drawback here is that it exerts a lot of burden on the manufacturer's advertising budget.

2.12. BUSINESS PROMOTION TOOLS

Business promotion methods are used to generate business leads, boost purchases, reward customers and motivate sales people. The promotional tools include many of the same tools employed for consumer or trade sales promotion. Prominent among the methods use are convention and Trade shows.

473336

2.12.1 CONVENTIONS AND TRADE SHOWS

Companies and trade associations organise conventions and trade show to promote their products. There are situations where firms that sell directly to the industry display their products a the trade show.

Trade show provides opportunities for vendors to receive a lot of benefits such as finding new sales leads, contact customers, introduce new products, meet new customers and educate customers with publications and audio-visual materials. It also enables companies to reach many prospects not reached through their sales force.

2.13 SALES FORCE PROMOTION TOOLS

Sales force promotion is important because our economy needs and uses many sales people so as to make sales promotion highly effective and results oriented. These sales promotion methods include.

i) Bonus to sales force:-Basically, a target is set for a year or for fairly short period. Bonus is offered on sales in excess of the target. This is designed to induce salesmen to sell more so as to meet the target, which they aim at

ii) Sales force contests:- These contest are announced to stimulates company salesmen to redouble their selling interests and efforts over a given period, with prices to top performers.

iii) Sales meeting, salesmen's convention and conference; These are conducted for the purpose of educating, encouraging and rewarding the salesmen. New products and new selling techniques are also tabled and discussed at the conference.

2.14 SELECTION OF SALES PROMOTION TOOLS

The choice of sales promotion tools is dependent on the objective of the total marketing programme. However, certain sales promotion methods are better suited than others in some respects, as there are many promotion tools available to achieve the desire goals. In the selection of the techniques to be employed management must take into consideration. "The type of market, sales promotion objectives, competitive conditions and costs effectiveness of each tool" Kotler, (1984-663).

It is also not uncommon for marketers to take into account both product characteristics (size, weight, costs, durability, and uses, features and hazards) and

target market characteristics (age, sex, income, location and usage rate, etc). In other words, the channels of distribution of product as well as the number and types of resellers to determine the type of method(s) to be employed.

2.15 OPPORTUNITIES AND LIMITATIONS OF SALES PROMOTION

2.15.1 OPPORTUNITIES OF SALES PROMOTION.

Sales promotion activities are designed to impact sales directly. The presumption is that sales promotion can increase sales by providing an extra incentive to purchase, and stimulate resellers demand and effectiveness; some are directed at increasing consumer demand and others targeted at both resellers and consumers. However, in respective of the purpose, marketers need to ensure that the sales promotion objectives are consistent with the organisations overall objectives, as well as with its marketing and promotion objectives.

Sales promotion includes a wide variety of tools, such as contests, money refund, free goods, bonus packs, premiums and others, all of which have unique qualities. They tend to attract consumers attention and provide information that may lead to a purchase by providing inducement or contributions that offers additional value to consumers.

Experts believed that a lot of benefits are provided to manufacturers as well as to consumers through sales promotion methods. This is anchored on the fact that, it allows manufacturers to adjust to short-term changes in supply and demand and to differences in customers segments.

One of the most important aspects of sales promotion is that, it encourages consumers to try new products instead of staying with their current ones. They often result to more varied retail formats such as the everyday low – price store, or the promotional pricing store, which offers consumers greater choice.

Sales promotion seems most effective in attracting brand switchers because non-users and users of other brand are not always informed or notice act of promotion. More so, that brand switches are always on the look out for low price or good value. It also creates consumer awareness of prices and consumer themselves do take advantage of price specials of fairly short-duration. It also encourages consumers to try new products instead of staying with their current ones.

Finally, sales promotion has proved effective in increasingly competitive markets, especially in consumer products. It can usually be implemented quickly and get more measurable sales results sooner than advertising.

2.15.2 LIMITATIONS OF SALES PROMOTION

Sales promotion can increase sale by providing an extra incentive to purchase. However, sales promotion results may be inflated by sales cannibalised for the future. This implies that sales promotion may get buyers to act now when they would have bought the product in the future, anyway. An indication of cannibalisation is a lower level of sales after the promotion ends compared to before the sales promotion started.

Another major limitation of sales promotion is the shift from brand advertising to sales promotion and the consequent loss of market share particularly in consumer

markets where advertising is essential to maintain awareness and brand recognition. This position is reinforced by the view of the critics who argued that "When a company price-promotes a brand too much of the time, consumers begin to think of it, as a cheap brand and in no distant time, may consumers will buy the brand only when it is on special". Most analysts believe that sales promotion activities do not build long-term consumer preference and loyalty as does advertising. Instead, promotion usually produces only short – term sales that cannot be sustained.

Sales promotion provides many opportunities to motivate consumers, resellers and sales people to take advantage of the promotion and the immediate benefits come at the expense of building a strong brand image in consumer mind and condition buyers to expect incentives. This pre-supposes that many of the sales promotion tools are short-run tactical actions. They are frequently used as stopgap measures to boost the decline in sales rather, than as integrated part of marketing programme.
However, this is a pointer to the fact that sales promotion can slow down the rate of decline but cannot halt it.

Although, sales promotion can increase or boost the level of sales but is often viewed as a weak spot in marketing. In fact, sales promotion includes a wide variety of activities, each of which may be custom-designed and used only once. For example, a product with inherent defects cannot be helped by sales promotion. It also need to be added that should there be any intrinsic defects in a product branding, and thus resulting to products not performing to standard, the use of promotion to solve such problem is tantamount to a waste of limited resources.

Critics have also shared the view that sales promotion is more or less a cosmetic and window dressing solutions to basic marketing problems, which they contend leads to a neglect of strategic focus on the core marketing problems to which promotions have been targeted; and more often than not the emphasis is placed on tactics as opposed to strategy for achieving the marketing objectives.

In conclusion, promotion can be more expensive than they appear. This explains why management must recognize potential costs and other hidden cost of special production runs, extra sales force effort and handling requirements. This however, constitutes another limitation.

2.16 EVALUATION OF SALES PROMOTION

Sales promotion activities are in no doubt difficult to measure but that does not mean the attempt must be neglected because evaluation is of crucial importance. The approach to be used in evaluating the role of effective sale promotion involves measuring sales performance before, during and after the sales promotion. This, however, will provide useful information on sales increases and the level of profit-ability. Other wise, it will prove difficult to make rational decisions as to the efficient allocation of resources between variables in the promotional mix.

