

REBRANDING NIGERIA

Critical Perspectives on the
Heart of Africa Image Project

-Uche Nworah

**The Effects
of Advertising on Sales
in the Brewery Industry
in Nigeria**

-Adedoyin Hassan

**An Evaluation of
Job Creation and
Vocational Skills
Development Programme**

-Jonathan Adeyeye et al

Question of Loyalty

-Humby, Hunt & Phillips

**Diagnostic Work:
Determining the
Principal Challenge**

-Dean Williams

**Corruption as a Behavioural
Response to Pay
Dissatisfaction**

-Foluso Jayeoba

**Shared Vision
in the
Organizational
Change Process**

-Samuel Akinyele

**Globalization and the
Business Environment:
Critical Success Factors
for Corporate Leaders
in Nigeria**

-Murtala Sagagi

**Making the Workplace
Flex, Not Break**

-Kenneth Murrell

What is the Role of Information technology? *-Peter Meyer*



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MRL Journal, a new quarterly pub of Management Review Limited, is a foremost journal with a focus on academics. It is committed to excellence in scholarship and accessibility in style, combining policy relevance with an academic, in-depth analytical approach to a broad range of scholarly and literary issues. MRL Journal will be rigorous and original in its analysis, and will strive to become a reference point for scholars in various fields of academic endeavour, as well as a wide readership. MRL Journal aims to address important issues systematically and to attract exceptional, as well as upcoming scholars and authors who will make analytical, insightful and provocative submissions by way of researched articles, book reviews and book extracts.

This maiden edition of MRL Journal carries a number of articles which, although varied in analytical foci, all have bearing on the processes of management and the work environment. The first article by Foluso Jayeoba examines "Corruption as a Behavioural Response to Pay Dissatisfaction". Based on an empirical study he argues that pay dissatisfaction is a major stimulus to corruption on the part of Nigerian workers. The theme of the paper is that it is the need to argument low pay that compels Nigerian workers to resort to various corrupt means for obtaining additional income.

In the following article "Shared Vision in the Organizational Change Process", Samuel explores the concepts of visionary leadership, shared vision and organizational change. The article examines the usage of each of the concepts in the management, as well as their mutual relationships. The analysis is facilitated by a model of the type of vision that is each stage of organizational development, and the article concludes with a discussion of the development of vision of the leadership level of organizations.

In a study based on the use of survey research Professor MO Akintayo, Kehinde Kester and Dr. Olufemi Adeyeye provide a critical analysis of "Job Creation and Vocational Skills Development Programme of the National Directorate of Employment (NDE) in Lagos State". Using samples drawn from trainees, trainers as well as operational and support services staff of the study revealed, among a number of findings, that the objectives of the programme were, to a large extent, being achieved thereby helping to relieve the crisis of unemployment in the state.

The return of democracy to Nigeria was accompanied by an attempt by the Obasanjo administration to improve Nigeria's international image and reposition her as an accepted and competitive player on the international scene. A central component of this policy focus has been "Nigeria: The Heart of Africa" image project. Uciae Nworah analyzes this project as a technique of branding and marketing which, although attempting to sell the country to the rest of the world, may not guarantee the attraction of investors or the declared image change which the project sets out to achieve,

Dr. Murtala Sagari provides a critical investigation of the obstacles, induced by the global and domestic business environments, that corporate leaders face and their attempts to overcome them. His article on "Globalizations and the Business Environment: Critical Success Factors for Corporate Leaders in Nigeria" reveals impeding factors which need to be given due attention. These include the lack of a global mindset and innovation, high cost of production and overdependence on government. Adedoyin Hassan, in a following article, evaluates the basis of advertising and the effects that it has on sales. The Nigerian Breweries Plc is used as a case study to establish if indeed advertising has any effect on sales performance, which the study affirms.

The respective scholarly articles are followed by a number of illuminating extracts from newly published books. These include "Scoring Points: How Tesco is Winning Customer Loyalty" by Clive Humby, Terry Hunt and Tim Phillips; "Creating and Dominating New Markets" by Peter Meyer; "Business: The Ultimate Resource" by Kenneth Muttell; and "Real Leadership" by Dean Williams.

Overall it is a delight to have all of these robust and analytical articles and book extracts specially packaged in the maiden edition of MRL Journal for our subscribers and readers. I hereby affirm to all subscribers and readers our responsibility for the systemic and continuous growth of MRL Journal with the context of a burgeoning demand for sophisticated and review of diverse issues of academic interest in addition to academic literature. The consistent release of the MRL Journal on a quarterly basis is also affirmed.

The Effects of Advertising on Sales in the Brewery Industry in Nigeria: The Case of Nigerian Breweries Plc.

Adedoyin Hassan*

Abstract

The success of a product is measured by the volume of sales made on it. The volume of sales of a product is achieved through effective communication and transmission value to the consciousness of its existing and prospective consumers. The necessary mode for influencing consumer behaviour is advertising. The average person is exposed to hundreds of advertisements daily through television, radio, bill boards, signs, direct-mail campaigns, and other traditional channels.

This presentation is a conscious effort to evaluate the basics of advertising and its effects on sales. Nigerian Breweries Plc would serve as a reference to ascertain if indeed, advertising has any effect on sales performance.

* Submitted in August, 2006

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INTRODUCTION

Advertising is a product of the society, the business environment in which it operates, and it is one of a number of marketing and communication tools that combine to market a product or service effectively. It brings buyers and sellers together, and possesses utility in facilitating the exchange of property.

Modern Advertising is a product of the last 100 years, and most sophisticated elements of the industry such as in-depth research into consumer behaviour and media analysis have come into their own in the last 30 years.

It is an efficient means of reaching large numbers of people, but has a weakness in the areas of high absolute cost and difficulty of good feedback.

The average person is exposed to hundreds of advertisements per day via television, radio, bill boards, signs, direct-mail campaigns, and other traditional channels. Recently, the numbers of ways to contact customers have grown; ranging from advertisements on internet, clothing lines with messages printed on them, telemarketing programs, and even messages heard while a customer is on hold on the telephone, and these ways create numerous new opportunities to contact potential customers. This situation represents a tremendous challenge for marketers. A company simply cannot afford to prepare invents for every possible medium choice must be made and messages must be of sufficient quality to give the company an advantage in a highly clustered world, and a world in which people are becoming increasingly proficient at simply turning advertisements out.

