BEING TEXT OF A PAPER TITLED:

UNDERSTANDING AND ALIGNING THE COMPONENTS OF THE MARKETING MIX

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PRESENTED

AT TWO- DAYS SEMINAR ON FUNDAMENTALS OF MARKETING

ORGANISED BY ADVERTISING PRACTITIONERS COUNCIL OF NIGERIA (APCON)
FOR MARKETING AND BRAND MANAGERS, ADVERTISING AND MEDIA MANAGERS, BUSINESS PROFESSIONALS, CORPORATE AFFAIRS MANAGERS AND HEADS OF PUBLIC RELATIONS DEPARTMENTS OF GOVERNMENTAL AGENCIES

TAKING PLACE BETWEEN 22ND - 23RD APRIL 2009 AT CHELSEA HOTEL, CENTRAL BUSINESS DISTRICT, ABUJA

APRIL 2009

1.0 OPENING REMARKS

I wish to express my profound appreciation for the opportunity given to me to serve as one of the resource persons for this important seminar. The topic for discussion which is "Understanding and Aligning the Components of Marketing Mix" is an important aspect of marketing which determines the success or failure of an organization. The lecture is fundamental as it will go a long way in achieving the objective of the seminar by providing participants with the basic knowledge of the components that make up the marketing mix and how these components can be blended to produce the desired result which will help marketers deliver the satisfaction more effectively and efficiently in the manner that they gain competitive advantage.

1.1. INTRODUCTION

Marketing is such a dynamic and challenging activity that requires an understanding of both its principles and strategies. Marketing practitioners must possess the requisite skills and the practical experience of implementing marketing ideas, processes and techniques in the market place. However, the importance of a good introduction to the field can not be over-emphasized.

1.2 Definition of Marketing

Marketing is one of the terms in academia that does not have a universally one accepted definition. It has been given different interpretations. To a lay man, marketing is just about buying and selling or selling and promoting.

However, marketing is everything a company does to acquire customers and maintain a relationship with them. Even the small tasks like writing thank-you letters, playing golf with a prospective client, returning calls promptly and meeting with a past client for coffee can be thought of as marketing. The ultimate goal of marketing is to match a company's products and services to the people who need and want them, thereby ensuring profitability.

The term was first conceptualized in 1935 when the then newly established American Marketing Association (AMA) asserted that, Marketing consists of those activities involved in the flow of goods and services from the point of production to the point of consumption (AMA, 1935:3)

The association's first amended definition from 1937 saw marketing as the performance of business activities that direct the flow of goods and services from producers to consumers. A revision of this in 1985 changed this to the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives (AMA, 1937:5).

Stanton (1971:10) defines marketing simply as: "human activity directed at satisfying needs and wants through exchange processes". Adding to Stanton's' definition, Schewe (1987:8), views marketing to be the "management process of anticipating, identifying and satisfying customer requirements profitably".

Drucker (1973:15) expresses a preference for the original definition. Commenting on that original definition, Cheyfitz (2001:12), maintains that, "The 'point of production' is too late in the process to start marketing. And the 'point of consumption' is too early in the process to stop it." Cheyfitz (2001) believes that marketing must commence prior to the creation of a product, service or concept and must continue past the point of the consumption to foster loyalty and advocacy among the audience.

There probably exist as many definitions as contributed by numerous scholars on the subject but the definitions very commonly referred to are those of the American Marketing Association (AMA).

The AMA (2004) has since amended its definition. The most recent version stands thus:

Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders (AMA, 2004:2).

Going by the above contributions on the various definitions of marketing, it can succinctly be said that marketing is simply the job of creating satisfaction or a war between competitors all in an effort to deliver satisfaction more effectively and efficiently.

1.3 Marketing Functions

Marketing is sometimes thought of as simply the process of buying and selling. Its task is much more extensive than this simple description. For a marketing system to be operative and effective, there are general functions which must be carried out.

According to Levitt (1960:11), Marketing functions are specific efforts dealing with modifying the total service or product package and the communications according to customer segments. The company operates with marketing functions to realize strategies. These marketing functions are required to satisfy the needs of the customer, they are seen as tools for competition against other companies. Marketing functions are the on – the- ground techniques that a company uses in the marketing of products.

Kotler (2003:18) identifies two sets of functions. These are Communication Functions and Product Functions:

Communication functions are specific efforts by marketers in communicating with customers and sourcing for market information. The function is about designing the communications and promotional strategies for the product. Communication function comprises of personal selling, marketing communication, market information and functional communication. These are discussed below:

Personal selling focuses on the sales person's abilities to conduct sales work effectively. Personal selling is about building and maintaining, essential business relationship.

