Impact of Personal Selling and Sales Promotion Strategy on Market Performance of Selected Manufacturing Companies in Lagos State, Nigeria

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ABSTRACT: *Understanding how personal selling and sales promotional strategy impact on the market performance after high capital investments is crucial to the contribution of the food and beverage companies in national economic growth; however, there is dearth of information on this subject matter. The main objective of the study is to examine the effect of personal selling and sales promotion strategy on the market performance of selected manufacturing companies in Lagos State Nigeria. specifically, the study determine the effect of sales promotion on the market performance of manufacturing companies in Lagos Nigeria and determine the effect of personal selling on the market performance of these manufacturing companies in Lagos Nigeria. Econometric technique involving descriptive research, correlation coefficient and multiple regressions was used for the data analysis. A population and sample of 24 product promotional related managers were drawn through a census sampling technique. Two research instruments – Annual Report/Financial Statement and Questionnaire were used for data collection. The result of the study indicates that there is significant predictive impact of sales promotional strategy on the market performance and that there is significant contribution of the promotional tool on the profit margin level of all six companies. the stud therefore conclude that personal selling and sales promotion strategy have positive and significant impact on market performance of selected manufacturing companies in Lagos, Nigeria. Amongst the recommendations is that staff saddle with the implementation of personal selling and sales promotional strategy should devote time and resources into it since it largely influence profitability of the companies.*

KEYWORDS: personal selling, sales promotion, market performance, manufacturing companies, Nigeria

INTRODUCTION

The universality of the food and beverage (F & B) industry to human health and life makes it one of such important sector, unique in its role in expanding economic activities in any nation (both developed and developing). The food and beverage (F & B) industry operates at multiple levels through subsistence, at large scale, trading of fresh produce, home-based processing of goods, transformation of domestic crops to finished ready-consumable and intermediate products which is sourced from across local and/or international territories (Pfitzer and Krishnaswamy, 2007). Undoubtedly, these simple activities promote social value

and create economic opportunities in the society and indirectly improve the gross domestic product of that nation. In this industry, revenue is easily generated, a very large portion of value flows into different areas of the society supplying and/or creating funds for other socio-economic and developmental activities.

The food and beverage (F & B) industries in Nigeria concentrate in wheat flour, poultry meat, bakery and confectioneries and there has been a recent expansion into biscuits, and pasta. In this sector, vegetable oil and fat, baked goods, cereals, chilled foods are found on the top list of most important products due to their extensive use for production of other food products (Lead Capital Limited, 2008). The beverage sub-sector is mainly involved in the production of alcoholic (e.g. brewed - lager, stout, ready-to-drink Smirnoff, Orijin, and Spirits – Vodka, Schnapp), non-alcoholic (brewed Malt), carbonated drinks (e.g. Pepsi, Coke, Fanta, Sprite), non-carbonated (e.g. fruit juice) and water (Agro Foods Nigeria, 2019).

The food and beverage companies are basically into the production of what is referred to as fast-moving-consumer-goods (FMCG) gaining popularity and attention. According to Ugadu, (2019) Improving market performance has over the years been a thing of concern to marketing practitioners due to the difficulty of precisely quantifying the impact of personal selling and sales promotional strategies on sales return. In any organization, whether manufacturing or service industry, profit or non-profit oriented, the main purpose of its establishment is to achieve certain goals and objectives of the organization. Apparently, there has been continuing researches in both the developed and developing countries with respect to the impact of personal selling and sales promotion strategy that will inform, persuade, rebuild and restore confidence in customer's buying pattern (Michael, 2012; Chidi, 2014; Adams, 2014; Chris, 2006; Frances & Stephen, 2016; Michael, 2017).

Empirical Review
Although many scholars have written on personal selling and sales promotional strategy but have only identified the strategies such as personal selling, sales promotion in different companies. Most studies have looked at personal selling and sales promotion strategy and sampled companies outside Nigeria. For the purpose of this study, the study reviewed empirical study on sales promotion and personal selling. Briesch and Fox (2008) study was conducted on the impact of personal selling on organizational performance. The research addressed three research questions dealing with personal selling activities, individuals involved in personal selling, and personal selling processes in three different personal selling contexts. The population of 219 respondents and sample size of 120 was used. It was clear that the impact of personal selling and relationship in an organization result in an increase in an organizational performance. It was recommended that personal selling should be used to enhance good relationship with customer and thereby recreating positive fit back to the organization.

The study conducted by Dangaiso (2014) determined the effectiveness of sales promotion strategies on company performance with special reference to Tel One Zimbabwe. A sample size was calculated using the Lucy model of determining sample size. The target population was 160 consisting of employees, management and key clients (subscribers) from Gweru market. Stratified random sampling was used in drawing samples from the target population. Questionnaires were administered to employees and key subscribers and management interviews were conducted. The results of the analysis indicated that sales promotion strategies were effective with contests and sweepstakes being the most effective and price discounts contributing a minimal of the three strategies employed. Major findings are that Tel One widely used contests and sweepstakes as the main promotion activities to stimulate their profitability, bonuses increased sales volume and lastly price discounts enhanced market share growth. It was also found that there is a very strong positive relationship between sales promotion activities and company performance measured in relation to growth to profitability, sales volume and market share. The study concluded that sales promotion activities induce customers to consume Tel One products on the market thus increasing consumption rate and the sales volume. The researcher recommended that Tel One need to understand the promotion activities and which media to communicate to consumers. It should put a lot of emphasize in planning promotional programs, set promotional goals and strategies. The company need to carryout period evaluation in the course of the sales promotion and control of promotion and make adjustments where possible. Public relations and advertising are further area of study are critical and give the organization a competitive edge in the ever evolving telecommunication sector.

Oyeniyi (2011) conducted a study on the impact of sales promotion on organizational performance. The main aim of this study was to determine the impact of sale promotion on customer loyalty in the telecommunication industry Nigeria. In this study, the survey method was used in gathering information from the respondents. A total population of one thousand one hundred and twenty five (1,125) a Simple random sampling was used to select a sample size of 310, while descriptive and inferential statistical analyses were conducted with the aid of SPSS software. The study found that, there is positive relationship between sales promotion and customer loyalty. More importantly, it was discovered that non-loyal customers are more prone to switch to competing products as a result of sales promotion than loyal customers. The study covered one variable (sales promotion) rather than advertising and personal selling or the combination of both. Also the study was conducted in Southern part of Nigeria The study focused on telecommunication industries rather than manufacturing (Breweries) industries.

Michael and Ogwo (2013) investigated the relationship between trade, sales promotion and marketing performance of two soft drink production companies (NBC and 7-*Up* Bottling) and their accredited centres in Abuja, Port Harcourt and Lagos using 400 respondents. Quantitative data were collected through a 5-point Likert-type scale questionnaire and data

were analysed using ANOVA, t-test and Regression. Findings revealed that trade sales promotion strategies affect marketing performance through the use of trade allowances and trade contests. The correlational co-efficient was 0.776 with 60.2% level sales promotion contribution to market performance (co-efficient of determinant (r^2) = 0.602) believing that the remaining 39.8% may be contributed from other promotional tools. They reported that the relationship was significant (t-value of 18.728, P = 0.000). The study affirms that the firms are not at their optimal levels in both their trade promotion strategies and marketing performance and thus recommended for optimal level to be achieved.