To the Marketing Manager, Advertising is just one of the tools of reaching the markets, and since it may be too costly and time consuming to embark on a marketing job with salesmen alone; advertising may be preferred.

This presentation intends to cover the basics of advertising, and its sales effect, with the following sub-contents of literature review;

- Advertising and Advertising typology
- Brief History of Advertising/The media, and Advertising objectives
- The Major Players in advertising
- The Sales Effect of Advertising.

Secondly, a brief research study on Nigerian Breweries PLC (NB PLC) will be highlighted to ascertain if indeed, advertising has any effect on sales performance.

ADVERTISING

Advertising is a prominent feature of the Integrated Marketing Communication plan drawn by the marketing manager. Below are the various definitions attributed to advertising by scholars and authors:

“Advertising is any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor” (Kotler, 1997).

“Advertising consists of all the activities involved in presenting to a group, a non-personal, oral or visual, openly sponsored message regarding a product, service or idea”. (Osuagwu, 2002).

“Advertising can be defined as “communicating a firm’s offer to customers by paid media time or space” (Gerard, 1998).

“Advertising is any paid form of non-personal communication about an organization, product, service or idea by an identified sponsor” (George and Michael Belch, 1998).

“Advertising is a paid non-personal communication from an identified sponsor using mass media to persuade or influence an audience” (Wells, 2003).

Advertising differs depending on whether the target market is the consumer, middleman, industrial user or professional user

Kotler (1997), classified advertising based on its objectives.

Information advertising; which figures heavily in the pioneering stage of product category, where the objective is to build a primary demand.

*Persuasive advertising handles the competitive stage of a product; where a company's objective is to build selective demand for a particular brand. Most advertising fall into this category. For example, Nestle Foods attempts to advertise Milo, persuading its customers against Cadbury's Bournvita, a rival substitute.

*Reminder advertising for mature products. Expensive four-colour coca-cola advertisement in magazines have the purpose, not of informing or persuading, but of reminding people to purchase Coca-Cola. A related form of advertising is “Reinforcement advertising”, which seeks to assure current purchasers that they have made the right choice. Automobile adverts often depict satisfied customers enjoying special features of the new car.

Wells Burnert and Moriarty (1998) classified advertising into 5 basic types.

- Brand advertising, which focuses on the development of a long term brand identity and image. It tries to develop a distinctive brand image for a product.
- Retail advertising, which focuses on the store where a variety of products can be purchased, or where service is offered. The message announces products that are available locally, stimulates traffic, and tries to create a distinctive image for the store, Retail advertising emphasizes price, availability, location and hours of operation.
- Political advertising, used by politicians to persuade people to vote for them and therefore is an important part of the political process in the USA, and other democratic countries that permit candidate advertising. Nigeria is not left out of this. Although it is an important source of communication to voters, but critics are concerned that political advertising tends to focus more on image than on issues,
- Directory advertising; which is where people refer to, when there is need to find out how to buy a product or service. The best known form of directory advertising is the Yellow Pages, although there are many different kinds of directories that perform the same function.
- Direct advertising which tries to stimulate sales directly. The consumer can respond by telephone or mail, and the product is delivered directly to the consumer by mail or some other carrier. (Internet advertising messages fall under this category). Product or service can be advertised on the internet, asking potential customers to place orders specifying quantity, country code, mode of payment, credit card number, etc.
- Business advertising involves messages directed at retailers, wholesalers, and distributors, as well as industrial purchasers and professionals such as lawyers, and physicians. Business advertising tends to be concentrated in business publications or professional journals.

- Institutional advertising or Corporate advertising, which focus on messages aimed at establishing a corporate identity or on winning the public over to the organizations point of view. Banks, Hotels, airways, insurance eateries, etc, fall into this category.
- Public Service advertising, which communicates messages on behalf of some good cause, such as “Stop drunk driving”, or “Prevent child abuse”, or “Use condoms”, by NAFDAC, NDLEA etc. These advertisements are created free by advertising professorial, and the space and rime are donated by the media.

But, Wells and others (2003) in their latest presentation on advertising typology added one more type; It is also “any paid form of non-personal presentation made by an identified sponsor through a mass communication medium on behalf of goods, services or idea’ (Rachman and Mescon 1985).

Advertising can also be defined as “a method of delivering a message from a sponsor, through an impersonal medium, to many people. It is such that can be designed to dispose people to buy a product, to support a cause, or even to do less consuming (i.e. demarketing)” (Russel and Lane, 1990).

An interne definition presented advertising as “A public promotion of some product or service” or “The business of drawing public attention to goods and services (Free Dictionary. Corn, 2004).

The non personal component means that advertising involves mass media (e.g. T radio, magazines, newspapers, bills, signs, posters etc), that can transmit i message to large groups of individuals, often at the same time. The non-personal nature of advertising means there is generally no opportunity for immediate feedback from the message recipient (except in direct-response advertising).

Therefore, before the message is sent, the advertiser must consider how the audience will interpret and respond to it.

“Any form”: meaning exactly that any form of presentation, a sign, an advertisement in a magazine, or newspaper, radio or television, circulars, posters, bill-boards and others. The possibilities are limited only by the imagination of the advertiser and the conditions of the definition.

“Non-Persona!” which excludes person-to-person sales, that is, if it is personal, it is not advertising.

“Goods service ideas for action”: meaning that such advertising message is used to promote ideas, goods and services.

“Only paid for by an identified sponsor”: This means that sponsors of the message must be clearly identified and must acknowledge that they have paid for the use of the media in which it appears. Advertising is one of the four major tools that companies use to direct persuasive communication to target buyers and public. It consists of non-personal or one-way forms of communication conducted through paid media under clear sponsorship.

ADVERTISING TYPOLOGY

Advertising maybe classified as:

‘Primary-demand, or generic advertising which sees advertising as trying to increase the total demand for products without distinguishing between brands.