Marketing communication: This function is specific effort dealing with communicating with customers and finding information. Some examples are: (1) Advertising, which is used to create awareness, provide information, influence attitudes and remind customers about the company and its products. Advertising is typically conducted by specialists (advertising agencies) to support/complement other marketing communication efforts. (2) Public relations (PR). Common forms of PR include press releases and sponsorships. This gives the company an opportunity to introduce ideas, deliver messages and information, announce changes and maintain dialogue with important stakeholders. PR helps to create and maintain the public image of a company.

Market information: This is about gathering, processing and delivering important pieces of information to answer questions regarding things like competitive situation, supply information, customer values and preferences and the like. Market Information is needed for successful implementation of strategies and to give enough background knowledge about the market situation.

Functional communication: This is the communication involving efficient implementation of a marketing plan. This includes the daily, monthly and other frequently conducted communication between the marketer conducting the marketing efforts and his partners in the marketing channel. Functional communication includes also the transfer of documents between the parties.

Product functions: This is specific efforts dealing with modifying the total service or product package to meet the requirements of a customer. Product functions include Product Planning or Product Development, Pricing and Physical Distribution.

Product planning; This is tailored to meet the requirements of the end user. Product planning includes decisions regarding the product concept and possible modifications. These decisions are based on the strategic decisions and market information gathered on end-use requirements and customer preferences at certain markets.

Pricing: This is one of the most critical decision making process in the marketing plan. Companies can approach pricing differently based on their objectives. Pricing can also vary due to the stage of the product's life cycle. Pricing can be carried out by several methods, of which market-based pricing and value-based pricing are examples.

Physical distribution: This is about planning and controlling the physical flow of goods. Strategic decisions determine how physical distribution should be arranged. Physical distribution aims to provide the most flexible and efficient way to reach end users. Planning physical distribution includes gathering of information regarding possible modes, routes, costs and timetables.

Having examined various scholars understanding of marketing functions, it can simply be said that marketing functions are mainly those activities which the marketer will be carrying out from time to time to create more customers. These activities according to Ayuba (2005:11) include:

1. Identification of customers needs or markets
2. Designing the product or services to satisfy the needs
3. Communicating information about the product or services
4. Making the product or services available
5. Applying an appropriate pricing strategy
6. Market information
7. Financing
8. Storage function and
9. Making the necessary service follow-up to ensure customer satisfaction after purchase

Performing the above functions will go a long way in helping the marketer deliver the satisfaction more effectively and efficiently which help in gaining competitive advantage. Carrying out the above functions will not be successful without understanding the marketing variables as the entire functions revolves around the marketing mix elements which is discussed below.

2.0 MARKETING MIX ELEMENTS

The term "marketing mix' was popularize by Borden (1941:22) when he began using the term in his teaching in the late 1940's after Culliton (1939:66) had described the marketing Manager as a "mixer of ingredients". The ingredients in Borden's marketing mix include product planning, pricing, branding, distribution channels, personal selling, advertising, sales promotion, packaging, display, servicing, physical handling, fact finding and analysis. McCarthy (1982:35) later grouped these ingredients into the four categories known as the marketing mix.

Marketing mix is considered the most famous phrase used in marketing which has been described as “the element of marketing tactics” David (1977:26). It is the term used to describe the combination of the four inputs that constitute the core of a company’s marketing system. David (1977:28) also defines marketing mix as a set of controllable tactical marketing tools that the firm blends to produce the response it wants in the target market. These include; product, price, place and promotion sometimes being referred to as the 4P’s of marketing or the controllable variables.

They are the variables that the marketing manager can control. All marketing decisions are generally anchored on or fall into these four controllable variables, the goal is to make decision that center the 4P’s on the customers in the target market in order to create perceived value and generate a positive response. It consists of everything the firm can do to influence the demand for its product.

The marketing mix framework was particularly useful in the early days of the marketing concept when physical products represented a larger portion of the economy. These 4Ps reflect a most customer-oriented marketing philosophy, they provide useful reminders – for example, a marketer needs to bear in mind the convenience of the client/customer when deciding where to offer a service. Some would argue that the marketing mix is too product oriented, and that model marketing should not focus on it. However, it does provide a handy framework for marketing analysis. The 4P’s are important element of the marketing framework as many marketing textbooks have been organized around it. These categories are discussed below:

2.1 Product

This is anything offered for attention, acquisition, use or consumption that might satisfy a want or need. Products can be physical objects, service, persons, organizations and ideal.

Nwokoye (1987:22) defines a product as a bundle of physical and psychological satisfaction that the buyer receives from a purchase. This includes not only the tangible object, but also such supportive elements as ‘packaging, convenience of purchase, post sale service and others that buyers value.