However, in an attempt to gauge the effectiveness of sales promotion, it is rather difficult if not impossible to isolate the effect of promotion variables. Critics argued that, we cannot attribute the increasing sales per unit of volume to any sales promotion due to the composition of the promotional mix, all elements including sales promotion are interrelated, and that evaluation of anyone by itself is a difficult task.

They also shared the view that many factors apart form sales promotion influence sales success.

Experts believe that performance evaluation (post promotion evaluation) is not an easy task. This is predicated on the fact that, sales analysis can be run, factory shipments recorded and market share can be computed but attributing changes in these measures to sales promotion may be far from adequate. However, the difficulty of measurement does not mean we should not make attempt. In order to measure the role of effective sales promotion, we must as a matter of priority device means to evaluate the effectiveness. Above all, any attempt a measurement must consider external conditions such as the behaviour of competitors and the state of the economy and etc.

2.17 CRITERIA OF EVALUATION

Evaluation procedures vary with the type of markets. However, in the case of consumer promotions effectiveness could be measured using any of the under listed methods.

i. Sales performance movement

ii. Analysis of consumer – panel data

iii. Consumer surveys

iv. Experimental studies.

The most common consumer promotion evaluation techniques is to compare sales or market share before, during and after a promotion. This implies that increased level of sales are attributed to the impact of the sales promotion programme, all others, being equal.

Another method of measuring the role of effective sales promotion programme is to interview a sample of consumers in the target market, attempting to find out how many consumers recall the promotion, what they thought of it, how they took advantage of it, and how it affected their subsequent brand choice behaviour. This method will help to bring out the effect of that type of sales promotion on consumers.

The deal promotion effects can also be measured by experiments, varying deal attributes offered to matched groups or matched geographical areas. However, depending on the level of responses, inferences can be drawn on sales impact. At the same time, it is not unimportant to carry out some follow up consumer study to understand the reasons why the deal attributes produced different level of responses.

Consumer – panel data can also be employed to evaluate consumer responses to sales promotion by studying specific issues such as brand switching, number and size of units bought.

According to Cyril Hudson, there are some criteria in measuring sales promotion effectiveness. These include changes in sales volume and market share. The difference between sales during the promotion period and sales when there was no promotion will provide the portion of sales directly linked to the promotion. Using market share, he argues that, comparing market share before and after promotion, then any shift could be traced to the promotion . And lastly, comparing total cost of promotion with sales during the period of promotion.

Furthermore, to evaluate the effectiveness of sales promotion, performance standards must be drafted and quantified, sales and market share are the most important, then actual performance must be measured. Finally, the two (standard and actual) must be compared and when the need arises sub-standard performance corrected.

In conclusion, it is essential that we establish a regular system of monitoring the effect and effectiveness of our promotional efforts.

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CHAPTER THREE

CADBURY NIGERIA PLC AND RESEARCH

3.1 HISTORY OF CADBURY NIGERIA PLC.

The principal business of Cadbury Nigeria Plc and its subsidiary undertaking (stanmark Cocoa Processing, Ondo) is the manufacture and seller of a wide range of branded fast moving consumer goods directed primarily to the local market "at prices which offer real value for the money spent" and the processing of Nigerian Cocoa beans into derivates solely for international markets.

1965 may be considered the formal birth date of the corporate entity known today as Cadbury Nigeria Plc. In that year of incorporation of the then Cadbury Nigeria Limited, a purpose built factory was commissioned at the present Agidingbi, Ikeja, Headquarters and full scale production of Pronto (introduced in 1965) began, using Nigerian Cocoa powder as basic raw material. The event marked the beginning of a truly Nigeria company as opposed to the hitherto existing foreign trading concern. The policy laid down from the very being inning and pursued with relentless dedication ever since was to make products whenever possible with locally sourced raw materials of the highest quality, primarily targeted to the Nigerian market, taking cognisance of the Nigerian peoples total developmental aspirations.

Today, the core business of the company is run in three streams; namely Food drinks, confectionery and Foods. The epoch making cereal conversion plant also produces a range of intermediate products such as sorghum Extract and Glucose syrup, all at the

Agindingbi, Ikeja, Headquarters of the company. A purpose built plant near Joss also produces tomato paste utilized in the production of tomato based products.

3.2 THE BRANDS

The confectionery range includes hard boiled and chocolate confectionery namely – Tom-Tom, Butter-mint, Malta sweet, Chocolate, Éclairs, Goody Goody, and the Trebor range namely luckies, extra strong peppermint, fruities, Ginger orange, Koffsticks, tofi and Jolies lollipops (in banana, orange and pineapple flavours).

The Food Drinks range consists of Pronto (Nigeria's favourite Chocolate drink) and Bournivita (the winning food now fortified with extra vitamins and minerals for health and vitality) and recently Richoco was introduced into market with low purchasing ability.

The Foods Range is made up of Tomapep, Knorr, Dadawa, Cheff, Cheff Pepper soup cubes, all these are market leaders in the respective segment of the market.

47333

Basically, with the combined strength of these brands, loved and enjoyed by millions of Nigerians, it is no wonder that the company enjoys a real competitive edge in the market place.

The subsidiary company, the stanmark Cocoa processing company, Ondo Processes locally grown Cocoa beans into butter and liquor for export as well Cocoa powder for domestic consumption.

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Thus the company portfolio of products have maintained their dominant market positions over the years, establishing consumer loyalty even in the face of declining markets. Bournvita and the confectionery range especially, remain clear market leaders, even as knorr continues its steady market shares gains with the introduction of a chicken flavour variety, in addtition to the existing beef flavour.

3.3 SALES PROMOTIONS ACTIVITIES OF CADBURY NIGERIA PLC

3.3.1 BRANDS PROMOTION

Strategies are mapped out by the brand managers as regards enhancing the fortune of the company's brands in the market place. Such objectives targeted include enhancing the off-take levels, prices, maintaining competitive edge in the market, creating awareness and driving sales out as well as pushing up sales into customers.