*Selective or Brand advertising that aims at getting purchasers to use a particular brand of product. It is powerful tool for distinguishing a brand from it’s competitors.

*Institutional advertising, which is designed to create goodwill and build a desired image for a company rather than sell specific goods.

Linus Osuagwu (2002), gave another approach to advertising typology, classifying it into 3 major headings.

‘Product and Institutional advertising, where the former informs and stimulates the market about a product, service or idea, while the latter is designed to create a proper attitude towards the marketer and to build goodwill rather than sell a specific product, service or idea.

*National and Local advertising, where the national advertisement are sponsored by manufacturers or producers, and the local advertisements are placed by retailers.

“Nature of market advertising, based on the sub-divisions of the market. Here, advertising differs depending on whether the target market is the consumer, middleman, industrial user or professional user.

Kotler (1997), classified advertising based on its objectives.

*Informative advertising which figures heavily in the pioneering stage of product category, where the aim is to build a primary demand.

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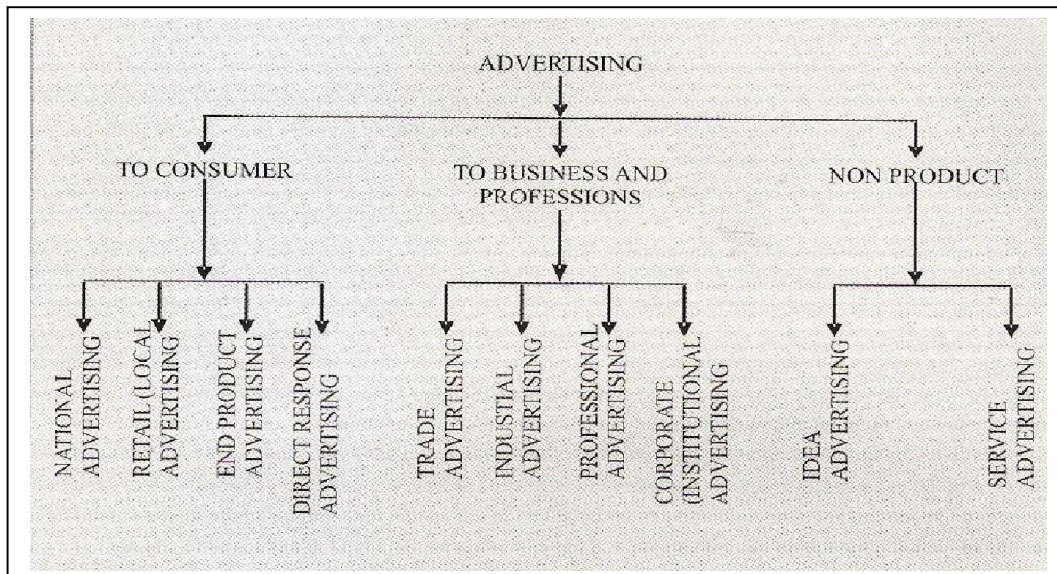
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But, Wells and others (2003) in their latest presentation on advertising typology added one more type;

*Interactive advertising which is delivered to individual consumers who have access to a computer and the internet. Advertisers use web pages, banner ads, and e-mail to deliver their messages. In this instance, the consumer can respond to the ad or ignore it.

Russell and Lane (2002) categorized advertising thus;

Fig. (Pictorial illustration of Russell and Lane's Advertising Typology by writer).



National Advertising

by a marketer of trademarked product or service sold through different outlets, contrast to local advertising

Retail (Local) Advertising

By a merchant who sells directly to consumer

End-Product Advertising

Building consumer demand by promoting ingredients in a product. For example, vitaphos capsule and Ginseng.

Direct Response Advertising

Through direct marketing, Uses all types of media; direct mail, Television, magazines, newspapers, radio.

| | |
|--|--|
| Trade Advertising | Directed to the wholesale or retail merchants or sales agencies through whom product is sold. |
| Industrial Advertising | Addressed to manufacturers who buy machinery, equipment, raw materials and the components needed to produce goods to sell |
| Professional Advertising | Directed at those in professions such as medicine, law, or architecture, who are in a position to recommend the use of a particular product or service to clients. |
| Corporate (Institutional) Advertising | Done by an organization speaking of it's work, views, and problems as a whole, to gain public goodwill and support rather than to sell a specific product sometimes called Public Relations advertising. |
| Idea Advertising | is used to promote an idea or cause rather than sell a product or service. |
| Service Advertising | for the purpose of promoting a service rather than a product. |

A BRIEF HISTORY OF ADVERTISING

Advertising can be traced to over 200 years ago. In 1837, William Procter and James Gamble joined forces in a soap and candle making enterprise. It was only the beginning, and advertising then was not more than an extension of the sign placed in front of the retailer/wholesaler's store for identification. They simply told what was for sale at the sales venue. Subsequently, newspapers emerged for the purpose of carrying some factual notices, and were directed effectively to the areas where the retailer might expect to draw customers. Aside from printed notices and posters, newspaper were the only practical choice. However, in 1949, Voice of Firestone Commercial started on television and radio, but the radio transmission had started and had become widely used during the Refinement Era between 1915 and 1920.

Radio advertisements reached it's widest in the 1920s. As at 1994, Procter and Gamble had become one of the largest advertisers in the United States after spending about \$2.7 billion on advertisements (Vide all the media).

The Pioneering Work of early advertising researchers such as Claude Hopkins would not gain widespread acceptance until the latter part of the 19th century. Several agencies boasted of intensive research into consumer attitudes in the late 1920s, but their crude, slapdash methods made these 'surveys' of questionable value in providing accurate feedback.

Russell and Lane (2002), divided the evolution of advertising to 3 broad periods, and the prediction of a fourth era.

Pre-marketing Era: the pre-historic times to the middle of the seventeenth century, when buyers and sellers communicated in very primitive ways. For most of this period "media" such as claytables, town criers, and tavern signs were the best way to teach potential prospects for a product or service. Only in the latter decades of the period did primitive printing appear.