Stanton(1983:38) defines product as a set of tangible and intangible attributes including packaging, colour, test, price, manufacturer’s prestige, retailer’s prestige, as well as manufacturers and retailer services which the buyer may accept as offering wants satisfaction.

2.2 Price

Price is all around us. You pay rent for your apartment, tuition for your education and a fee to your physician or dentist. The air line, railway, taxi and mass transit companies charge you a fare. The local utilities call their price a rate, and local bank charge you interest for the money you borrow.

Kotler (2003:470) defines price as the monetary value of an item, it is the value expressed in terms of dollars, pounds, Naira or any other monetary medium of exchange. In the narrowest sense, price is the amount of money charged for a product or service. More broadly, price is the sum of all the value that consumers exchange for the benefits of buying, housing or using the product.

Price is the only element in the marketing mix that produces revenue, all other elements represent costs. Price is also one of the most flexible elements of marketing mix. Unlike product feature and channel commitments, price can be changed quickly. At the same time, pricing and price competition is the number one problem facing many marketing executives.

One of the major criticisms of pricing is that, many manufacturing companies in Nigeria do not handle pricing well. One frequent problem is that companies are too quick to reduce price in order to get a sale rather than convincing buyers that their products are worth a higher price. Other common mistakes include pricing that is too cost oriented rather than customer – value oriented price that are not revised. Due to the syndrome of get rich quick, some manufacturers in Nigeria use price to exploit on the buyers at times not getting value for money.

2.3 Place

This is an element of the marketing mix, which deals with how manufacturers distribute products to the consumers. The movement of goods and services from the manufacturer to the consumer is known as distribution.

Kotler (1991:122) defines distribution as the movement of products from the point of production to the point of consumption. It can simply be defined as the transfer of goods from producers to consumers. Distribution involves physical activities such as the use of middlemen, transporting and storing of goods in order to provide target customers with time, place and possession utilities.

Place and distribution involves those management task concerned with making the product available and accessible to buyers and potential buyers. The word availability describes the fact that a product or service is capable of being acquired and used by buyers and potential buyers. While Accessibility describes the fact that a product is accessible if potential buyers find it easy and convenience to acquire and use.

2.4 Promotion

Promotion is one of the major forms of marketing communications, which include advertising, personal selling, sales promotion, and public relations. These are therefore referred to as the promotional mix. Most scholars have used different words at different times to connote promotion. Kotler (1986:140) uses the term “communication mix” rather than promotional mix, in the same context, while Jefkins (1990:122) uses the term “communications” to represent company-wide communications rather than just marketing communications.

As it is common with other aspects of human endeavor, it is necessary that promotional mix should be blended if the desired results are to be achieved. This combination is necessary in order for promotion to be effective and result oriented.

The use of the word promotion often raises confusion among users. Keith (1980:112) notes that marketing practitioners often say “promotions” when they mean “sales promotion”, directly contradicting the broader definition advocated.”

John (1985:118) defines promotion as “a word used to describe the whole collection of methods by which the task of information and persuasion may be carried out. It is any effort whose function is to inform or persuade customers about the existence of a product or services with a view to induce them either to start or continue buying the product or services.

Promotion in marketing are all those activities that are geared towards informing a prospective consumer of the availability, necessity, durability, comfort ability, and economic incentives of a product, in order to persuade such consumer to buy. It is simply an exercise in information, persuasion and communication.

Promotional mix is communicational in nature, they are tools normally classified under promotion, and they are called promo tools. This includes advertising, personal selling, sales promotion, publicity, packaging, sales aids (catalogues, literatures, films), trading stamps, premiums, free samples, coupons etc. The four promotional tools include:

Advertising is any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor (Kotler, 2006:202).

Personal selling involves oral presentation in a conversation with one or more prospective purchasers for the purpose of making sales (Kotler, 2006:203)

Sales promotion is a short-term incentive to encourage purchase or sales of a product or service (Kotler, 2006:203)

Publicity is another form of mass selling. It is any unpaid form of non-personal presentation of ideas, goods or services. Although publicity people get paid for their services in a form of Brown envelop, they try to attract attention to the firm and its offerings without having to pay media cost. Even though marketers have less control over the nature of the publicity that their organizations and products receive than they do with their advertising publicity has a major advantage of credit-worthiness since another party is giving the message (Kotler, 2006:204).

Stanton (1982) identifies the following as the factors that should be taken into account in deciding on the promotional mix:

Funds available Regardless of what may be the most desirable promotional mix, the amount of money available for promotion is the real determinant of the mix. A business with ample funds can make more effective use of advertising than an enterprise with limited financial resources.