Pembi *et al.* (2017) researched on the impact of sales promotional strategies on the organizational performance of Flour Mills Maiduguri, Borno State Nigeria. Primary and secondary sources of data collection were carried out and questionnaires were administered to twenty (20) staff using random sampling techniques. The result indicated that sales promotional strategies have positive and significant effects on organizational performance. The regression analysis showed that trade promotion has significant (F = 18.950, p = 0.01) effect on organisational performance contributing a 51.3% to organisational performance. The study recommended that company should plan, organize, direct and control their sales promotion programme in place as this will help them to make such promotional strategies effective and efficient. It was also recommended that companies should take advantage of festival period or events by developing effective sales promotional tools that can influence consumers' awareness about the product in the events.

Product types
In gathering data on the market structure of the six selected companies, the product types ranging beverages (alcoholic and non-alcoholic) to agro-based cereal products (flours, pasta, and meals including instant noodles) were found as presented in Table 4.1. The data showed that between Cadbury Nigeria Plc (CNP) and Nestle Nigeria Plc (NNP), the latter seem to have more products, similarly for Flour Mills of Nigeria (FMN) against Dangote Flour Mills (DFM) and Nigerian Breweries (NB) against its counterpart Guinness Nigeria Plc. (GNP) The major products providing the majority of the turnover were Bournvita and 3-in-1 Hot Chocolate for CNP, Milo, Chocomilo, Nescafe, Cerelac, Golden Morn, NAN and Maggi Seasonings for NNP, meals like Whole, Wheat, Semovita, Pasta like Macroni, Spaghetti, Couscous, Soya Oil, Margarine, Livestock Feeds, Sugar, variety of flours for baking, instant noodles, and cheese for FMN while DFM produces diversity of instant noodles, meals, pasta and flours in close proximity to its counterpart.

METHODOLOGY

The researcher adopted descriptive research design using survey techniques. Information gathered through the questionnaire and audited financial report, which is to be presented in tabular form along with the test of multiple regressions, correlation coefficient are to be run

through a computational device (statistical package for social science (SPSS) software programme). The study also tests whether there is correlation between promotional strategies in personal selling and sales promotion. The population of the study was drawn from the top management of the marketing and production departments of six manufacturing companies in Lagos and the number was 24

Model Specification

The model used in establishing relationships among the variables (market performance, marketing cost and promotional strategies) of the study has been specified in this section as:

$Y = f(X)$

Where:

Y_n = Market performance (Profit margin), X_n = Promotional strategies,

β_n= Coefficient of promotional strategies

Z_n = marketing cost

The formula representing each of the research question and hypotheses are as follows:

$Y_n = f(X_n + Z_n)$ ………………………………… eq(i)

$Y_n = \alpha_0 + \beta_n X_n + \beta_n Z_n + e$ …………………… eq (ii)

$Y = \alpha_0 + \beta_n X_n + + \beta_n Z_n + e_i$ …… eq (iii)

Where:

α_0 = Constant Term

e = Error term

Methods of Data presentation and Analysis:

Since this study involves both research questions and audited financial report, descriptive and inferential statistics were used in the analysis of data collected from company records and research instrument. Research questions were answered using inferential and descriptive statistics while only inferential statistics was used to test the hypotheses formulated for the study. Descriptive statistics employed were simple percentages, standard deviations and frequency counts. For inferential statistics, the extent of relationship between variables was

determined using the determinant of coefficient (r and r^2%) and amongst variables was determined using the ANOVA F-value.

The market performance was ascertained using the profitability margins. The profit margins were calculated as the percentages of their original profitability values (operating profit, profit before tax and gross profit) of the total revenue of the companies as shown below;

$$\frac{Gross\ profit}{Revenue} \times 100 \quad ..\dots\dots\dots\dots\dots \text{Model 1}$$

$$\frac{Profit\ before\ tax}{Revenue} \times 100 \quad ..\dots\dots\dots\dots\dots \text{Model 2}$$

$$\frac{Operating\ profit}{Revenue} \times 100 \quad \dots\dots\dots\dots\dots \text{Model 3}$$

The gross profit margin (model 1), profit before tax margin (model 2) and operating profit margins (model 3) were averaged to produce the profitability margin for each company from 2008 to 2018. The promotion strategies (sales promotion and personal selling) were coded in accordance to the Likert scale adopted for each. The extent of application of the promotions strategies were coded 1 to 5 (no extent to very high extent; strongly disagree to strongly agree). A total of 50 points (maximum) and 10 points (minimum) for all ten items in each of the two sections of the instrument eliciting responses on personal selling and sales promotion strategies.

The kind of relationship that existed between variables was tested using the Pearson Spearman's Correlation Analysis.

Sales promotion

Table 4.4 shows the sales promotion activities of the manufacturing companies. The weighted mean value of 3.19 (63.83%) showed that the said strategy of promotion is carried out at a moderate extent. However, specific means mostly used are dealer/distributor gift (X = 4.08, σ = 0.97, 81%), award and incentives for customers (X = 3.83, σ = 0.92, 76.67%) and bonus offers (X = 3.79, σ = 0.88, 75.83%) at a high extent. Sales of products are also promoted during product donation (X = 3.54, σ = 0.78, 70.83%) to groups as a way of popularizing the product and during talent hunts and annual skill contest (X = 3.58, σ = 0.88, 71.67%). The least used were scratch and win (X = 2.21, σ = 1.10, 44.17%) and price manipulations (X = 2.79, σ = 1.10, 55.83%). Coupons were found to be out of use as a promotion strategy.

Personal selling

From Table 4.5, personal selling was generally found to be moderately used (X = 2.93, σ = 0.99, 58.6%), with interaction with potential customers who freely visit the sales outlets been the most applicable (X = 3.86, σ = 1.11, 77.2%), followed by the general use of retail points (X = 3.83, σ = 0.96, 76.67%), and street selling of products (X = 2.83, σ = 1.0, 56.6%). The least employed personal selling strategies was door-to-door selling of products (X = 1.96, σ = 0.99, 39.2%).the overall use of direct selling was moderate (X = 2.93, σ = 0.99, 58.6%).

Table 4.4: Extent of sales promotion strategy adopted by the selected manufacturing companies

	Promotion strategy	VHE (%)	HE (%)	ME (%)	LE (%)	NE (%)	Mean	SD	% Use of medium	Extent of application
1.	Bonus offer	5 (21)	11 (46)	6 (25)	2 (8)	0 (0)	3.79	0.88	75.83	High
2.	Price off offer	5 (21)	2 (8)	13 (54)	4 (17)	0 (0)	3.33	1.01	66.67	Moderate
3.	Coupon	0 (0)	0 (0)	2 (8)	4 (17)	18 (75)	1.33	0.64	26.67	No extent
4.	Scratch and win offer	1 (4)	3 (13)	2 (8)	12 (50)	6 (25)	2.21	1.10	44.17	Low
5.	Price manipulations	3 (12.5)	1 (4)	10 (42)	8 (33)	2 (8)	2.79	1.10	55.83	Moderate
6.	Dealers/distributors gift	10 (42)	8 (33)	4 (17)	2 (8)	0 (0)	4.08	0.97	81.67	High
7.	Gift at point of sale	2 (8)	10 (42)	8 (33)	4 (17)	0 (0)	3.42	0.88	68.33	Moderate
8.	Awards and incentives for customers	5 (21)	13 (54)	3 (12.5)	3 (12.5)	0 (0)	3.83	0.92	76.67	High
9.	During annual contests for customers e.g. Talent hunts	4 (17)	8 (33)	10 (42)	2 (8)	0 (0)	3.58	0.88	71.67	High
10.	Product donations	3 (12.5)	8 (33)	12 (50)	1 (4)	0 (0)	3.54	0.78	70.83	High
Weighted values on sales promotion							**3.19**	**0.92**	**63.83**	**Moderate**