Mass Communication Era: From the 1700s to the early decades of the twentieth century, advertisers were first with faster presses and later through broadcast media.

The Research Era: Dates back to the past 50 years when advertisers methodically improved the techniques for identifying and reaching narrowly targeted audiences with messages prepared specifically for each group or individual (in the case of direct mail).

The Interactive Era: A fourth Era, which we are just embarking on, is one of interactive communication. Soon, consumers will use communication on an interactive basis. Communication will increasingly be controlled by consumers who will determine when and where they can be reached with promotional messages.

Presently, advertising has become an integral part of our economy, advertising practitioners have come under close public scrutiny and they find themselves working within a complex legal and regulatory framework. Perhaps the most important change in the last 20

years has been a growing sense of social responsibility within the advertising community. Many advertising practices that were routine a century ago are universally condemned by the industry today. Advertisers realize that public trust is the key to successful advertising in Nigeria, the traditional method of advertising, which is “personal selling” was very much in practice. There was the practice of drum and gong beating, which was followed by ringing of the bell, accompanied by verbal pronouncements. In order to attract the attention of potential customers, many traders held their customers physically to persuade them to buy their goods. Some traders moved about with their wares and asked people to buy from them. The travelling salesmen supplied music by means of loud speakers from the vans. They took along with them, some acrobatic dancers—otherwise known as AJASCO dancers: These dancers attracted a lot of passers-by who bought a few of their goods which they had for sale, (today, this type of advertising is still practiced in some parts of Nigeria, especially in the local markets). It can be recalled that a theatre company run by late Hubert Ogunde, (African Music Research Party), placed an advertisement in a local newspaper on the 14th of December 1945, attracting female applicants to take up drama acting roles in the party.

Advertising began in Nigeria with the formation of West African Publicity (WAP), but no progress was made until 1948. Modern advertising came into existence with the expansion of business. The products that flooded the markets required numerous outlets. Modern advertising helped to make people aware of the numerous products available for sale and thus brought about a further development of the markets. The enormous growth in industry and commerce led to the purposeful advertising plans in these areas.

The rise in the standard of living among Nigerians has enhanced the development and widespread use of advertising media. Among the most popular media in use are the newspapers, magazines and journals, radio and television, including different forms of outdoor media.

Most Nigerian business firms, as well as government establishments promote their business and services by means of advertising; English and the principal Nigerian languages are often included, in order to help the illiterate consumers understand the advertising message. Most businessmen use novelties such as free gifts, with their names or the name of their stores or firms printed on them. Many others use the cinema for captive audience, and the product is usually featured before the film show begins. The same goes for advertisements placed before, in between, and at the end of popular television programmes with great audience patronage. (the radio medium is also not left out).

Outdoor media, such as bulletin boards, posters, electric signs, bill boards and handbills are used for simple advertisements by a host of other advertisers in Nigeria today. Recently, electronic soft drink stands with attractively colourful advertisements have been placed in strategic locations within a cosmopolitan university in Lagos, Nigeria (the consumer needs not be attended to, by any personnel, he slots the mint into the machine, and presses a function in the electronic machine to release the desired brand of cold soft drink through an automatic exit loop). These electronic internally-illuminated machines exhibit soft-drink advertisements in attractive colours.

ADVERTISING MEDIA

The advertising media are all the different means by which advertising reaches its audience. One of the most difficult jobs that beset the advertiser is the selection of what appropriate media to carry the advertising message. The media plan is affected by the specific corporate advertising objectives, the target market, and the advertising budget.

Newspapers: Known for great flexibility but appeals only to the sense of sight, and thus are not as “gripping” as media that have both visual and audio appeal. Its flexibility strength lies in the advertiser’s ability to change an advertisement overnight, so that if there is a blizzard in the afternoon, the local department store can feature snow shovels and boots in the next day’s advertisement.

Radio: With its 24 hour programming in some areas tremendous reach, ability to appeal to some specialized target markets, flexibility and time lines, radio advertising has become a favorite of many advertisers. It has access to the greatest number of people, it may be heard by listeners who are driving, walking, working or engaged in any number of other activities. The basic disadvantages of radio advertisement goes with the fact that listeners can easily switch from one station to another to avoid listening to such commercials, and it appeals to only one sense: hearing. Decorative pillows and costume jewelry for example, cannot be seen on radio.

Magazines: This can linger around the house for weeks so that the advertisements they carry have a better chance of being read and remembered. Magazines also provide a good medium for effective photography and is an important factor for advertisers who want to show their products or service accurately or to create a quality image with visually attractive messages. Magazines can be published in a range of geographic and demographic editions aimed at narrower audiences on the basis of region and occupation, instead of a single national edition newspaper). Like Newspapers, it appeals only to the sense of sight, and not hearing.

Television: This combines sight and sound that enables advertisers to present the promotional material in a lively and compelling manner. This characteristic nature of Television medium puts it at a comfortable edge over other media in terms of advertiser’s choice. Most advertisers who still regard the television as the most effective promotional medium for mass-market product are searching out cheaper alternatives. The television medium is still one of the most expensive, and it takes time to accomplish.

Other advertising media include public displays, poster advertisements, bill boards, direct mails, hand bills etc. The latest advertising technology is the Internet, which makes an advert a potential for global view. Advertisers use web pages, banners, ads, and e-mail to deliver their messages; it has the widest coverage, but is limited only to audiences who are internet enabled.

The Internet: Marketing on the internet gives the on-line marketer electronic presence as the marketer can advertise its offering on the web and showcase itself to the entire membership of the internet

community. A company can design its website and load it with information about itself (product or service) on other web-based media through commercial on-line services or advertisement sites.

The growth of the internet usage in many parts of the world has been remarkable.

Today, some 100 million U.S households are into the internet, up to from 6 million in 1994. Total U.S Purchasing on the web was expected to from zero in 1994 to about \$1.7 trillion in 2003. Companies spent almost \$2 billion in web advertising in 2000, and spending was expected to have increased to almost \$9 billion in 2003.