Nature of the market Decisions on the promotional mix is greatly influenced by the nature of the market. This influence can be felt in at least three ways: Geographic scope of the market, type of Customers, market concentration.

1. *Geographic Scope of the Market:* Personal selling may be adequate in a small local market, but as the market broadens geographically, greater effort must be placed on advertising.

2. *Type of Customers*: The promotional strategy is influenced by whether the business is aiming its sales campaign at industrial users, household consumers or middlemen.

3. *Concentration of the Market:* The total number of prospective buyers is one consideration. The fewer the potential buyers, the more effective personal selling is, compared to advertising.

Nature of the product Consumer products and industrial goods frequently require different strategies. Within the category of consumer products, promotional mix is influenced by whether the product is generally considered as convenience, shopping or specialty item. In industrial goods, installations are not promoted in the same way as operating supplies.

Firms marketing convenience goods will normally rely heavily on manufacturers advertising, in addition to dealer displays. Personal selling plays a relatively minor role. This mix is best because a convenience product is widely distributed and needs special demonstration or explanation.

Stages of the product life cycle The promotional strategies for a product are influenced by the life cycle stage that a product is in at any given time.

Today, with marketing more integrated into organizations and with a wider variety of products and markets, some authors (Jobber, 1998 and Armstrong, 2004) have attempted to extend the usefulness of marketing Mix by proposing a sixth p, which include **people** and **process:**

2.5 People Good information services are likely to be delivered by people who are unskilled or who lacked motivation.

2.6 Process The way in which user gets hold of the services is likely to be poor following poor organization and orderliness.

Some commentators will increase the mix to seven places to include:

2.7 Physical evidence such as uniforms or livery, while Kotler (2000:44) would dismiss the place as being old fashioned.

No matter the varying views, marketing mix is the core of the marketing concept which must be combined effectively to achieve marketing objectives. It's in view of the dire need to meet up organizational goals, that managers develop product strategies, pricing strategies, Distribution strategies and Promotional Strategies.

3.0 PRODUCT STRATEGY

3.1 Product Classifications

According to Bennett (1995), marketers have traditionally classified products on the basis of characteristics: durability, tangibility, and use (Consumer and Industrial). Each product types have an appropriate marketing-mix strategy. Products can be classified into three groups, according to its durability and tangibility.

3.1.1 Non-durable goods: Non-durable goods are tangible goods normally consumed in one or a few uses. The examples here include Beer, chocolate and soap.

3.1.2 Durable goods: Durable goods are tangible goods that normally survive many uses such as refrigerators, machines tools, and clothing.

3.1.3 Services: Services are intangible, inseparable, variable and perishable products. As a result, they normally require more quality control, supplier credibility and adaptability. Examples include haircuts and repairs.

Generally, products are of two categories, i.e., consumer goods and industrial goods.

3.2 Consumer Goods

The vast array of goods consumers buy can be classified on the basis of shopping habits. Kotler (1991:143) distinguish among convenience, shopping, specially, and unsought goods.

3.2.1 Convenience goods*:* Convenience goods are goods that the customer usually purchases frequently, immediately and with a minimum of effort. Examples include tobacco, Gum, sweat, biscuit, soaps, sugar, salt and Newspapers. Convenience goods can be further divided into staples, impulse and emergency goods. Staples goods are goods consumers' purchase on a regular basis. Impulse goods are goods purchased without any planning or search effort. Emergency goods are goods purchased when a need is urgent.

3.2.2 Shopping goods*:* Shopping goods are goods that the customer, in the process of selection and purchase, characteristically compares on such bases as suitability, quality, price, and style. Examples includes used cars, furniture, clothing and major electronic appliances. Shopping goods can be further subdivided into homogeneous shopping goods and Heterogeneous shopping goods. Homogeneous shopping goods are similar in quality but different enough in price to justify shopping comparisons. Heterogeneous shopping goods differ in products features and services that may be more important than price.

3.2.3 Specialty goods*:* Specialty goods are goods with unique characteristic or brand identification for which a sufficient number of buyers are willing to make a special purchasing effort. Examples include cars stereo components and photographic equipment.

3.2.4 Unsought goods: unsought goods are goods the consumer does not know about or does not normally think of buying. Unsought goods require advertising and personal selling support.

3.3 Industrial Goods

Industrial gods can be classified in terms of how they enter the production process and their relative costliness. Geoff (1988) identifies five (5) categories of industrial goods as follows:

3.3.1 Installations: installations include the plant and machinery required for a company's manufacturing processes. These are very critical purchases and usually involve complex purchasing decision-making processes with price not necessarily being the deciding factor.