*Keys and codes: VHE = Very high extent (5 – 4.50), HE = High extent (4.49 – 3.50), ME = Moderate extent (3.49 – 2.50), Low extent (2.49 – 1.50), NE = No extent (1 – 1.49), SD = Standard deviation, % = percentage, N = 24, **Criterion mean = 3.0 (60%)**
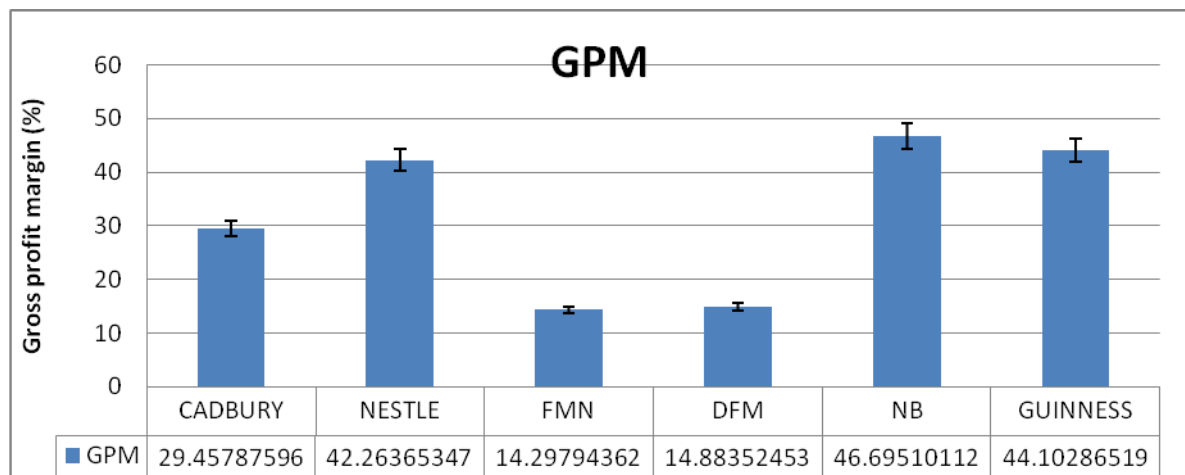
Table 4.5: Extent of use of personal selling in selected manufacturing companies

Promotion strategy		VHE (%)	HE (%)	ME (%)	LE (%)	NE (%)	Mean	SD	% Use of medium	Extent of application
1.	Use of small sales outposts or retail	6 (25)	11 (46)	4 (17)	3 (12)	0 (0)	3.83	0.96	76.6	High
2.	Street selling of products by hired salesmen	1 (4)	5 (21)	9 (38)	7 (29)	2 (8)	2.83	1.00	56.6	Low
3.	Random door-to-door sales of product	0 (0)	3 (12)	2 (8)	10 (42)	9 (38)	1.96	0.99	39.2	Low
4.	Specially pre-planned visit to potential customer	0 (0)	2 (8)	5 (21)	11 (46)	6 (25)	2.17	0.87	43.4	Low
5.	Interaction with potential customers who voluntarily visit the sales point	8 (33)	10 (42)	1 (4)	5 (21)	0 (0)	3.86	1.11	77.2	High
Weighted mean							**2.93**	**0.99**	**58.6**	**Moderate**

*Keys and codes: VHE = Very high extent (5 – 4.50), HE = High extent (4.49 – 3.50), ME = Moderate extent (3.49 – 2.50), Low extent (2.49 – 1.50), NE = No extent (1 – 1.49), SD = standard deviation, % = percentage, N = 24, **Criterion mean = 3.0 (60%).**
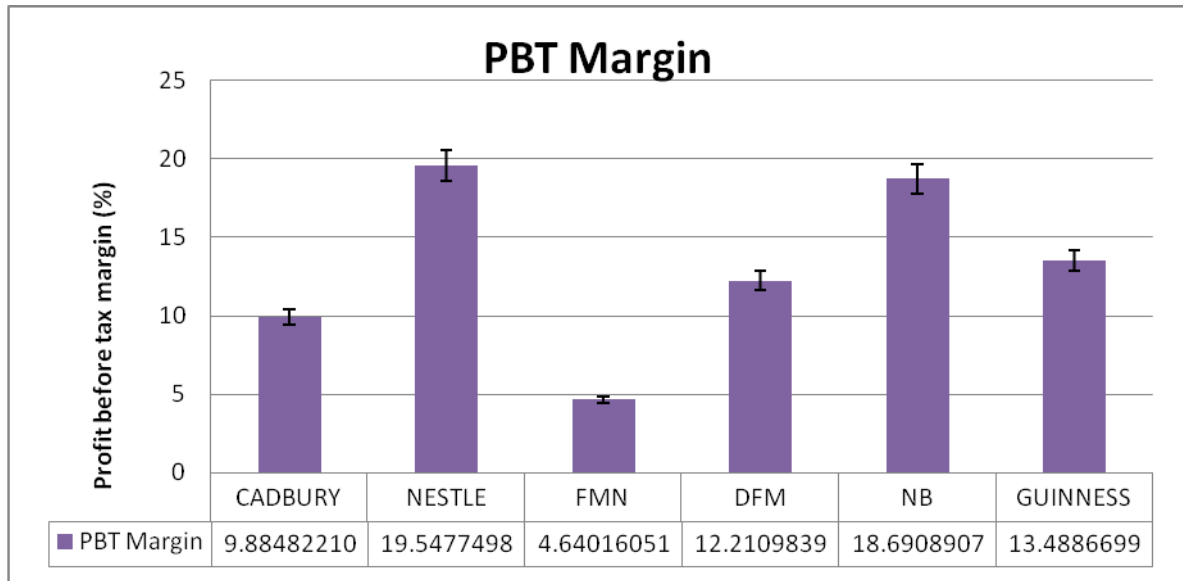
The market performance of the manufacturing companies

One major question to ask which is important to the study is on the market performance of the manufacturing companies over the years the answer to this question is presented in the Figures 4.1 – 4.3 below. In response to this data on the market performance especially on the profit margins was analysed and results presented. Figure 4.1 to 4.3 shows elicited responses on the market performance using the profit margins (gross profit, profit before tax and operating profits) of the six companies. In Figure 4.1, the data showed that NB had the highest (46.69%) gross profit margin, followed by NNP (42.27%) and FMN had the lowest (14.29%). For the profit before tax margins, NNP was highest (19.55%) followed NB (18.69%) and the least was FMN (4.64%). This trend continued into the operating profit/EBIT margin in the order NNP (22.14%), NB (22.02%) and FMN (4.44%).

	CADBURY	NESTLE	FMN	DFM	NB	GUINNESS
GPM	29.45787596	42.26365347	14.29794362	14.88352453	46.69510112	44.10286519

*Source: Company websites (2019), Annual Reports and Accounts for (2008-2018) presented on Dec. 31st: Cadbury Nig. Plc, Nigerian Breweries, Dangote Flour Mills, Nestle Nigeria Plc; June 30th: Guinness Nigeria; March 31st: Flour Mills of Nigeria (Golden Penny).