THE ADVERTISING PROGRAMME

Osuagwu (2002) itemized some pertinent considerations in developing an advertising programme. (5M5)

- What are the objectives? (Mission)
- How much can be spent? (Money)
- What message should be sent? (Message)
- What media should be used? (Media) and
- How should results be evaluated? (Measurement)

A collection of these 5ms make up the basics of the advertising programme as the process of preparing and integrating a company's advertising efforts with the overall Integrated Marketing Communication (IMC) message that already exists. An effective program consists of four activities, which combine to form the advertising management process. They are:

- Review of the company's activities in light of advertising management
- Selection of an in-house or external advertising agency
- Developing an advertising campaign management strategy and finally, -
- The completion of a creative brief

The major principle guiding these four efforts is consistency. To be effective in developing successful advertisements, the company's products or services and methods of advertising, the agency chosen, the strategy of the campaign, and the work of the advertising creative are important. -

The first step in developing an advertising program is choosing between an in-house advertising group, and an external advertising agency. This decision of choice of agency can be made, based on certain variables;

- Size of the advertisement account (financial plan),
- Money that can be spent on the media.
- Objectivity factor
- Complexity of the product and
- Creativity issues.

An advertiser may use an outside agency because it believes the agency will be more efficient in creating an individual commercial or a complete campaign. Successful agencies typically have strategic and creative expertise, media knowledge, workforce talent, and the ability to negotiate good deals for clients.

The advertising message can be measured in terms of its effectiveness through the “key message effects” of:

- Perception (exposure, attention, interest, memory: recognition/recall).
- Learning (understanding)
- - Attitudes:- (form or change preference/intention, emotions and involvement,
- conviction: belief; commitment), and
- Behaviour (trial, purchase, repeat purchase, use more etc).

An advertising message is either aimed at positioning a product or re-position a product, or bring up a creative impression. Positioning is the strategy of concentrating on specific market segments rather than trying to achieve a broad appeal. It requires the marketer identify the major segments that will be likely users of the product. A product can be re positioned through effective advertising campaign through:

- The measurement of the brand's present position
- Development of a re-position campaign
- Measurement of brand's position after campaign, and
- Determination of whether the brand's position has significantly changed in the desired direction.

The creative strategy of advertising is designed to achieve the advertiser's promotional objectives, it is usually set down in the form of simple statements, both to clarify the thinking of the advertiser and to guide the advertising agency. Some film special effects may position a movie advertisement on a popular television show. The creative strategy requires a “copy platform”, a simple statement of the benefits the consumer can expect to obtain from the product and the specific features that provide these benefits.

The media plan usually;

- Set up the firm's advertising agency;
- Translates the advertiser's objectives, message, and creative theme into explicit decisions about how much to spend on advertising;
- Decide on how to divide the budget among alternative media; and Decide exactly when to schedule the purchased time to space.

Osuala (1988) maintained that the media plan is the company's chosen combination of different media to achieve its advertising objectives. In media planning, Sandage et al (1979), itemised the 4ws of advertising as; who do we want to reach, where are they located? what is the message and when do we run the advertisement?.

ADVERTISING OBJECTIVES

Advertising objectives, according to Kotler (1988), can be itemised as to whether their aim is to inform, persuade, remind the potential and or existing customers. These objectives are purposely to; build primary demand for a product, establish the superiority of one product and through specific comparison, and to assure current purchasers of the product that they have made the right choice, respectively.

Osuagwu (2002) maintained that the major purpose of advertising is to sell something (product, service or idea). Stated another way, the real objective of advertising is effective communication, i.e.

the ultimate effect of advertising should be to modifying the behaviour of the receiver of the message. Specific objectives of advertising are to;

- Support personal surfing strategy
- Improve dealer relations i.e. attract new dealers by showing them how profitable it is to carry the manufacturer's product, service or idea.
- Reach consumers/clients inaccessible to salesmen.
- Enter a new market segment or attract a new group of customers
- Introduce a new product, service or idea
- Increase sales of the product, service or idea

Expand the company's sales and market shares, Wells and others (2003) attributed four roles to advertising, and these are;

- The Marketing Role, which is a method of communicating the product or service information to the consumer through the process of marketing communication or promotion, and the 4 tools of marketing (4ps).
- The Communication Role, which transmits different types of market information to match buyers and sellers in the market place. Advertising both informs and transforms the product by creating an image that goes beyond straight forward facts.
- The Economic Role, in order to objectively provide price/value information, for the creation of a more rational economy, and
- The Societal Role of mirroring fashion and design trends and adding to consumer aesthetic sense. Advertising tends flourish i societies that enjoy some level of economic abundance, in which supply exceeds demand. In these societies, advertising moves from being informational only to creating a demand for as particular brand. Wells and others (2003) further highlighted 3 basic functions of advertising as,
 - Channel for product/brand information
 - Incentives for customers to take action and
 - Reminder and reinforcement to keep current customers.

Marketing managers spend so much on advertising their products or service, but try as much as possible to stay within the advertising budget limit. Kotier (1997), stated five specific factors to considering making budget estimates for an advertising campaign; they are;

- Stage in the product life cycle
- Market share and consumer base
- Competition and clutter,
- Advertising frequency; and
- Product substitutability

John Little, recommended period experiments, so as to put the actual advertising expenditure to check. However, Likien, Kotier and Moorthy presented additional models for setting advertising budgets.

THE MAJOR PLAYERS IN ADVERTISING

Wells, Burnett, and Moriarty (1998), maintained that, in addition to the types of advertising and their various roles and functions advertising can be defined in terms of those who play important roles in

bringing the advertisements to the consumer. Wells and others itemized the 5 major players in the advertising world as;

The advertiser

- The advertising agency
- The media
- The vendors
- The audience.

The advertiser is the person or organization that “needs to get out a message”, makes the final decisions about the target audience, the media that will carry out the advertising, the size of the advertising budget, the length of the campaign, and eventually pays the bills. Nigerian Breweries Plc is an advertiser of its products viz; Gulder, Amstel Malta, Legend stout, Maltina, etc; Guinness Plc is famous for its popular cross-the-entire-media advertisement of its popular product. Guinness extra-stout, and Malta Guinness. Unilever, Cadbury Plc, West Africa Milk Company Plc, MTN, Union Bank Nigeria Plc, Nestle Pie, IGI Insurance, and a host of others are top advertisers of their popular products and! or services (as the case may be).