To achieve these multifaceted objectives, various promotional strategies are delivered unto the field force for onward execution in the market place. Such include consumer sales promotion, retailers' sales promotion as well as depot customers/wholesalers sales promotion.

3.3.2 CONSUMERS TARGETED PROMOTION:

This promotion is directed towards the final consumers and it is aimed a increasing velocity of stocks from the retailers to the final consumers. The promotions that have taken place of recent include tom-tom wrappers, redemption promotion, Bournvita foil redemption promotion etc. These promotions in various forms are directed at increasing the sales output of the retailer shelves to the final consumers. Experience has shown that this has a very positive effect on stock movement out of customer's

warehouses. This exercise also has an impressive positive effect on prevailing market prices as better prices are always recorded at the times of these promotions.

3.3.3 RETAILERS DIRECTED PROMOTION

These promotions are always directed at driving out stocks from customer's warehouses into retailer shelves. Such promotions include free-in-pack offers e.g. shopping bags, books, cups, pencils etc. It also includes such exercises of engaging casual workers to sell with incentives to retailers. Those engaged casuals move stocks out of customer's stores at agreed prices and sell to retailers in and around the market centres. This exercise also helps in maintaining good pricing in the market as the casuals sell a bit above the market prices though with some point of sales items such as shopping bags, cups etc. tied to the purchase of some quantities of the products.

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3.3.4 WHOLESALEERS TARGETED PROMOTION

This is always targeted at the customers who buy directly from the company otherwise called depot or direct customers. The exercise is aimed a increasing sale-in to the customers i.e. into the stocks pipeline. This promotion includes various discounting techniques whenever such need arises.

There are two major Discounting Technique used to enhance sales-in-into the pipeline, these are;-

1. CASH DISCOUNTING TECHNIQUE

In the case of cash discounting technique, some percentages are given off the invoice whenever any purchase is made. For example, if a discount of 5% is to be given every customers, a purchase of an invoice value N100; - will enjoy a discount of N5.

This style of discounting is always aimed at reducing capital requirement which customers need for their businesses, thereby enabling them to buy more at lower prices.

2. PRODUCT DISCOUNTING TECHNIQUE

This sales promotion is aimed at moving out volume of product by attaching certain product free offer to a certain quantity of stock purchase. This is a strategy that is always used especially where there is large stock in the pipeline and need to be quickly moved out before their expiration. This technique, therefore, is used to achieve customer satisfaction as well as reducing the risk of product expiration.

3.4 RESEARCH METHODOLOGY

3.4.1 METHOD OF DATA COLLECTION

Obviously, the research requires some data to be able to test the hypothesis. Data collection was based on primary source and secondary source.

The primary source of data is what the researcher obtained fresh from the respondents. These sources of data where collected through interviews and the use of questionnaire. The questionnaire were administered on a selected sample of the respondents (consumers).

The secondary source of data collected from the company's annual sales brief and audited account for the period under consideration. Other sources are texts that are already published and available in libraries.

3.4.2 SAMPLE POPULATION

The population of the entire country is the universal set of observation with which the research is concerned. However, it is not possible to cover the whole population, and the researcher had to take a sample much closer to the whole population. The researcher used Kaduna State selecting the major towns of Kaduna to represent much broader areas. The sampling units were selected in each case randomly.

3.5 DATA COLLECTION INSTRUMENTS

3.5.1. THE QUESTIONNAIRE METHOD

This is the most common method for data collection for majority of the research undertaken in management sciences. A consumer opinion questionnaire was designed to find out the opinions of buying behaviour and actions. Two hundred questionnaires were administered in the selected areas. The questions were designed to provide meaningful interpretations.

473336

3.5.2 PERSONAL INTERVIEW

Personal interview technique was used as a method of collecting data. Personal interview with the company's sales and management staff was carried out. They were helpful, accommodating and above all, useful. It also enables the researcher to obtain pertinent information required from the respondent within the shortest possible time.

3.6 METHOD OF DATA ANALYSIS

Data collected were analysed especially consumer response to sales promotion using simple percentages, chi square test of in-dependence and Lambda statistics.

3.6.1 PERCENTAGES

Very often, the frequencies in a frequency distribution are converted to relative frequencies or percentages. If fi is a class frequency and n is the total number of data values. A relative frequency for a class is the proportion of data values belonging to that class.

Relative frequency = f_i / n

The percentage for a class is the relative frequency multiplied by 100 percent.

Percentage = $f_i / n \times 100\%$

Quite often, absolute frequencies are not directly comparable particularly when the number of data responses or data sets are unequal Relative frequencies (and hence percentages) eliminate this problem because they add up to 1 (or 100) regardless of the original numbers of data values. With percentages therefore, it is easier to compare the relative popularity of every response to a question.

3.6.2 CHI-SQUARE TEST.

A contingency table is a two-way frequency distribution in which the classes are assumed to represent nominal data with data classified in a contingency table, the chi-square distribution is often used to test for independence between two sets of events. Consider a contingency table with k rows and m columns for a sample of n data values. Let

f_{ij} = i – j cell frequency; the number of observation in row i and column j

r_i = total of row i frequencies

c_i = total of column j frequencies.

The rows of a contingency table represent k mutually exclusive events, say $A_1, A_2, - - - A_k$. Similarly, the columns represent m mutually exclusive events $B_1, B_2, - - - B_m$. In a test of independence the Null hypothesis states that A_i and B_j are statistically independent for all rows and columns

Ho: A_i and B_j are independent for all i and j.

H1 : A_i and B_j are not independent for some i and j.

The test statistic is the chi-square variable given by

$$X^2 = \sum\sum \frac{(f-e)^2}{e} \qquad --- \quad (1)$$

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Where *f represents observed frequency and e represents expected frequency.* The calculated value of X^2 is compared with the standard-table value of X^2 at (x – 1) (m-1) degrees of freedom. If calculated value exceeds the corresponding table value of X^2 the Null hypothesis Ho is rejected. Otherwise the alternative hypothesis is rejected. It is worth while to note that rejection of Ho implies the acceptance of H1 that the two variables are dependent. This indicates that one of the variables may be used to predict the other. The better predictive variable is usually indicated by the lambda – statistic value.

The variable with the larger Lambda – statistic value is the more appropriate DEPENDENT variable and so the other variable may be used to predict this variable.