Figure 4.1: The gross profit margin (%) of the six companies

PBT Margin

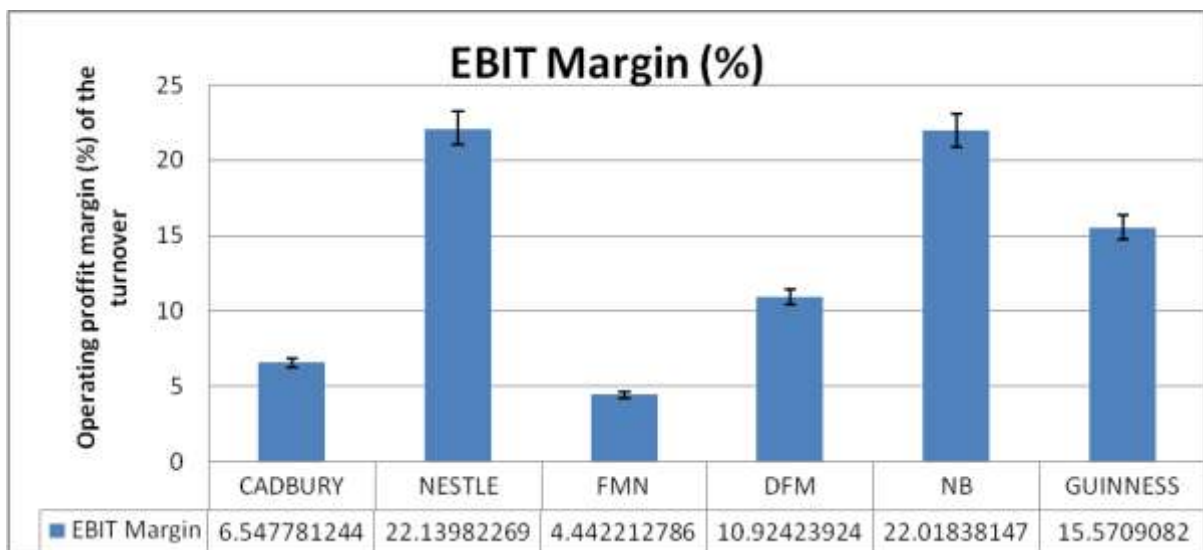|	CADBURY	NESTLE	FMN	DFM	NB	GUINNESS
■ PBT Margin	9.88482210	19.5477498	4.64016051	12.2109839	18.6908907	13.4886699

*Source:** Company websites (2019), Annual Reports and Accounts for (2008-2018) presented on Dec. 31st: Cadbury Nig. Plc, Nigerian Breweries, Dangote Flour Mills, Nestle Nigeria Plc; June 30th: Guinness Nigeria; March 31st: Flour Mills of Nigeria (Golden Penny).

Figure 4.2: The profit before tax margin (%) of the six companies

EBIT Margin (%)

	CADBURY	NESTLE	FMN	DFM	NB	GUINNESS
■ EBIT Margin	6.547781244	22.13982269	4.442212786	10.92423924	22.01838147	15.5709082

*Source:** Company websites (2019), Annual Reports and Accounts for (2008-2018) presented on Dec. 31st: Cadbury Nig. Plc, Nigerian Breweries, Dangote Flour Mills, Nestle Nigeria Plc; June 30th: Guinness Nigeria; March 31st: Flour Mills of Nigeria (Golden Penny).

Figure 4.3: The operating profit margin (%) of the six companies

Difference in the market performance of the companies

Are there any differences in the market performance of the manufacturing companies over the years with respect to the product types? The answer to this question is presented in the Figures 4.4 – 4.9 below by comparison of the profit margins.

Gross Profit Margins:

In comparing the difference that exist between each company with respect to the product types, CNP and NNP which produces refreshment beverages and intermediate consumer goods were put forward. Figure 4.4 showed that NNP maintained a higher gross profit margin from 2008 to 2018. The mean for NNP was 42.26% ($\sigma = 1.37$) while CNP was 29.12% ($\sigma = 5.06$). For FMN and DFM (Figure 4.5), there were very close similarities between the values for the years. Although, DFM (X = 14.89%, $\sigma = 7.96$) had a slightly higher gross profit margin than FMN (X = 14.29%, $\sigma = 3.28$), there were variations for the years 2010 to 2015 and 2018 with DFM having lower margins of gross profit. For NB and GNP, it was only in 2009 where NB (46.90%) had a slightly lower margin than GNP (47.83%) but for every other year, the reverse was the case with NB (X = 46.69%, $\sigma = 5.08$) finally having a greater gross profit margin than GNP (X = 44.10%, $\sigma = 4.54$) in Figure 4.6.
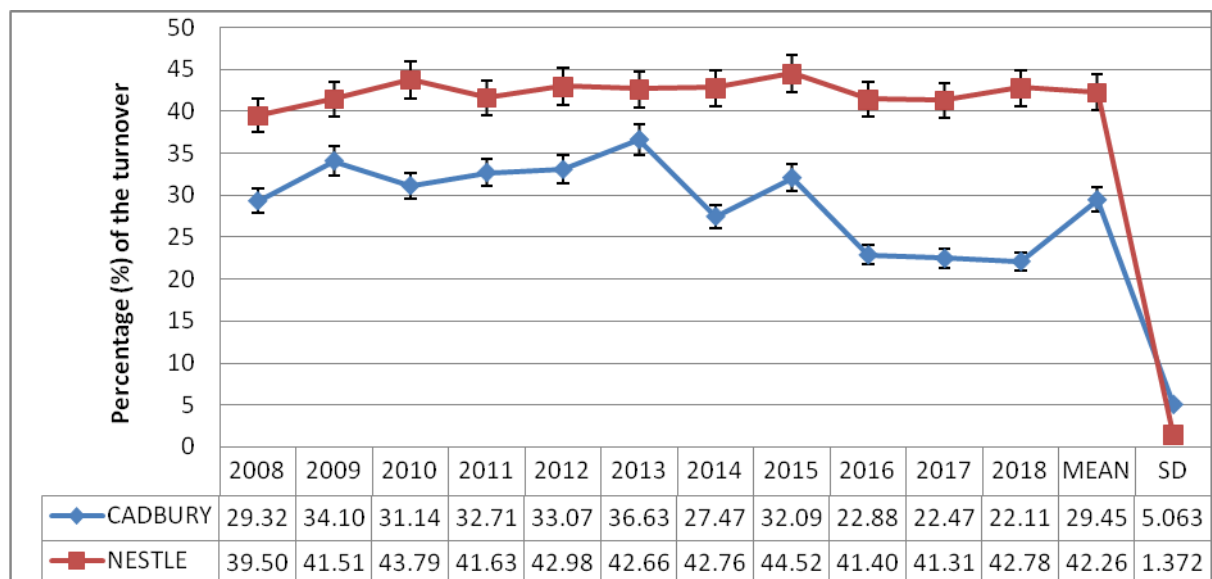

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	MEAN	SD
CADBURY	29.32	34.10	31.14	32.71	33.07	36.63	27.47	32.09	22.88	22.47	22.11	29.45	5.063
NESTLE	39.50	41.51	43.79	41.63	42.98	42.66	42.76	44.52	41.40	41.31	42.78	42.26	1.372