The advertising agency is the second player in the advertising world. The advertising agencies solicit clients, create advertisement, and place same in the media. The single factor that most shapes the structure of its competitiveness. The market of the advertising agencies is very competitive because of the lack of an enduring basis of competitive advantage, the easy entry of new agencies into the market and the increasing replacement of human skills by relatively inexpensive computers. The most important function of an agency which helps it win and retain clients is creative design. The other important functions of agencies are accounts management, media buying, and marketing research. The creative efforts of the agency is being rewarded by the advertiser through commission, fee, cost and performance. The creative strategy is designed to achieve the advertiser's promotional objectives. It is usually set down in the form of simple statements, both to clarify the thinking of the advertiser, and to guide the advertising agency. The first creative statement positions the product, determines the target market, and details the product's strengths with regard to competitors.

Osborn (1963) itemised the creative process thus;

- Orientation; pointing up the problem
- Preparation; gathering pertinent data
- Analysis; breaking down the relevant materials Ideation; piling up alternative ideas
- Incubation; letting up, inviting illumination.
- Synthesis; putting the pieces together, and
- Evaluation; judging the resulting ideas.

Precedent to Osborn's arrangement, Graham Wallis gave simple names to the steps in the creative process as; preparation, incubation, illumination and verification.

The Creative strategy requires a “copy platform”, a simple statement of the benefits the consumer can expect to obtain from the product and the specific features that provide these benefits. (Rachman and Mescon, 2005). The copy platform also indicates the general theme and tone of the message. -

The media are all the different means by which advertising reaches its audience. This ‘involves, newspapers, radio, magazines, television, public displays, handbills, posters, Internet etc.

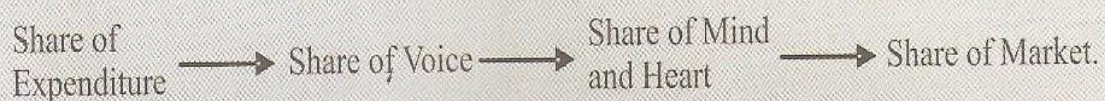
The media is the third player in the advertising world, and it is composed of the channels of communication that carry the message from the advertiser to the audience, and in the case of Internet, it carries the response from the audience back to the advertiser. Each medium has an organization structure in place that is responsible for selling advertisement space or time. Each medium also has the capability to assist advertisers in making comparisons between media as well as making the optimum choice within a particular media category. Many of the media will assist advertisers in the design and production of advertisements. A media representative typically meets the advertiser or the advertiser's representative (probably the ad agency) and tries to convince him that the medium is a good delivery of the advertiser's message.

The vendors are a group of service organizations that assist advertisers, advertising agencies, and the media. Members of this group are also called freelancers, consultants, and self-employed professionals. The array of vendors mirror the variety of tasks that it takes to put together an advertisement. Examples include freelance copywriters, graphic artists, photographers, songwriters, printers, market researchers, direct mail production houses, tele-marketers and public relations consultants.

The audience, is the target market, usually known as the customer, who purchases the product. In the case of cold-cereal, for example, parents may purchase the product, but kids consume it, and definitely influence purchase. It is critical for advertisers to recognize the various target audiences they are talking to, and know as much about them as possible. The target audience has a direct bearing on the overall advertising strategy, especially the creative and the media strategy. Interactive technology has made advertising messages customizable to individual consumers to a great extent. This customization is growing and will make it even more important to know the target audience and create advertisement that speak to individual needs.

THE SALES EFFECT OF ADVERTISING

The sales effect of advertising is generally harder to measure than its communication effect. Sales are influenced by many factors besides advertising, such as the product's features, price, availability and competitor's actions. The fewer or more controllable these other factors are, the easier it is to measure ad effect to sales. The sales impact is easiest to measure in direct-marketing situations, and hardest to measure in brand or corporate-image-building advertising. Companies are generally interested in finding out whether they are overspending or underspending on advertising. One approach to this question is to work with the following formulation;



In other words, a company's share of advertising expenditure produces a share of voice that earns or share of minds and hearts and ultimately a share of market, for several consumer products.

Researchers try to measure the sales impact through either historical or experimental analysis. The historical approach involves correlating past sales to past advertising expenditures on a current or lagged basis, using advertised statistical techniques. Palda studied the effect of advertising expenditures on the sales of Lydia Pinkham's vegetable compound between 1908 and 1960. (Palda, 1964). He calculated the short-term and long-term marginal sales effects of advertising. The marginal

advertising dollars increased sales by only fifty cents in the short term, seeming to suggest that Pinkham spent too much on advertising, but the long marginal sales effect was three times as large. -

Montgomery and Silk, (1972), estimated the sales effectiveness of three communication tools used in the pharmaceutical industry and they concluded that the company spent too much on direct mail and too little on journal advertising

Other researchers use experimental design to measure the sales impact on advertising. To determine whether they are overspending or underspending on advertising, they set aside some sales territories, and instead of spending the normal percentage of advertising to sales, the company spends more in some and less in others. These are called high-spending tests and low spending tests. If the high-spending test produces substantial sales increases, it appears that the company has been underspending. If they fail to produce more sales and if low-spending tests do not lead to sales decreases, then the company has been overspending. These tests, of course, must be accompanied by good experimental controls and last sufficiently long to capture lagged effects of changed advertising expenditure levels (Urban, 1975).

More profitable advertising decisions are made only when sales responses are higher than for alternative decisions. Direct-response advertisers can easily conduct experiments and link sales to different advertising policies; so can and should advertisers of repeated-purchase brands. The only certain way of improving the profitability of advertising budgets is by increasing sales responses to them.