The general layout of a contingency table is as follows:

Table 1

		Variable 2				
	f_{11}	f_{12}	f_{13}	- - -	f_{1m}	r_1
	f_{21}	f_{22}	f_{23}	- - -	f_{2m}	r_2
Variable 1	-	-	-		-	-
	-	-	-		-	-
	-	-	-		-	-
	f_{k1}	f_{k2}	f_{k3}	- - -	f_{km}	r_k
Total	c_1	c_2	c_3	- - -	c_m	n

The f_{ij}'s give the f in equation (1) above, while e_{ij} in (1) is found from

$$e_{ij} = \frac{r_i c_j}{r}$$

The Data Analysis (computer) system used to process data for this project also computed row and column percentages cell-wise, row –wise and column-wise. These separately and collectively serve to evaluate the relative importance of each cell, row and column and hence for our purpose, the relative popularity of each response to a question.

The layout of a contingency table as presented above allows us to cross-tabulate responses to any two questions, test the dependence of the questions and hence determine the dependability of one question on the other.

The row and column percentages also afford us the comparison of responses, to each question so as to determine the spread of acceptability of suggested responses.

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473336

CHAPTER FOUR

DATA ANALYSIS

Of the 200 questionnaires distributed 180 were duly filled and returned i.e. the response rate of 80% was recorded. The returned questionnaires were edited, coded and subjected to statistical analyses. The results from the computer print out in Appendix II are summarised in the following sections.

4.1 AWARENESS OF SALES PROMOTION ACTIVITIES

The results of the statistical analyses gave some insight into the factors that affect awareness of sales promotion exercises.

4.1.1 AGE OF RESPONDENTS

We found that awareness of promotion activity is a function of Age of Respondents. In this regards, it was observed that respondents aged 45 years and Above are the most aware of sales promotion activities, followed by those who are in the 20-45 years age bracket and lastly youths aged below 20 years. The results further indicate that given the age group of a respondent we can reliably predict the level of awareness of promotion activities.

4.1.2. SEX OF RESPONDENTS

It was deduced from the results that sex and awareness are totally independent meaning that sex does not in any way determine the level of awareness of sales promotion activities. We can this conclude that there is no disparity in the awareness of promotion activities between male and female respondents.

4.1.3 EDUCATION OF RESPONDENTS

The level of educational attainment determines the extent of awareness of sales promotion activities as the printout indicates that awareness is greatest among graduates, followed by OND/NCE holders. The dependence of awareness on Education is not a very strong one as the test-statistics indicates only a marginal dependence.

4.1.4 OCCUPATION OF RESPONDNET

On the surface, it would appear as though awareness of promotion activities is independent of occupation. A more thorough analysis, in which sample size is increased, would however, reveal a marginal dependence such that occupation may be predicted if the level of promotion awareness is known. Civil servants have the highest awareness of sales promotion activities, of Cadbury, followed by housewives and then the unemployed people.

4.1.5 ADDICTION TO CADBURY PRODUCTS

The results indicate a very high correlation between addiction and awareness of sales promotion activities. Greater addition to Cadbury products results in greater awareness of promotion activities. In fact, more than two-thirds of those who are aware of promotion activities of Cadbury are addicts of Cadbury products.

4.1.6 PRODUCT GROUPS

We found that awareness of sales promotion activities is dependent on which Cadbury product is been promoted. That is, awareness is not uniform for food Range, food

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drinks and confectionery. Awareness of sales promotion activity of Food Drinks is greatest while that of food Range is least.

4.1.7 MEDIUM OF PUBLICITY OF PROMOTION ACTIVITIES

The medium of publicity determines the level of awareness, as we found that Television emerged as the most effective medium of publicity. The least medium is Radio. Show displays and posters are also not effective.

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4.2 REASONS FOR PATRONAGE OF CADBURY PRODUCT.

The printout shows that the single most important reason for patronage of Cadbury products is the Quality. This implies that most respondent patronize Cadbury products because of the quality of its products. The other factor is "All other four suggested reasons" which include – price, Brand, Publicity and All of the above. If the product groups are taking into consideration, then the following pattern emerges.

Food Range: These products are patronized chiefly because of the price (followed By Quality)

Food Drinks: These products are patronized chiefly because of the brand name: (then Quality)

Confectionery Range; These products enjoys patronage mainly due to publicity or advertising (then Quality)

4.3 APPEAL OF PROMOTION ACTIVITIES

The results indicate that appeal of sales promotion activities is a function of which product group is being promoted. The most appealing promotion is that of confectionery, followed by that of food Drinks. Sales promotion activities of food Range are the least appealing. Appeal of promotion activities is thus determined by the product group as indicated in the print out.

4.4 TAKING ADVANTAGE OF PROMOTION ACTIVITIES

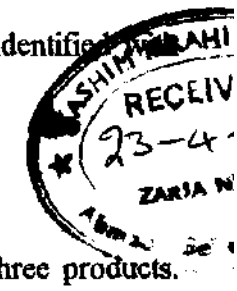
The results shows that majority of the respondents do not take advantage of the promotion activities. Of the minority that does, almost half of the respondents are patrons of confectionery goods and food Range.

4.5 CHANGE OF ATTITUDE

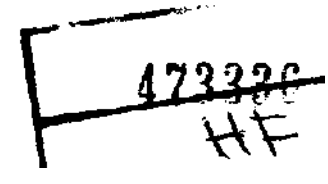
A sales promotion activity does "not often" change the people's attitude towards Cadbury products. About two-thirds of the respondents attest to this. This is more pronounced among patrons of Food Drinks. Only a very few of the respondents claimed that promotion activities "never" changed their attitude towards the products.

4.6 SALES PROMOTION TECHNIQUES

It is obvious that different types of promotion techniques have been identifie[illegible] the various product groups.



Free gift is the most effective among respondents for promoting the three products. The order of effectiveness of free gift among the product groups is (confectionery – Range, Food Drinks and Food Range. Raffle Draw is the next effective type of



promotion, It is most effective for Food Drinks, followed by Confectionery Range and lastly Food Range.

4.7 DATA COLLECTED DURING THE INTERVIEW CONDUCTED WITH THE COMPANY'S SALES AND MARKETING STAFF ARE PRESENTED AND ANALYSED BELOW;

TABLE II

COMPARISON OF SALES FIGHRE BY VOLUME.