Figure 4.4: Difference in the gross profit margin of CNP and NNP

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	MEAN	SD
FMN	16.38	12.81	22.35	16.82	15.37	12.55	13.14	11.45	10.98	12.71	12.67	14.29	3.280
DFM	20.11	20.89	19.53	14.63	8.991	2.144	7.780	9.303	27.74	23.46	9.117	14.88	7.975
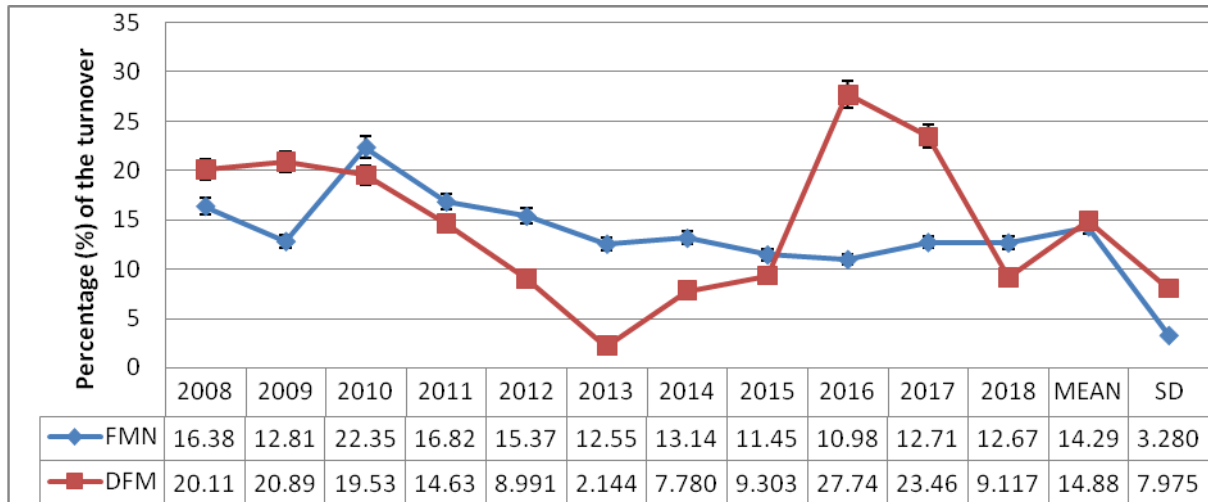
Figure 4.5: Difference in the gross profit margin of FMN and DFM

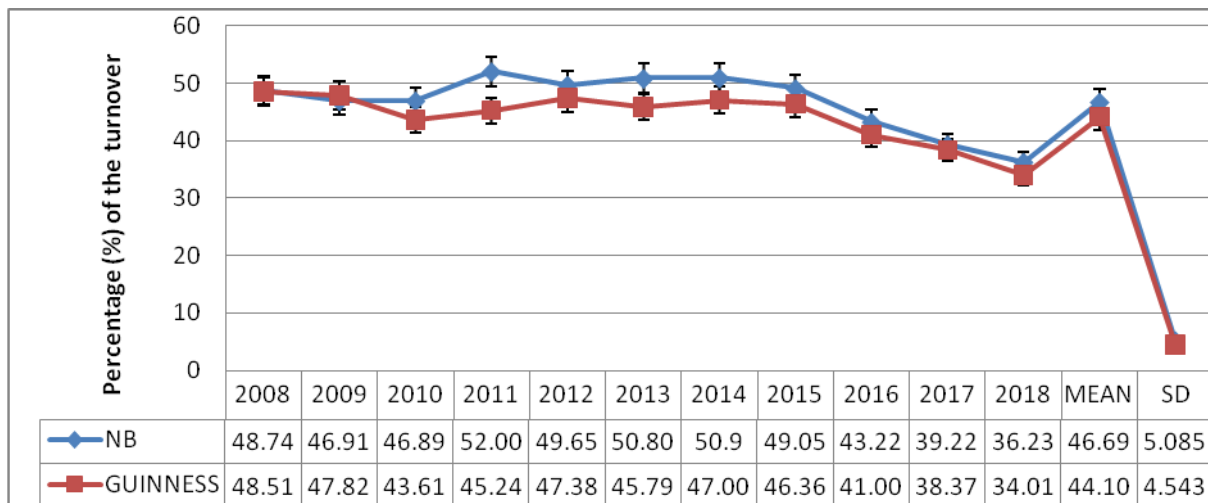|	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	MEAN	SD
NB	48.74	46.91	46.89	52.00	49.65	50.80	50.9	49.05	43.22	39.22	36.23	46.69	5.085
GUINNESS	48.51	47.82	43.61	45.24	47.38	45.79	47.00	46.36	41.00	38.37	34.01	44.10	4.543

Figure 4.6: Difference in the gross profit margin of NB and GNP

Profit before tax margins (of the turnover) of the companies:

In Figure 4.7, the profit before tax margin is presented. CNP and NNP showed very wide variations in their performance with CNP (20.75%) performing slightly higher than NNP (19.38%) in 2013 but every other year, NNP performed better cumulating an average profit before tax margin of 19.54% ($\sigma = 3.10\%$) with CNP having 9.88% ($\sigma = 6.57\%$). Figure 4.8 showed the comparison of FMN and DFM which was quite wide in their range of values from 2008 to 2018. DFM was higher in its margin for 2009, 2012 – 2017, but extremely lower than FMN in 2008, 2010 – 2011 and 2018. Despite these differences, the average margin for DFM was found to be higher (X = 12.21%, $\sigma = 8.54\%$) than FMN (X = 4.64%, $\sigma = 3.01\%$). In

Figure 4.9, NB and GNP were compared; NB maintained a higher margin from 2008 – 2014, 2016 – 2018 and gave it a better competitive advantage over GNP with a mean margin of 18.6% (σ = 8.28%) over 13.49% (σ = 7.84%).
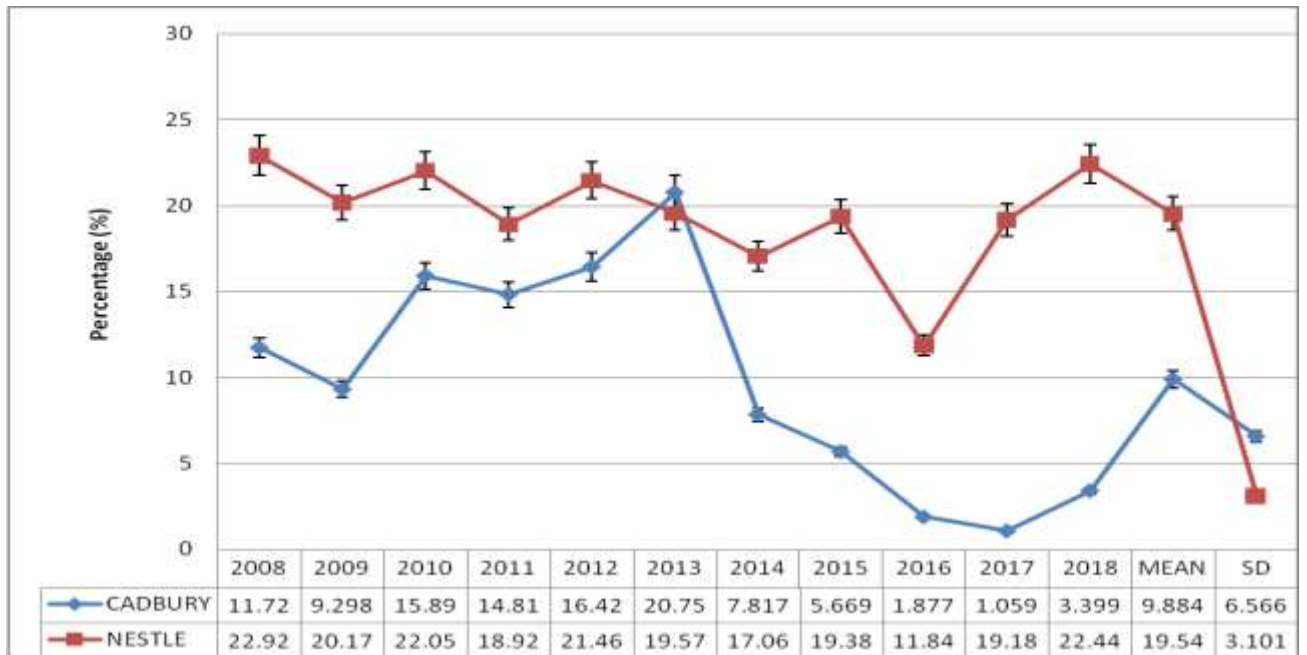