Merwally (1980), carried out a study on the correlation between advertising and sales, where he developed a model in which sales are postulated to be related non-linearly to advertising. The relevant economic theory and marketing studies were tested empirically, using Australian data, the regression results were statistically significant. The paper also showed that, in commodities with high potential for differentiation by means of advertising, firms had succeeded through their promotional efforts in creating a high degree of brand consciousness. The empirical results suggest that the more attached the customers are to a particular brand, the lower the sales ratios are for other brands. More-over, advertising sales ratios are higher for brands selling in markets with greater brand consciousness.

RESEARCH STUDY ON NB PLC.

A research study carried out on the Nigerian Brewery concern, and the Nigerian Breweries Plc, was taken as case study. It was purposely meant to measure the effect of advertising on sales performance.

METHODOLOGY

Primary sources of data collection were through questionnaires and oral interviews, while some secondary information were gathered from the annual report statistics of Nigerian Breweries Plc as at the year ended 31st December 2002.

Fifty (50) written questionnaires were presented to a random sample of 50 marketing personnel staff of the company drawn from a total of 247. The selected sample consisted of both junior and senior marketing staff of Nigerian Breweries Plc. Forty Seven (47) questionnaires were returned.

The first part of the questionnaire focused on the bio-data of respondents, while the second part explored specific areas of advertising as it relates to Nigerian Breweries Plc. Oral interviews were carried out with two managers of the 8 topmost marketing managers of the Company.

DATA ANALYSIS

The data gathered from the administered questionnaires were analysed in simple percentages (ratio scales), while simple chi-square analysis were used in the test of relevant hypotheses.

RESEARCH CONSTRAINTS

The premises of the Nigerian Breweries Plc was not easily accessible for the purpose of questionnaire administration and oral interviews. On account of workers' busy work schedule. Material photocopying and transportation costs were high, and the researcher had to carry out the study within a stipulated time frame. (1 month).

RESPONDENT'S REACT

Nineteen (19) questions were posed to the respondents. While the first five (5) questions dwelt on the bio-data of the respondents, the fourteen (14) other questions tackled the advertising and sales activities of Nigerian Breweries Plc over the years. However, four (4) of the questions have a direct bearing on the test of whether advertising has any effect on sales performance, which is our focus for this paper presentation.

The degrees of responses were; strongly Agree (SA), Agree (A), Undecided (U), Disagree (I) and Strongly Disagree (SD).

The four (4) reaction points are analysed as follows;

Table 1 (Extract from questionnaire administered on marketing personnel of Nigerian Breweries Plc and analysis by writer)

| Statement Question | SA | A | U | D | SD | TOTAL | TOTAL (agreed) | TOTAL (undecided) | TOTAL (disagreed) |
|--|---------------|---------------|--------------|---------------|---------------|--------------|----------------|-------------------|-------------------|
| Question 10: Effective advertising will increase sales performance at NB Plc. | 27 (57.4%) | 15 (31.9%) | 5 (10.6%) | 0 (0%) | 0 (0%) | 47 (100%) | 42 (89.3%) | 5 (10.6%) | 0 (0%) |
| Question 11: Sales performance can increase "only" through effective advertising | 1 (2.1%) | 6 (12.8%) | 1 (2.1%) | 18 (38.3%) | 21 (44.7%) | 47 (100%) | 7 (14.9%) | 1 (2.1%) | 39 (83%) |
| Question 14: Sales performance can still increase without effective advertising | 3 (6.3%) | 15 (32%) | 1 (2.1%) | 10 (21.3%) | 18 (38.3%) | 47 (100%) | 18 (38.3%) | 1 (2.1%) | 28 (59.6%) |
| Question 15: Advertising has no effect on sales performance | 2 (4.2%) | 2 (4.2%) | 3 (6.4%) | 17 (36.2%) | 23 (48.9%) | 47 (100%) | 4 (8.4%) | 3 (6.4%) | 40 (85.1%) |

TEST OF HYPOTHESIS

A table of 4 hypotheses were tested in the research, but, on one (I) of these hypotheses having a direct bearing on ad effect on sales performance, a chi—square test was conducted.

Ho: "Advertising has no effect on sales performance

H1: “Advertising has an effect on sales performance

Question 15 was used in the chi-square test. Here, O_i = observed value

Here, O_i = observed value

e_i = expected value

Table 2: Chi-square table testing if advertising has any effect on sales performance

| | Degrees of responses | Frequency (O_i) | e_i | $O_i - e_i$ | $(O_i - e_i)^2$ |
|---|----------------------|---------------------|-------|-------------|-----------------|
| 1 | Strongly Agree | 2 | 9.4 | -7.4 | 54.76 |
| 2 | Agree | 2 | 9.4 | -7.4 | 54.76 |
| 3 | Undecided | 3 | 9.4 | -6.4 | 40.96 |
| 4 | Disagree | 17 | 9.4 | 7.6 | 57.76 |
| 5 | Strongly Disagree | 23 | 9.4 | 13.6 | 184.96 |
| | TOTAL | 47 | 47 | | |

$$e_i = \frac{\text{Total number of respondents}}{\text{number of alternative}} = \frac{47}{5} = 9.4$$

formula for chi-square test,

$$X^2 = \frac{(O_1 - e_1)^2}{e_1} + \frac{(O_2 - e_2)^2}{e_2} + \frac{(O_3 - e_3)^2}{e_3} + \dots + \frac{(O_n - e_n)^2}{e_n}$$

$$X^2C = \frac{54.76}{9.4} + \frac{54.76}{9.4} + \frac{40.96}{9.4} + \frac{57.76}{9.4} + \frac{184.96}{9.4}$$

$$= 5.83 + 5.83 + 4.36 + 6.14 + 19.7$$

$$X^2C = 41.86$$

The hypothesis is to be tested at 0.05% level of significance;

X^2 (V), where = 0.05 and V = degree of freedom.