3.3.2 Accessories: Accessories are also capital items but are less critical and depreciated over a shorter period of time. They include items like office equipments and materials handling equipments.

3.3.3 Raw materials: Raw materials are the most obvious of industrial goods and this is the major task on a modern purchasing department. Here buyers are specifically looking for a keen price coupled with quality and reliability of delivery.

3.3.4 Components parts and materials: Components parts and materials are items that are required in the production processes, but are not part of the finished product. They include such items as packaging greases and oils.

3.3.5 Supplies: Supplies include items like cleaning and maintenance materials and stationary. Buying here tends to be routine and it is often a matter of simply reordering with price being the major criterion consistent with a standard specification of quality.

3.4 Product Modification Strategy

Vanessa (1998) noted that managers' try to stimulate sales by modifying their products characteristics through: quality improvements, feature improvements, and style improvement.

3.4.1 Quality Improvement: Quality improvement aims at increasing the products functional performance that is, its durability reliability, speed, and taste. A manufacturer can often overtake its competition by launching a "new and improved" product.

3.4.2 Feature Improvement: Feature improvement aims at adding new features that expand the product's versatility, safety or convenience. For example size, weights, materials, additives and accessories. Nowlis (1996**)** observes that this strategy has several advantages. New features build the company's image as an innovator and win the loyalty of market segments that value these features. They provide an opportunity for free publicity and they generate sales force and distributor enthusiasm.

3.4.3 Style Improvement: The strategy of style improvement aims at increasing the products aesthetic appeal. A style strategy might give the product a unique market identity. Yet style competition has problems. First, it is difficult to predict whether people will like a new style. Second, style change usually requires discontinuing the old style, and the company stands the risk of loosing customers Kotler, (2001).

3.5 Product Branding Strategy

A major concern in developing product strategy is to distinguish one's product from all others part of a product as we defined it earlier is its image. To create an image, companies adopt a strategy of branding.

A brand according to Strauss (1993:221) is a name, symbol, design, or combination of them that identifies the goods or services of a company. Kapferer (1992:101) observes that, "a brand is essentially a seller's promise to deliver a specific set of features, benefits, and services consistently to the buyers. The best brands convey a warranty of quality. It can convey up to six (6) levels of meanings i.e. attributes, benefits, values, culture, personality and user.

Kotler et al (1999:205) noted "a company has four (4) choices when it comes to brand strategy. It can introduce line extensions, brand extensions, multi brands or new brands.

3.5.1 Line extension strategy: Line extension involves using a successful brands name to introduce additional items in a given product category under the same brand name, such as new flavors, forms, colors, added ingredients or package sizes. Keller et al (1992) observes that a line extension works best when it takes sales away from competing brands, not when it "cannibalizes" the company's other items.

3.5.2 Brand extension strategy: A brand extension strategy is any effort to use a successful brand name to launch new or modified products in a new category. A brand extension strategy offers many advantages first, brand extensions capture greater market share and realize greater advertising efficiency than individual brands. Second, a well-regarded brand name helps the company enter new product categories more easily as it gives a new product instant recognition and faster acceptance (Smith et al 19992).

3.5.3 Multi-brands strategy: This is a strategy under which a seller (company) develops two or more brands in that same product category. A multi brand strategy enables the company to lock up more distributor shelf space and to protect its major brand by selling up flanker brands Taylor (1986:88).

3.5.4 New Brands strategy: This involves introducing new brands within a product category.

3.6 Product Packaging Strategy

Swasy (1989:77) defines packaging to include those activities of designing and producing the container for a product. However, for Straub et al (1994), packaging is more than putting the product in a box; bottle, or wrapper, package design has a significant impact on the company's image. The proper use of shape, color, and material is an element of "product strategy".

To Kotler et al (2000), observes that packaging is playing a more magnified role in today's marketing plan, maintaining that it has become a potent marketing tool. Well-designed package can create convenience and promotional value. Various factors have contributed to packaging growing use as a marketing tool:

Self-service: An increasing number of products are sold on a self-service basis. Thus, package must perform many of the sales tasks: attract attention, describe the product’s features, create consumers confidence, and make a favorable overall impression.

Consumer Affluence: Rising consumer affluence means consumers are willing to pay a little more for the convenience, appearance, dependability, and prestige of better packages.

Company and brand image: Packages contribute to instant recognition of the company or brand.

Innovation Opportunity: Innovative packaging can bring large benefits to consumers and producers.

3.6.1 Importance of packaging attributes

Food products brands use a range of packaging attributes, combining colors, designs, shapes, symbols, and messages (Nancarrow et al., 1998). These attract and sustain attention, helping consumers identify with the images presented. The importance of packaging design and the use of packaging as a vehicle for communication and branding is growing (Rettie and Brewer, 2000), as packaging takes on a role similar to other marketing communications elements. One reason for this is simply the fact that consumers may not think very deeply about brands at all before they go into the store to buy. One recent study estimated that 73 percent of purchase decisions are made at the point of sale (Connolly and Davidson, 1996).