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	MEAN	SD
CADBURY	11.72	9.298	15.89	14.81	16.42	20.75	7.817	5.669	1.877	1.059	3.399	9.884	6.566
NESTLE	22.92	20.17	22.05	18.92	21.46	19.57	17.06	19.38	11.84	19.18	22.44	19.54	3.101

Figure 4.7: Difference in the profit before tax margin of CNP and NNP

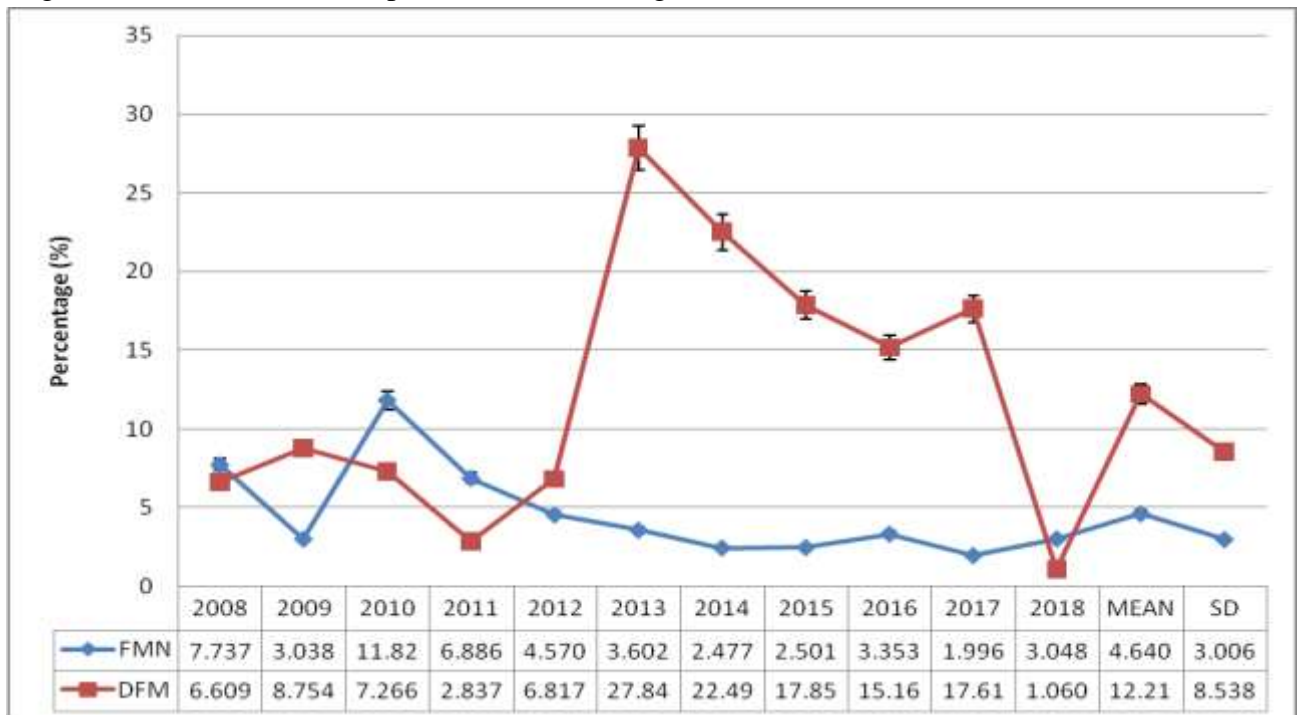|	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	MEAN	SD
FMN	7.737	3.038	11.82	6.886	4.570	3.602	2.477	2.501	3.353	1.996	3.048	4.640	3.006
DFM	6.609	8.754	7.266	2.837	6.817	27.84	22.49	17.85	15.16	17.61	1.060	12.21	8.538

Figure 4.8: Difference in the profit before tax margin of FMN and DFM
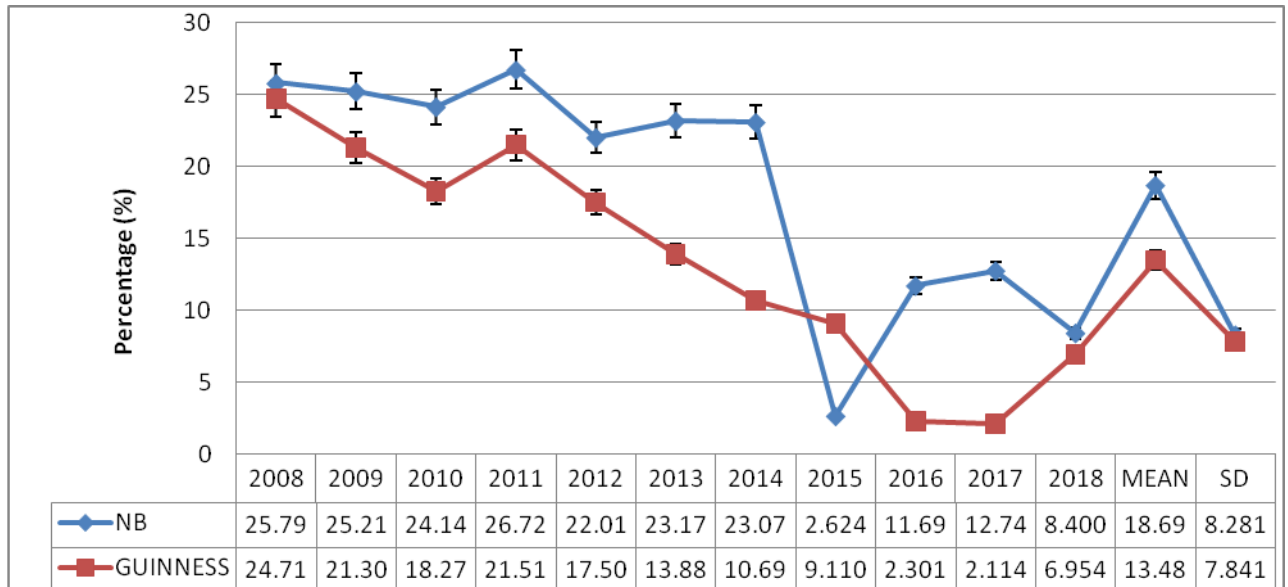
Figure 4.9: Difference in the profit before tax margin of NB and GNP

Operating profit margin of the companies:

With very wide differences shown in bars in Figures 4.10 – 4.12, the operating profit margins were presented. In Figure 4.10, NNP maintain a steady higher operating profit margin than CNP with an average of 22.14% (σ = 0.94%) over 6.55% (σ = 5.07%) of CNP. Figure 4.11 showed that DFM had a higher margin from 2008 – 2011 and from 2013 – 2017 with a lower margin for only 2012 and 2018 creating a higher margin of 10.92% (σ = 5.89%) over its counterpart of 4.44% (σ = 2.97%). Just like, CNP and NNP, NB observed a higher margin throughout from 2008 to 2018 with NB having an average of 22.02% (σ = 5.33%) over 15.57% (σ = 6.22%) of GNP in Figure 4.12.
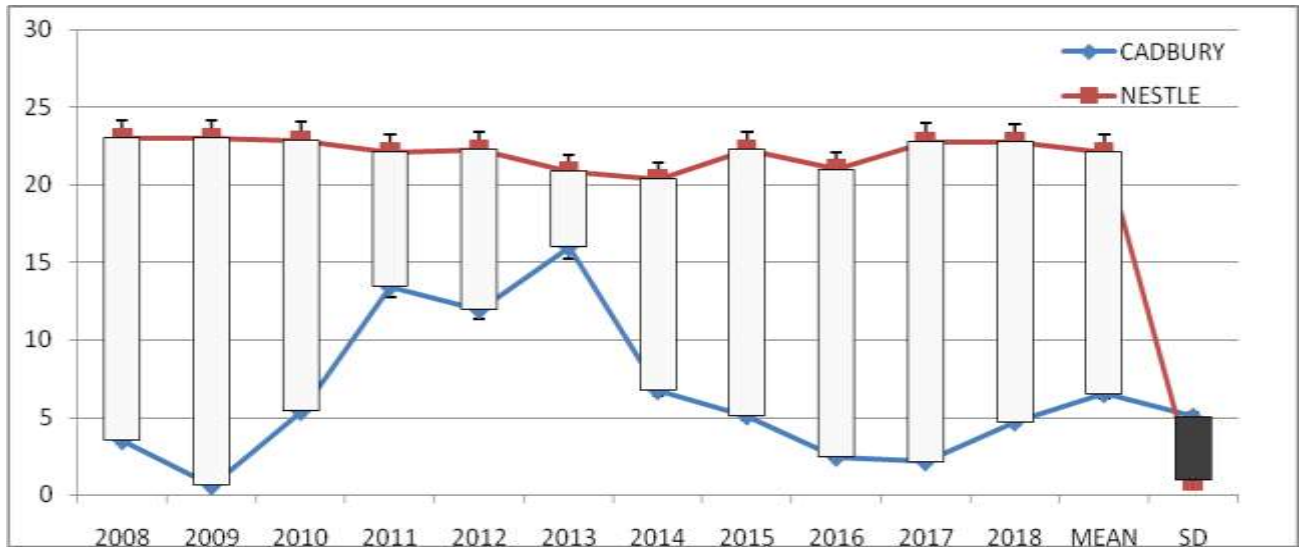
Figure 4.10: Difference in the operating profit margin between CNP and NNP
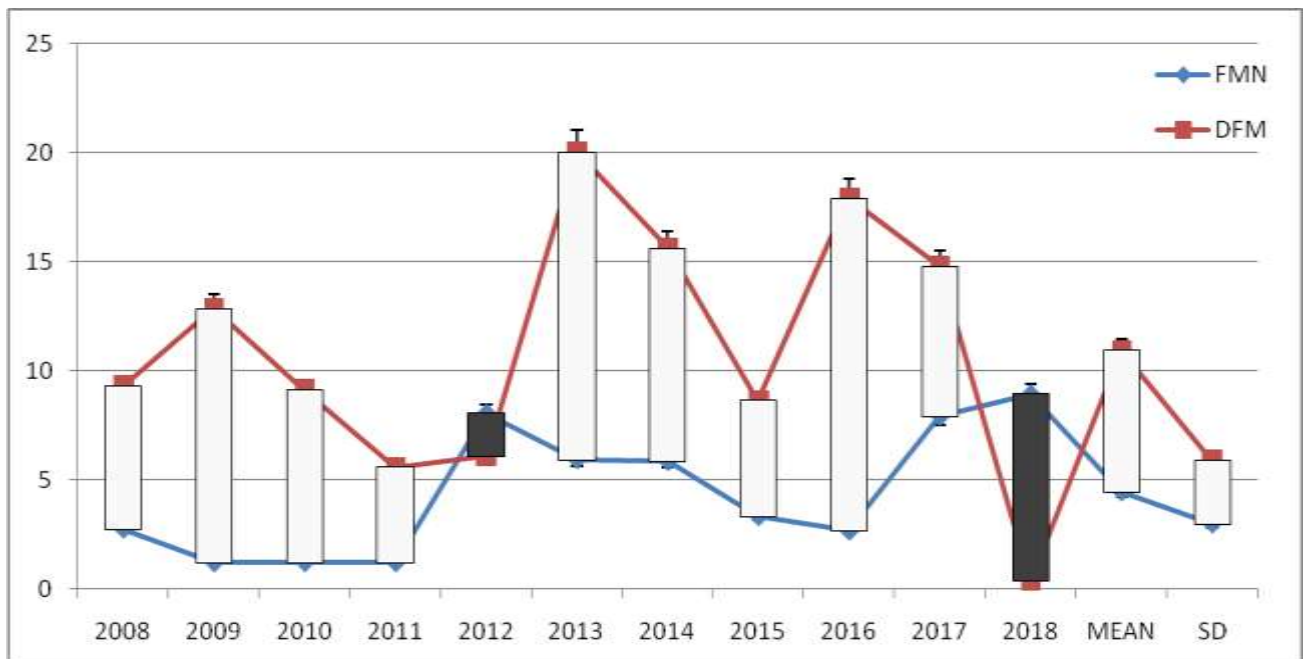

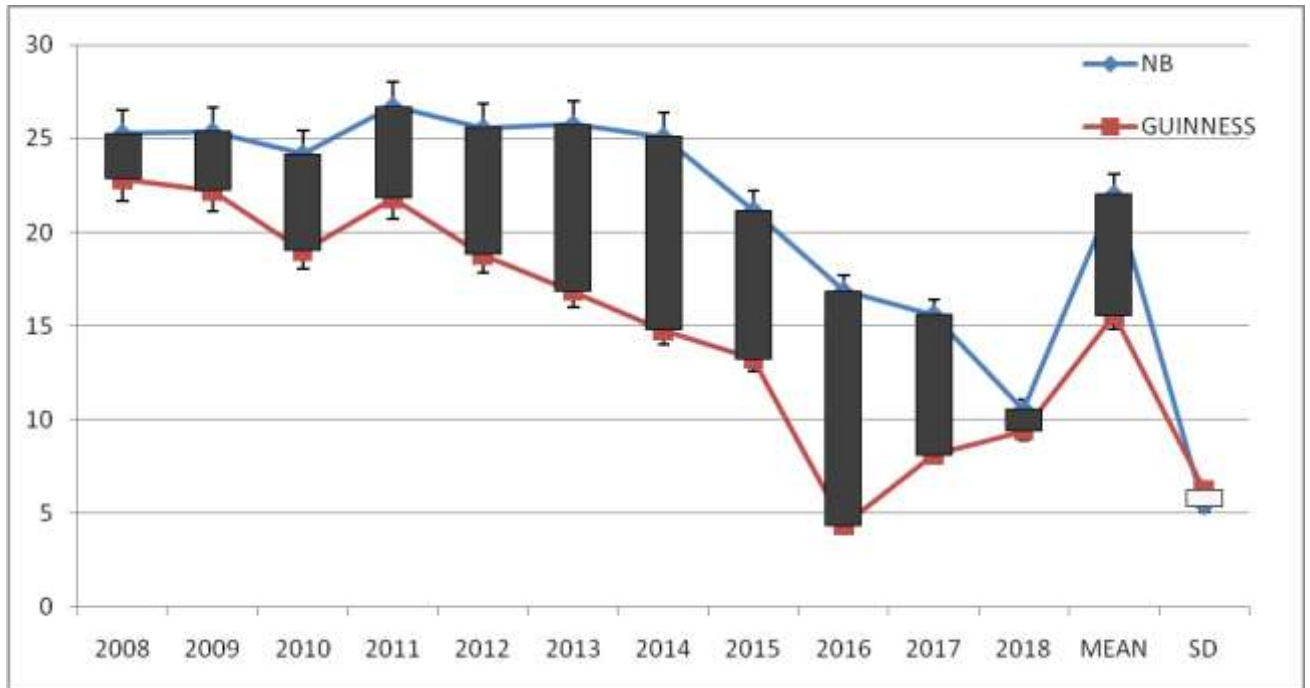Figure 4.11: Difference in the operating profit margin between FMN and DFM