X^2 (0.05,4) = 9.488 (see chi-square table)

Where,

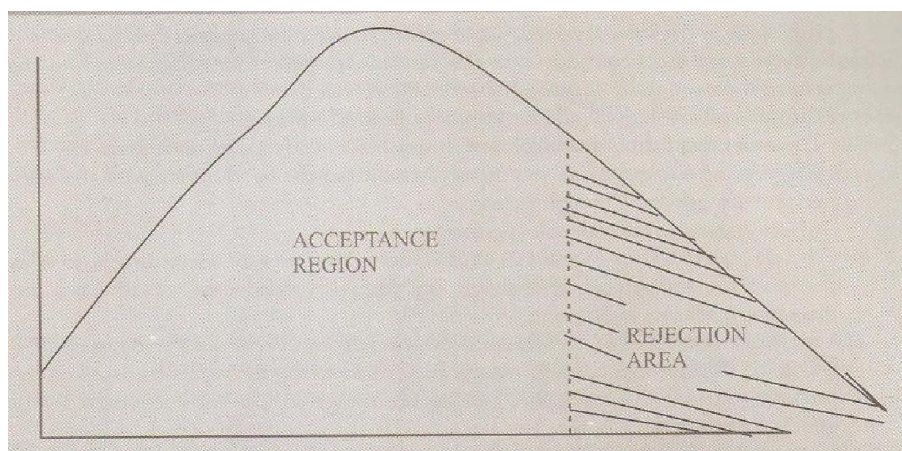
$V = (r - 1) (c - 1)$ (r = rows and c = columns).

$V = (5 - 1) (2 - 1)$

$V = (4) (1)$

$V = 4$

Figure 2: Test of hypothesis revealing the area where the chi-square test value lies, the chi-square value 41.86 is greater than 9.488. H_0 is reject. We accept H_1



But $41.86 > 9.488$

We reject H_0 , and Accept H_1

Therefore, Advertising has an effect on Sales Performance.

ORAL INTERVIEWS

In reaction to the oral interview question that sought to ascertain what impact advertising has on sales performance at Nigerian Breweries Plc, the two top marketing managers, (one male and one female) responded as follows; (recorded message), Respondent I(Male): “One can only measure the level of advertising effectiveness through the level of sales. A well advertised product will attract more customers. Our Arnstel Malta has improved in terms of sales as a result of effective advertising messages. Our recent sponsorship of some popular television programmes has been effective at reminding our dear customers about our existing brands. The Gulder reality show was a bomb! What we are working on now is how to improve on our promotional activities to win the hearts of our potentiate customers. We pray things will be much better next year”, (2005).

Respondents I (Female): “Basically, advertising has a multiplier effect on sales performance. Effective advertising will automatically increase sales, although increased sales are not dependent only on effective advertising, but, it has a great impact and a remarkable impact at that. Our company has been surviving due to our strategic promotional activities”.

MAJOR FINDINGS (SUMMARY)

1. The review of literature of the sales effect of advertising which itemised research works carried out by Notice (1988 and 1997), Palda (1964), Montgomery and Silk (1972), Urban (1975), Callaghan (1980), Metwally (1980), etc, reveal that advertising sure has a link with sales level. The level of impact is easier to measure if there are fewer other factors or a controllable amount of factors which also have an impact on sales level. In other words sales effect on advertising has been generally hard to measure because of son other factors aside from advertising but by and large, advertising has its sales effects Robert and Robert (1976) carried out a research study on advertising and brand positioning, and it was concluded that advertising could stimulate sales directly.
2. Extracts from the advertising activities research questionnaire administered on the marketing personnel of Nigerian Breweries Plc, reveals that:
 - Effective advertising will, and can improve sales performance,
 - There are other factors apart from advertising that can affect sales performance.
 - Effective advertising is an important factor towards the realization of the sales performance goals of the organization.
 - Advertising has an effect on sales performance

The chi—square test of hypothesis also confirms how relevant advertising is, to sales performance, and same goes with the oral interview conducted with the two top marketing managers of Nigerian Breweries Plc.

3. A five year track record of performance levels at Nigerian Breweries Plc (Between 1998 and 2002) displays significant growth in Performance over the years and based on the preceding quantitative research confirmation, the growth is not unconnected with effective advertising.

CONCLUSION

Advertising is the best-known and most widely discussed form of promotion, probably because of its pervasiveness. It is also a very important promotional tool, particularly for companies whose products and services are targeted at mass consumer markets.

Since it is a clear understanding that advertising is one of the number of possible sales tools, its influence on sales level is therefore not in doubt. To this end, the advertiser must ensure that its advertising message is truly effective in the teal sense of the word. The total effectiveness of any advertising programme is a function of the size of the target market of interest (i.e. audience), and the impact on each member of the audience, (Osua 2002)

E = A x I where,
E = Effectiveness of advertising programme
A = Size of the audience.
I = Impact of the audience.

Furthermore, the effectiveness of an advertising message can be measured based on the quantity of consumer purchase made on the advertised product.

Effective advertisements work on two levels,

They engage the mind of the consumer, and at the same time deliver a selling message. Such advertisements must have 3 characteristics of being strategically sound, (i.e. directed at a specific audience and driven by specific ob3ectives), consumer language appeal (i.e. crafted to speak to that audiences most important concerns) and use of most suitable media channel (i.e. being placed in the media that will most effectively reach the desired audience). Secondl these advertisements must have a creative concept that gets the audience's attention and is remembered and thirdly, the right execution should be used for the message and the audience.

In general, a growing number of companies are striving to measure the sales effect of advertising ex instead of settling only for communication effect measures (Kotler, 1997)

Although companies need to do more research into advertising effectiveness, professional researchers have drawn some general conclusions that are useful to marketers. As long as an advertisement maintains its characteristic functions of informing, persuading, reminding, influencing, (etc) a specific set of target audience, it becomes a good tool in the hands of the advertiser to boost general sales performance of the product or service question.

APPENDIX

FIGURES AND TASLE

- Figure 1: Diagrammatic illustration of advertising typology by writer, based on Russell and Lane's theoretical categorization of advertising. (See Kleppners advertising procedure by Russell and Lane; page 45-50 15th Edition, Prentice Hall USA, 2002)
- Figure 2: Test of Hypothesis diagram, revealing the area where the chi-square test value lies
- Table 1: Extracts from full questionnaire administered on marketing personnel of Nigerian Breweries Plc, and summary of analysis by writer.
- Table 2: Chi-square table, testing if advertising has an effect on Sales Performance.