Consumer intention to purchase depends on the degree to which consumers expect that the product can satisfy their expectations about its use (Kupiec and Revell, 2001). But when they have not even thought about the product much before entering the store, this intention to purchase is determined by what is communicated at the point of purchase. The package becomes a critical factor in the consumer decision-making process because it communicates to consumers at the time they are actually deciding in the store. How they perceive the subjective entity of products, as presented through communication elements in the package, influences choice and is the key to success for many food products marketing strategies.

To achieve the communication goals effectively and to optimize the potential of packaging, fast moving consumer goods (FMCG) manufacturers must understand consumer response to their packages, and integrate the perceptual processes of the consumer into design (Nancarrow et al., 1998). In the design process, marketers and package designers must take account of consumers’ past experiences, needs and wants; understand how packaging design elements get consumers to notice the package and notice messages on the package; and, broadly, evaluate packaging design and labeling for their effectiveness in the communications effort.

In doing this, it is particularly important to remember that not all consumers evaluate packaging the same way.

3.6.2 Packaging functions and elements

Prendergast and Pitt (1996) define the basic functions of packaging by their role in either logistics or marketing. The logistical function of packaging is mainly to protect the product during movement through the distribution channels. This could cause added packaging expense, but serves to reduce the incidence of damage, spoilage, or loss through theft or misplaced goods. The second function of packaging is essentially a marketing role. Packaging provides an attractive method to convey messages about product attributes to consumers. Whatever the functional aspects of packaging as related to logistics considerations, packaging is one of the product attributes perceived by consumers. It cannot escape performing the marketing function, even if a company does not explicitly recognize the marketing aspects of package. There is, of course, a danger that the package communicates negatively, but a package well designed for its marketing function helps sell the product by attracting attention and positively communicating.

A review of the relevant literature indicates that there are four main packaging elements potentially affecting consumer purchase decisions. They can be separated into two categories; visual and informational elements. The visual elements consist of graphics and size/shape of packaging. Informational elements relate to product information and information about the technologies used in the package.

3.7 Product Life Cycle Strategy

A company's differentiating and positioning strategy must change as the product, market, and competitors change over time. Kotler (2001) states that the product life cycle is based on the assumption that:

1. Products have a limited life

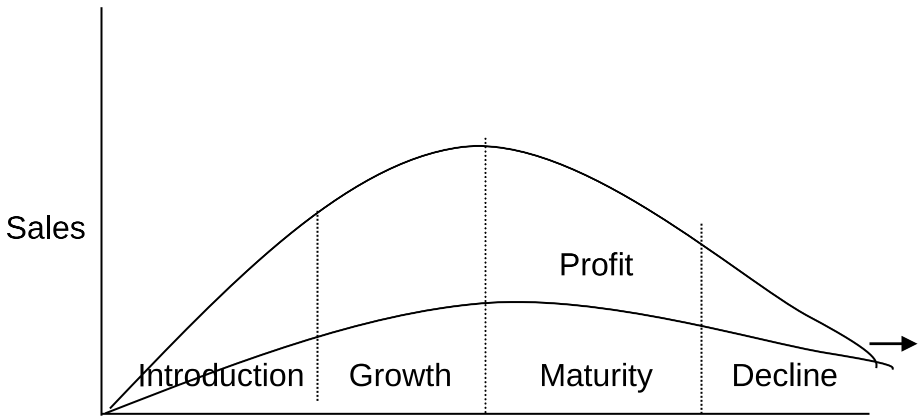
2. Product sales pass through distinct stages, each posing different challenges, opportunities, and problems to the company.

3. Profits rise and fall at different stages of the product life cycle

4. Products require different marketing financial, manufacturing, purchasing and human resource strategies in each stage of their life cycle.

The notion of the product lifecycle is almost as old as the subject of marketing. Various stages are proposed which show that a typical product passes through some stages over its life time. These include the introductory, growth, maturity and decline stages.

Table 1: Stages of the Product Life Cycle



Source: Kotler (2001)

The product life cycle above, shows the stages that a typical product will pass through over its lifetime. The exact shape of sales and profit curves differs from one product to another. Similarly, the time period required to complete the cycle vary. A firms marketing system for a product changes for several reasons:

1. Customer's attitudes and needs may change through the course of the product life cycle.

2. Entirely different target market may be appealed to at different stages in the life cycle.
3. The nature of competition moves towards pure competition or oligopoly.