Figure 4.12: Difference in the operating profit margin between NB and GNP

Overall difference in the profitability margin:

The overall profitability margin for the six companies is presented in Figure 4.13 with NB having the highest (X = 29.14%), followed by NNP (X = 27.98%) with FMN and DFM being the lowest, (X = 7.79%) and (X = 12.67%) respectively for the years 2008 – 2018.
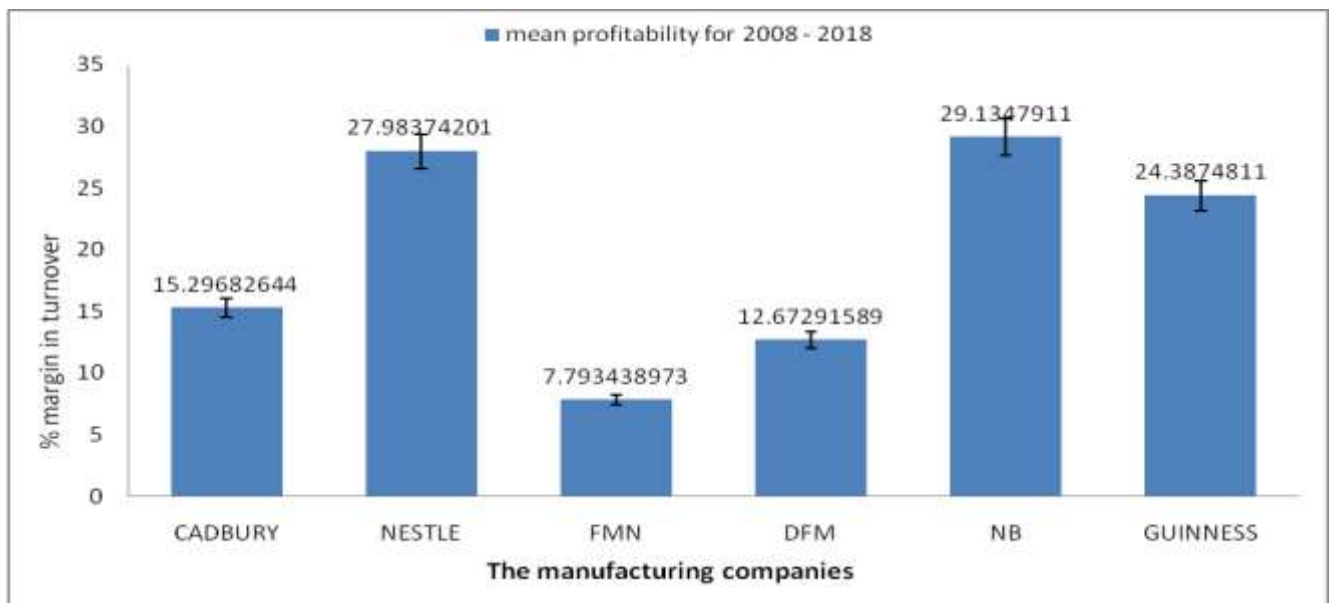

Figure 4.13: Difference in the overall profitability margin of the six companies

Hypothesis one: The hypothesis which states that there is no significant predictive impact of sales promotional strategy on the market performance was tested in the Tables 4.17 - 4.19 for the six companies. The Multiple Regression analysis which combines ANOVA, coefficient of determinant (r) and standardized t-value was used to determine the kind of relationship and the contribution of dependent variable (promotion) to the independent variable (profitability margins) in the different manufacturing companies. Table 4.17 showed the analysis of data for the collective impact of promotion to the profit margin for CNP and NNP. Results show that the two different promotional strategy predicts 96.3% ($R^2 = 0.963$) to the profitability performance of the company while it predicts 71.6% ($R^2 = 0.716$). The analysis also showed that this prediction is also very significant (F = 39.245, sig. = 0.000 for CNP and F = 3.788, sig. = 0.072) for both companies.

Table 4.17: Model summary for the pool contribution impact of promotion on the market performance of the companies (CNP and NNP)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
CADBURY	.981[a]	.963	.939	1.25205	.963	39.245	4	6	.000[b]
NESTLE	.846[a]	.716	.527	.93196	.716	3.788	4	6	.072[b]

a. Predictors: (Constant), Constraint, Sales promotion and personal selling
b. Dependent Variable: Profit margin

The level of prediction of promotion to the profit margins of FMN and DFM is presented in Table 4.18. The data showed that DFM receives more predictive efficiency (78.4% at $R^2 = 0.985$) than FMN (93.5%), although the margin of difference was slim. This contributory prediction was also found to be significant for both DFM (F = 16.87, sig. = 0.002) and FMN (F = 10.38, sig. = 0.007). Table 4.17 revealed that promotion and the factors around it predicts 91.1% of the outcome of the profit made by NB and 61.5% for GNP which was also found to be significant.

Table 4.18: Model summary for the contribution impact of promotional strategies on the market performance of the companies (FMN and DFM)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
FMN	.935[a]	.874	.790	.84546	.874	10.379	4	6	.007[b]
DANGOTE	.958[a]	.918	.864	1.87098	.918	16.871	4	6	.002[b]

a. Predictors: (Constant), Constraint, Sales promotion, personal selling
b. Dependent Variable: Profit margin

Table 4.19: Model summary for the contribution impact of promotional strategies on the market performance of the companies (NB and GNP)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
NIG. BREW.	.954[a]	.911	.851	2.19570	.911	15.287	4	6	.003[b]
GUINNESS	.785[a]	.615	.359	4.67781	.615	2.401	4	6	.162[b]

a. Predictors: (Constant), Constraint, Sales promotion and personal selling
b. Dependent Variable: Profit margin

Hypothesis two: The hypothesis which states that there is no significant contribution of the promotional tool on the profit margin level of all six companies was tested in Table 4.20. The analysis combined both multiple regression and ANOVA to analyse the overall contribution of all promotional tool on the profit margin of all sampled companies. The data showed that predictive efficiency was (92% at $R^2 = 0.92$) at a highly significant rate (F = 8.217, sig. = 0.013).

Table 4.20: contribution of promotional tools on the profit margin

Model Summary[b]								
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			
					R Square Change	F Change	df1	df2
1	.920[a]	.846	.743	1.34267	.846	8.217	4	6
ANOVA[a]								
Model		Sum of Squares	Df	Mean Square	F	Sig.		
1	Regression	59.256	4	14.814	8.217	.013[b]		
	Residual	10.817	6	1.803				
	Total	70.073	10					

a. Dependent Variable: profit margin

b. Predictors: (Constant), personal selling, and sales promotion,

CONCLUSION AND POLICY RECOMMENDATION

In line with earlier reports, promotional mix can be a very effective way of increasing sales of a product or service. In very concise terms, the study concluded that advertising is mostly used to a high extent by the food and drink manufacturing companies than the other three (sales promotion, personal selling and direct marketing) which are moderately used. There were significant differences in the market performance and the level of adoption of the promotional strategies of the selected companies and the four promotional strategies contribute positively to the growth of the companies. Advertising, sales promotion and personal selling significantly influence the market performance of the companies while direct marketing was not significant. Building a strong, trustworthy, and manageable relationship with customers is an inevitable part of having a successful business and may lead to attracting more customers. Therefore, marketing managers and staff concerned with promoting a product can focus on the most profitable means of their business markets and create the maximum benefit from existing and upcoming opportunities.

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