	PERIOD (MONTH)	NON-PROMOTIONAL	PROMOTIONAL
1.	JUNE	460,000	620,000
2.	JULY	540,000	715,000
3.	AUGUST	470,000	800,000
4.	SETPEMBER	450,000	780,000
5.	OCTOBER	425,000	620,000
6.	NOVEMBER	380,000	590,000
7.	DECEMBER	360,000	450,000
8.	JANUARY	340,000	410,000
9.	FEBRUARY	310,000	380,000
10.	MARCH	280,000	350,000
11.	APRIL	330,000	370,000
12.	MAY	380,000	490,000
TOTAL		4,725,000	6,575,000

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Table II represents monthly sales figures by volume on the average during the period of sales promotion as compared with non-promotional period. The immediate impact is indicated in terms of increase in sales volume. This shows that with sales promotion, the volume of sales increases.

TABLE III

FINANCIAL SUMMARY OF THE FIRM

	1996	1997	1998
Turnover	7.5B	5.7B	7.6M
Net profit	912.6M	669.3M	709.3M

Table III is a summary of the financial results of the firm during the period under review. The trend indicates an improved performance in the form's turnover level except for the year 1998. However, the high interest rates and the general cost of funds are responsible for the decline in profit margin in 1997, and with increase in Net profit in 1998.

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473334

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATION

5.1 SUMMARY

Sales promotion has been defined as those promotion activities comprising of a short-term incentive nature, designed to boost the purchase or sales of a particular product or service.

The economic down-turn experienced all over the country especially the structural Adjustment of consumption in relation to the economy has made sales promotion to assume even greater importance than before. This further explains why in recent times, sales promotion has grown tremendously in the marketing environment, and the expenditure for sales promotion has increased in great details over and above the outlays for advertising.

It is this above fact that prompted the study to find out the impact of effective sales promotion of consumers' products using sales promotional techniques. The testing of the effectiveness of a scheme will assist management greatly in the analysis of market data relevant to rational decisions as to the efficient allocation of resources between items in the promotional and marketing mixes.

Therefore, the theoretical and practical reason for this study is that knowledge in this area has implications for better marketing decisions, broad economic policies and its contribution to knowledge.

Two hypotheses were developed and tested; one associates sales promotion activities with increase in sales volume and the other asserts that sales promotion activities have little or no impact on overall sales. Responses were obtained from sample patrons of Cadbury products. The sample survey method adopted is non probability random sampling. The research is confined to the major towns in Kaduna State. The main instrument of data collection was a consumer opinion survey questionnaire and personal interview with the firm sales and marketing personnel. A total of Two Hundred questionnaires were administered and the response rate was very impressive.

After the statistical tests, the first hypothesis was accepted based on the observed significant correlation of sales promotion activities with the sales per unit of volume. This implies to some extent that the two variables are dependent.

5.2 CONCLUSIONS

The conclusions drawn from the study were as follows;-

1. The degree to which a sales promotion offer will be taken advantage of varies with the type of promotion activities, the level of awareness, types of product range, target market, types of incentives, and the amount spent on advertising the offer.
2. Sales promotion seems most effective when used, along with advertising, and the visual medium has proved appealing and most effective.
3. The study revealed that different types of promotion have been identified with the three product groups. "Free Gift" is the most effective technique in increasing sales volume among the three product groups. The order of effectiveness of "Free Gift" among the grouped products is, Confectionery

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Range, Food Drinks and Food Range. Raffle Draw is the next effective type of promotion, it is most effective for Food Drinks, Followed by Confectionery Range and Food Range.

4. Sales promotion is an effective promotion technique in the marketing armoury, especially when integrated into total marketing strategy.
5. Conclusively, it becomes very pertinent for business organization to know how to carry out and evaluate sales promotion activities at any given time, so that at the end of such activities, the organization will be able to say precisely whether the sales promotion is successful or not.

5.3. RECOMMENDATIONS

This project will be incomplete if certain recommendations are not put forward as a guide to the formulation of corporate policies and rational marketing decision. These recommendations are that;-

1. Sales promotion programs should be planned and streamlined to be take advantage of competitors opportunities and limitations in the market to which the promotion will tailored. Competitors promotional activity and consumer purchasing potentials are some of the important elements that should be considered in the promotional plan.
2. Before embarking on a promotional activity, a company must ascertain the promotional techniques of competitors. In most cases, if two or more competitors are on sales promotion, the one with the best offers carries the day. In the light of this, efforts must be made to make promotional offers attractive other than what competitors are offering.

3. Since the company's success is a combination of many variables, the study noted that product quality, design and packaging should be highly maintained or improved in order to meet with local and international competitors.
4. The company should place more emphasis on media advertising . This will go a long way to compliment the efforts of sales promotion and generate more sales revenue to the organisation.
5. The study recommended that adequate motivational incentives such as payment of sales commission, bonuses, and productivity awards and etc. be made available to salesmen to encourage them to perform effectively and efficiently.

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APPENDIX I

DEPARTMENT OF BUSINESS ADMINISTRATION, POSTGRADUATE SCHOOL, AHMADU BELLO UNIVERSITY, ZARIA.

CONSUMERS QUESTIONNAIRE (A)

Dear Sir/Ma,

This questionnaire is intended to collect facts on "THE ROLE OF EFFECITVE SALES PROMOTION OF CONSUMER PRODUCTS IN A COMPETITIVE ECONOMY IN NIGERIA; A case study of Cadbury Nigeria, Plc, Kaduna

In the light of the above, you are humble requested to assist in completing the questions below; Please be informed that whatever information provided will be treated in strict confidence.

INSTRUCTION:- Please circle (O) or tick to each relevant answer where necessary

1. Age group(a) under 20 years (b) 20-29 (c) 30-40 (d) 45 and above.
2. Sex (a) Male (b) Female
3. Marital Status (a) Married (b) Single (c) Divorced (d) Widowed
4. Education (a) Primary Education (b) Secondary Education (c) OND/NCE (d) B.A. B.Sc/HND and above (e) others (specify)
5. Occupation: (a) Civil Servant (b) Private Sector (c) Self employed (d) Unemployed (e) Housewife
6. Do you believe in Brand Name? Yes/No

   Are you particular about the manufacturer of a product? Yes/No

   Are you a Cadbury Addict? Yes/No
7. Which of the Cadbury products do you frequently/particularly patronize?