3.7.1Marketing Strategies at Different Stages of the Product Life-Cycle

Introductory stage is the new product launch period and the product is slowly gaining acceptance. Because it takes time to roll out a new product and fill dealer pipelines, sales growth tends to be slow at this stage.

Buzz ell (1996:99) identifies several causes for the slow sales growth: Delays in the expansion of production capacity, technical problems, delays in obtaining adequate distribution through retail outlets and Customer's reluctance to change established behaviors.

Profits are negative or low in the introduction stage because of low sales and heavy distribution and promotion expenses. Much money is needed to attract distributors. Promotional expenditures are at their highest ratio to sales because of the need to: Inform potential consumers, Induce product trail and Secure distribution in retail outlets.

Firms, thus, focus their selling on those buyers who are the readiest to buy, usually higher income groups. Prices tend to be higher because costs are higher due to relatively lot output rates, technological problems in production, and high required margins to support the heavy promotional expenditures.

Kotler (1991:120) said in launching a new product, marketing management can set a high or a low level for each marketing variables (price, promotion, distribution, products quality). Considering only price and promotion, management can pursue one of four strategies.

Rapid Skimming: Launching the new product at a high price and a high promotion level. This strategy makes sense when a large part of the potential market is unaware of the product; those who become aware of the product are eager to have it and can pay the asking price; and the firm faces potential competition and wanted to build brand preference.

Slow Skimming: Launching the new product at a high price and low promotion. This strategy makes sense when the market is limited in size, most of the market is aware to the product; buyers are willing to pay a high price; and potential competition is not imminent.

Rapid Penetration: Launching the product at a low price and spending heavily on promotion. This strategy makes sense when the market is large, the market is unaware of the product, most buyers are price sensitive, there is strong potential competition and the unit manufacturing costs fall with the company's scale of production and accumulated manufacturing experience.

Slow Penetration: Launching the new product at a low price and low level of promotion. This strategy makes sense when, the market is large, is highly aware of the product, is price sensitive, and there is some potential competition.

Growth Stage The growth stage is marked by a rapid climbs in sales. Early adopters like the product, and additional consumers start buying it. New competitors enter, attracted by the opportunities. They introduce new product features and expand distribution.

Prices remain where they are or fall slightly, depending on how fast demand increases. Companies maintain their promotional expenditures at the same or at a slightly increased level to meet competition and to continue to educate the market. Sales rise much faster than promotional expenditures causing a welcome decline in the promotion-sales ratio.

Profits increases during this stage as promotion costs are spread over a larger volume and unit manufacturing costs fall faster than price declines owing to the producer learning effect. Firms have to watch for a change from an accelerating to a decelerating rate of growth in order to prepare new strategies.

Himelstein (1998:113) observes that during this stage, the firm uses several strategies to sustain rapid market growth as long as possible;

1. It improves product quality and adds new product features and improved styling.
2. It adds new models and flanker products (i.e. products of different sizes, flavors, and so forth that protect the main product).
3. It enters new market segments.
4. It increases its distribution coverage and entered new distribution channels.
5. It shifts from product awareness advertising to product-preference advertising.
6. It lower prices to attract price-sensitive buyers.

Himelstein noted that, all these market expansion strategies strengthen the firm's competitive position. The firm in the growth stage faces a trade off between high market share and high current profit. By spending money on product, improvement, promotion, and distribution, it can capture a dominant position. It forgoes maximum current profit in the hope of making even greater profits in the next stage.

Maturity Stage The growth stage is followed by a maturity stage in which sales growth slows and profit stabilize. This stage lasts longer than the previous stages, and poses formidable challenges to marketing management.

The maturity stage is divided into three phases: growth, stable and decaying maturity. In the first phase (i.e. growth maturity) the sales growth rate stands to decline. There are no new distribution channels to fill. In the second phase (i.e. stable maturity) sales flatten on a per capital basis because of market saturation. Most potential consumers have tried the product, and future sales are governed by population growth and replacement demand. In the third phase i.e. decaying maturity, the absolute level of sales start to decline and customers begin switching to other products and substitutes.

The sales slowdown creates overcapacity in the industry, which leads to intensified competition. Competitors scramble to find niches. They engage in frequent markdowns. They increase advertising and trade and consumer promotion. They increase Research and Development budgets to develop products improvements and line extensions. They make deals to supply private brands. A shake out begins and weaker competitors withdraws.

In the maturity stage, some companies abandon weaker products and concentrate on more profitable product and on new product. Yet they may be ignoring the high potential many mature markets and old products still have.

