



THE ROLE OF A MARKETING IN NIGERIA BREWERIES

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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.

Keywords: *Role, Marketing, Nigeria, Breweries, Product*

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 adverts 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 MEDIA

The advertising media are all the different means by which advertising reaches it’s audience. One 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, 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, sonic 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 (IMG) 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 or 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 it’s advertising objectives. In media planning, Sandage etal (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 modify the behaviour of the receiver of the message. Specific objectives of advertising are to;

- Support personal selling 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 in 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 a 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, Liken, Kotier and Moorthy presented additional models for setting advertising budgets.

THE SALES EFFECT OF ADVERTISING

The sales effect of advertising is generally harder to measure than it's 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 mote 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;

“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 it’s 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 S 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 counties 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-Personal!” 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.

Russell and Lane (2002) categorized advertising thus

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).

(Kotler, 1997) 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.

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

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