CONFECTIONERY RANGE	FOOD DRINKS	FOOD RANGE
Peppermint	Pronto	Tomapep
Chocolate	Bornvita	Knorr
Buttermint	Richoco	Dadawa
Malta sweet		Cheff
Goody Goody		Cheff-
Eclairs/Trebor		Perpersoup

8. What influence your buying decision of the products marked above?

   (a) Price (b) Quality (c) Brand (d) Publicity (e) All of the above

9. Are you always aware when Cadbury is promoting their products?

   (a) Yes (b) No (c) Not sure

10. Through which media do you normally know that the company is Conducting sales promotion? (a) Television (b) Radio (c) Newspaper Magazines (d) Posters (e) Point of purchase displays.,

11. Does sales promotion of the company appeal to you? (a) Yes (b) No © Cannot say.

12. Do you buy more of Cadbury products in order to take advantage of sales Promotion activities undertaken by the company? (a) Yes (b) No © Not sure.

13. Does sales promotion activities change your attitudes towards their products? (a) Very often (b) Not often (c) Never.

14. What types of sales promotion do you consider most effective? (a) Free gift (b) Cash prizes (c) Price off (d) Raffle draw (e) (Others (Specify.)

15. Please comment on the impact of sales promotion on consumer products in

15. Please comment on the impact of sales promotion on consumer products in Nigeria.

_____

_____

_____

MANAGEMENT QUESTIONNAIRE (B)

INSTRUCTION: **Please circle (0) or tick to each relevant answer where necessary.**

1. **What is your aim for carrying out sales promotion? (a) To boost sales (b) Contributes long – run profit performance (c) Stimulates interest In the product (d) Increase velocity of stocks from the retailers to the Final consumers (e) All of the above.**

2. **Why have you chosen sales promotion rather than personal selling or advertising? (a) Stimulate consumer purchases (b) Remind customer of the product (c) Offers direct inducement (d) Yields quicker response (e) All of the above.**

3 Do you feel that sales promotion aids the attainment of marketing objectives

(a) Yes (b) No (c) Not sure

4 Has sales promotion yielded faster results than personal selling/advertising?

(a) No (b) yes (c) Not sure

5. What is your annual sales promotion budget for the period 1994-1998?

a) 1994

b) 1995

c) 1996

d) 1997

e) 1998

6. State the corresponding sales turnover for the period 1994-1998.

a) 1994

b) 1999

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c) 1996

d) 1997

e) 1998

7. How often do you engage in sales promotion activities? (a) All the year round

a. Half yearly (c) Quarterly (d) Seasonally.

8. Do you have specific objectives for particular sales promotion activities such a as (a) Consumer targeted promotion (b) Retailers' targeted promotion © Whole sellers targeted promotion.

9. Do you evaluate your sales promotion result? (a) Yes (b) No.

10. How do you measure the effectiveness of your sales promotion? Please provide, if any, available record of statistics.

11. How do your competitors react to your sales promotion activity? (a) Intense promotion by competitors (b) Counter promotion (c) Any other (please specify.)

12. What are the difficulties faced in organising sales promotion? (a) Logistics (b) Mobilization (c) Media coverage (d) Receptiveness of the public (e) Others (please specify)

13. Please comment on sales promotion activities of your product in general.

Thank you.

APPENDIX II

15 May 00 SPSS for MS WINDOWS Release 6.0

AWARE awareness of product by AGE age of respondent

		AGE				
	Count Row Pct Col Pct Tot Pct	under 20 1.00	20 to 45 years 2.00	45 years & above 3.00	 4.00	Row Total
AWARE						
	1.00	2	52	55	1	110
yes		1.8	47.3	50.0	.9	59.8
		50.0	56.5	68.8	12.5	
		1.1	28.3	29.9	.5	
	2.00	1	21	14	5	41
no		2.4	51.2	34.1	12.2	22.3
		25.0	22.8	17.5	62.5	
		.5	11.4	7.6	2.7	
	3.00	1	19	11	2	33
not sure		3.0	57.6	33.3	6.1	17.9
		25.0	20.7	13.8	25.0	
		.5	10.3	6.0	1.1	
	Column Total	4 2.2	92 50.0	80 43.5	8 4.3	184 100.0

Chi-Square	Value	DF	Significance
Pearson	12.44305	6	.05278
Likelihood Ratio	11.99497	6	.06208
Mantel-Haenszel test for linear association	.14750	1	.70094

Minimum Expected Frequency - .717
Cells with Expected Frequency < 5 - 6 OF 12 (50.0%)

Number of Missing Observations: 0

15 May 00 SPSS for MS WINDOWS Release 6.0

AWARE awareness of product by SEX sex of respondent

AWARE	SEX male 1.00	SEX female 2.00	Row Total
1.00 yes	69	41	110
	62.7	37.3	59.8
	61.6	56.9	
	37.5	22.3	
2.00 no	24	17	41
	58.5	41.5	22.3
	21.4	23.6	
	13.0	9.2	
3.00 not sure	19	14	33
	57.6	42.4	17.9
	17.0	19.4	
	10.3	7.6	
Column Total	112	72	184
	60.9	39.1	100.0

Chi-Square	Value	DF	Significance
Pearson	.40338	2	.81735
Likelihood Ratio	.40233	2	.81778
Mantel-Haenszel test for linear association	.36938	1	.54334

Minimum Expected Frequency - 12.913

Number of Missing Observations: 0

15 May 00 SPSS for MS WINDOWS Release 6.0

AWARE awareness of product by EDUC educational attainment of respondent

Count / Row Pct / Col Pct / Tot Pct	EDUC ond/nce and abov 2.00	others 3.00	4.00	5.00	Row Total
AWARE					
1.00 yes	2	45	61	2	110
	1.8	40.9	55.5	1.8	59.8
	28.6	57.0	63.5	100.0	
	1.1	24.5	33.2	1.1	
2.00 no	4	18	19		41
	9.8	43.9	46.3		22.3
	57.1	22.8	19.8		
	2.2	9.8	10.3		
3.00 not sure	1	16	16		33
	3.0	48.5	48.5		17.9
	14.3	20.3	16.7		
	.5	8.7	8.7		
Column Total	7	79	96	2	184
	3.8	42.9	52.2	1.1	100.0

Chi-Square	Value	DF	Significance
Pearson	7.28681	6	.29514
Likelihood Ratio	7.11484	6	.31036
Mantel-Haenszel test for linear association	2.12900	1	.14454

Minimum Expected Frequency - .359
Cells with Expected Frequency < 5 - 6 OF 12 (50.0%)

Number of Missing Observations: 0

15 May 00 SPSS for MS WINDOWS Release 6.0

AWARE awareness of product by OCCUP occupation of respondent

	OCCUP					
Count / Row Pct / Col Pct / Tot Pct	civil servant 1.00	private sector/s 2.00	unemployed 3.00	housewife 4.00	5.00	Row Total
AWARE						
1.00 yes	44	14	20	26	3	107
	41.1	13.1	18.7	24.3	2.8	59.8
	60.3	60.9	71.4	57.8	30.0	
	24.6	7.8	11.2	14.5	1.7	
2.00 no	19	6	4	7	5	41
	46.3	14.6	9.8	17.1	12.2	22.9
	26.0	26.1	14.3	15.6	50.0	
	10.6	3.4	2.2	3.9	2.8	
3.00 not sure	10	3	4	12	2	31
	32.3	9.7	12.9	38.7	6.5	17.3
	13.7	13.0	14.3	26.7	20.0	
	5.6	1.7	2.2	6.7	1.1	
Column Total	73	23	28	45	10	179
	40.8	12.8	15.6	25.1	5.6	100.0

Chi-Square	Value	DF	Significance
Pearson	10.99976	8	.20171
Likelihood Ratio	10.48967	8	.23232
Mantel-Haenszel test for linear association	1.76037	1	.18458

Minimum Expected Frequency - 1.732
Cells with Expected Frequency < 5 - 4 OF 15 (26.7%)

Number of Missing Observations: 5

AWARE awareness of product by ADDICT addiction to cadbury products

AWARE	Count / Row Pct / Col Pct / Tot Pct	ADDICT cadbury addict 1.00	ADDICT non-addict 2.00	ADDICT 8.00	Row Total
yes	1.00	73 66.4 65.2 40.3	37 33.6 54.4 20.4		110 60.8
no	2.00	19 47.5 17.0 10.5	21 52.5 30.9 11.6		40 22.1
not sure	3.00	20 64.5 17.9 11.0	10 32.3 14.7 5.5	1 3.2 100.0 .6	31 17.1
	Column Total	112 61.9	68 37.6	1 .6	181 100.0

Chi-Square	Value	DF	Significance
Pearson	9.62677	4	.04721
Likelihood Ratio	8.19051	4	.08484
Mantel-Haenszel test for linear association	3.18949	1	.07411

Minimum Expected Frequency - .171
Cells with Expected Frequency < 5 - 3 OF 9 (33.3%)

Number of Missing Observations: 3

AWARE awareness of product by GRP group of product

AWARE	Count / Row Pct / Col Pct / Tot Pct	GRP confectionery 1.00	GRP food ranks 2.00	GRP food range 3.00	Row Total
1.00 yes		36	48	26	110
		32.7	43.6	23.6	59.8
		61.0	61.5	55.3	
		19.6	26.1	14.1	
2.00 no		13	13	15	41
		31.7	31.7	36.6	22.3
		22.0	16.7	31.9	
		7.1	7.1	8.2	
3.00 not sure		10	17	6	33
		30.3	51.5	18.2	17.9
		16.9	21.8	12.8	
		5.4	9.2	3.3	
Column Total		59	78	47	184
		32.1	42.4	25.5	100.0

Chi-Square	Value	DF	Significance
Pearson	4.65466	4	.32460
Likelihood Ratio	4.56902	4	.33444
Mantel-Haenszel test for linear association	.01503	1	.90244

Minimum Expected Frequency - 8.429

Number of Missing Observations: 0

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AWARE awareness of product by MEDIUM medium of promotion

AWARE	Count / Row Pct / Col Pct / Tot Pct	MEDIUM tv 1.00	radio 2.00	papers 3.00	posters 4.00	shop displays 5.00	Row Total
1.00		80	5	8	9	5	107
yes		74.8	4.7	7.5	8.4	4.7	59.1
		60.6	62.5	57.1	69.2	35.7	
		44.2	2.8	4.4	5.0	2.8	
2.00		27	1	4	1	8	41
no		65.9	2.4	9.8	2.4	19.5	22.7
		20.5	12.5	28.6	7.7	57.1	
		14.9	.6	2.2	.6	4.4	
3.00		25	2	2	3	1	33
not sure		75.8	6.1	6.1	9.1	3.0	18.2
		18.9	25.0	14.3	23.1	7.1	
		13.8	1.1	1.1	1.7	.6	
	Column Total	132 72.9	8 4.4	14 7.7	13 7.2	14 7.7	181 100.0

Chi-Square	Value	DF	Significance
Pearson	12.56336	8	.12778
Likelihood Ratio	11.33286	8	.18354
Mantel-Haenszel test for linear association	.10985	1	.74031

Minimum Expected Frequency - 1.459
Cells with Expected Frequency < 5 - 9 OF 15 (60.0%)

Number of Missing Observations: 3

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GRP group of product by REASON reason for patronage

Count / Row Pct / Col Pct / Tot Pct	REASON price 1.00	quality 2.00	brand 3.00	publicity 4.00	all four 5.00	Row Total
GRP						
1.00 confectionery ra	1	32	1	2	22	58
	1.7	55.2	1.7	3.4	37.9	31.9
	20.0	31.4	12.5	50.0	34.9	
	.5	17.6	.5	1.1	12.1	
2.00 food drinks	2	44	7	1	23	77
	2.6	57.1	9.1	1.3	29.9	42.3
	40.0	43.1	87.5	25.0	36.5	
	1.1	24.2	3.8	.5	12.6	
3.00 food range	2	26		1	18	47
	4.3	55.3		2.1	38.3	25.8
	40.0	25.5		25.0	28.6	
	1.1	14.3		.5	9.9	
Column Total	5	102	8	4	63	182
	2.7	56.0	4.4	2.2	34.6	100.0

Chi-Square	Value	DF	Significance
Pearson	9.08088	8	.33552
Likelihood Ratio	10.49121	8	.23223
Mantel-Haenszel test for linear association	.07057	1	.79051

Minimum Expected Frequency - 1.033
Cells with Expected Frequency < 5 - 9 OF 15 (60.0%)

Number of Missing Observations: 2

473336

15 May 00 SPSS for MS WINDOWS Release 6.0

GRP group of product by REASON reason for patronage

GRP	REASON					
Count / Row Pct / Col Pct / Tot Pct	price 1.00	quality 2.00	brand 3.00	publicity 4.00	all four 5.00	Row Total
1.00 confectionery ra	1	32	1	2	22	58
	1.7	55.2	1.7	3.4	37.9	31.9
	20.0	31.4	12.5	50.0	34.9	
	.5	17.6	.5	1.1	12.1	
2.00 food drinks	2	44	7	1	23	77
	2.6	57.1	9.1	1.3	29.9	42.3
	40.0	43.1	87.5	25.0	36.5	
	1.1	24.2	3.8	.5	12.6	
3.00 food range	2	26		1	18	47
	4.3	55.3		2.1	38.3	25.8
	40.0	25.5		25.0	28.6	
	1.1	14.3		.5	9.9	
Column Total	5	102	8	4	63	182
	2.7	56.0	4.4	2.2	34.6	100.0

Chi-Square	Value	DF	Significance
Pearson	9.08088	8	.33552
Likelihood Ratio	10.49121	8	.23223
Mantel-Haenszel test for linear association	.07057	1	.79051

Minimum Expected Frequency - 1.033
Cells with Expected Frequency < 5 - 9 OF 15 (60.0%)

Number of Missing Observations: 2

GRP group of product by APPEAL appeal of promotion

GRP	Count / Row Pct / Col Pct / Tot Pct	APPEAL yes 1.00	no 2.00	cannot say 3.00	Row Total
1.00		45	6	8	59
confectionery ra		76.3	10.2	13.6	32.2
		35.7	30.0	21.6	
		24.6	3.3	4.4	
2.00		48	11	18	77
food drinks		62.3	14.3	23.4	42.1
		38.1	55.0	48.6	
		26.2	6.0	9.8	
3.00		33	3	11	47
food range		70.2	6.4	23.4	25.7
		26.2	15.0	29.7	
		18.0	1.6	6.0	
Column Total		126	20	37	183
		68.9	10.9	20.2	100.0

Chi-Square	Value	DF	Significance
Pearson	4.58244	4	.33288
Likelihood Ratio	4.81139	4	.30720
Mantel-Haenszel test for linear association	1.21343	1	.27065

Minimum Expected Frequency - 5.137

Number of Missing Observations: 1

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GRP group of product by TAP taking advantage of promotion

	TAP			
Count / Row Pct / Col Pct / Tot Pct	yes	no	not sure	Row
GRP	1.00	2.00	3.00	Total
1.00 confectionery ra	18 30.5 32.7 9.8	38 64.4 33.6 20.7	3 5.1 18.8 1.6	59 32.1
2.00 food drinks	22 28.2 40.0 12.0	47 60.3 41.6 25.5	9 11.5 56.3 4.9	78 42.4
3.00 food range	15 31.9 27.3 8.2	28 59.6 24.8 15.2	4 8.5 25.0 2.2	47 25.5
Column Total	55 29.9	113 61.4	16 8.7	184 100.0

Chi-Square	Value	DF	Significance
Pearson	1.88650	4	.75662
Likelihood Ratio	1.97406	4	.74053
Mantel-Haenszel test for linear association	.05882	1	.80838

Minimum Expected Frequency - 4.087
Cells with Expected Frequency < 5 - 1 OF 9 (11.1%)

Number of Missing Observations: 0

15 May 00 SPSS for MS WINDOWS Release 6.0

GRP group of product by EFFECT change of attitude

Count / Row Pct / Col Pct / Tot Pct	EFFECT very often 1.00	not often 2.00	never 3.00	4.00	Row Total
GRP					
1.00 confectionery ra	11 18.6 40.7 6.0	36 61.0 30.0 19.6	11 18.6 31.4 6.0	1 1.7 50.0 .5	59 32.1
2.00 food drinks	9 11.5 33.3 4.9	52 66.7 43.3 28.3	16 20.5 45.7 8.7	1 1.3 50.0 .5	78 42.4
3.00 food range	7 14.9 25.9 3.8	32 68.1 26.7 17.4	8 17.0 22.9 4.3		47 25.5
Column Total	27 14.7	120 65.2	35 19.0	2 1.1	184 100.0

Chi-Square	Value	DF	Significance
Pearson	2.33516	6	.88644
Likelihood Ratio	2.81022	6	.83226
Mantel-Haenszel test for linear association	.00119	1	.97251

Minimum Expected Frequency - .511
Cells with Expected Frequency < 5 - 3 OF 12 (25.0%)

Number of Missing Observations: 0

15 May 00 SPSS for MS WINDOWS Release 6.0

GRP group of product by TYPE type of promotion

GRP	Count / Row Pct / Col Pct / Tot Pct	TYPE free gift	cash prizes	price of raffle fs	d others raw		Row Total
		1.00	2.00	3.00	4.00	5.00	
1.00 confectionery ra		29	11	8	10		58
		50.0	19.0	13.8	17.2		31.9
		31.5	50.0	33.3	23.8		
		15.9	6.0	4.4	5.5		
2.00 food drinks		37	8	10	21	1	77
		48.1	10.4	13.0	27.3	1.3	42.3
		40.2	36.4	41.7	50.0	50.0	
		20.3	4.4	5.5	11.5	.5	
3.00 food range		26	3	6	11	1	47
		55.3	6.4	12.8	23.4	2.1	25.8
		28.3	13.6	25.0	26.2	50.0	
		14.3	1.6	3.3	6.0	.5	
Column Total		92	22	24	42	2	182
		50.5	12.1	13.2	23.1	1.1	100.0

Chi-Square	Value	DF	Significance
Pearson	6.61707	8	.57845
Likelihood Ratio	7.13651	8	.52198
Mantel-Haenszel test for linear association	.31135	1	.57685

Minimum Expected Frequency - .516
Cells with Expected Frequency < 5 - 3 OF 15 (20.0%)

Number of Missing Observations: 2