According to Kotler (2001:92) companies at this stage seeks to innovative strategies to renew sales growth including market, product, and marketing mix modification. The company might try to expand the market for its mature brands by working with the two (2) factors that make up sales volume (i.e. number of brand users and usage rate per user). Convincing current brand users to increase their usage of the brand can also increase volume. Here are five strategies as advocated by Brian et al (1996)

1. The company can try to get customers to use the product more frequently.
2. The company can try to interest users in using more of the product on each occasion.
3. The company can try to discover new product users and convince people to use the product in more varied ways.
4. Managers also try as part of their strategies aimed at breaking through the maturity the product's characteristics through quality improvement, feature improvement, or style improvement.
5. Product managers might also try to stimulate sales by modifying other marketing mix elements (i.e. prices, Distribution, advertising, sales promotion, personal selling and services).

However, sales promotion has proved to be more effective at this stage than all the rest marketing mix because consumers have reached an equilibrium in their buying habits and preferences, and psychological persuasion (advertising) is not as effective as financial persuasion (sales promotion deals).

Decline Stage is signaled by steadily and sustained falling sales after the saturation phase. The decline might be slow, as in the case of consumer goods; or rapid, as in the case of durable goods, sale may plunge to zero, or they may petrify at a low level. Sales decline for a number of reasons; including technological advances, change in consumer tastes, and increased domestic and foreign competition. All lead to overcapacity, increased price-cutting, and profit erosion.

As sales and profits decline, some firms withdraw from the market. Those remaining may reduce the number of products they offer. They may withdraw from smaller market segments and weaker trade channels, and they may cut their promotion budget and reduced their prices further.

In a study of company strategies in declining industries, Harridan (1980:56) identifies five (5) decline strategies available to the firm:

1. Increase the firm's investments (to dominate the market or strengthen its competitive position).

2. Maintain the firm's investment level until the uncertainties about the industry are resolved.

3. Decrease the firm's investment level selectively by dropping unprofitable customer groups, while simultaneously strengthening the firm's investment in lucrative niches (areas).

4. Harvesting ("milking") the firm's investment to recover cash quickly.

5. Divest the business quickly by disposing of its assets as advantageously as possible.

However, the appropriate decline strategy depends on the industry's relative attractiveness and the company's competitive strength in that industry. A company that is in an unattractive industry but possesses competitive strength should consider shrinking selectively. A company that is in an attractive industry and has competitive strength should consider strengthening its investment.

When a company decides to drop a product, it faces further decisions. If the product has strong distribution and residual goodwill, the company can probably sell it to another firm. If the company can't find any buyers, it must decide whether to liquidate the brand quickly or slowly. It must also decide on how much inventory and service to maintain for past customers.

4.0 PRICING STRATEGY

According to Marsh (1988:87), "pricing is a very important element in the marketing mix for it is the only one which produces revenue. All the other parts of the marketing mix are cost driven". Moreover, Kurtz and Clow (1998:240) have suggested that "consumers often use price as one of the inputs into forming expectations when making purchase decisions", while Urbany (2001) has argued that pricing decisions determine the value for the customer and play a role in building an image for the company. Furthermore, Shipley and Jobber (2001) have pointed out that pricing is the most flexible element of the marketing mix in that pricing decisions can be implemented relatively quickly and at a low cost.

The above arguments reveal a general consensus in the literature regarding the importance of pricing for every firm's profitability and relationships with its customers. This significance notwithstanding, "pricing is often a perplexing issue for practitioners and researchers alike. Today, price remains one of the least researched and mastered areas of marketing. Marketers have only recently begun to focus on effective pricing. Although the need for effective pricing is frequently voiced at conference sessions an overview of specific topics of potential interest has yet to be developed" (Hoffman et al., 2002:1015).

The lack of academic interest in the field of pricing is also depicted on the limited empirical studies that have been conducted on this issue, which is even more evident in the case of services. According to Berry and Yadav (1996: 42) "little research exists on the pricing and few people understand the special challenges involved".

Generally, setting price for a new product always present peculiar problems to marketers, the initial price quoted for an item may determine whether the product will eventually be accepted or rejected in the market place. It may also affect the amount of competition that will emerge. Applying an appropriate pricing strategy should be done, bearing in mind most importantly the nature of consumers. Is the consumer price sensitive or insensitive? Price sensitive consumers can react negatively to high price.

4.1Procedures for Setting up a Price of a New Product

Kotler and Keller (2006) maintained that firms are to consider many factors in setting their pricing policies. This include: selecting the pricing objective, Determining demand, estimating costs, Analyzing competitors costs, prices and offers, as well as selecting a pricing method and selecting the final price.

Step 1: Selecting the pricing objective: the company first decides where it wants to position its market offering. The clearer the firm's objectives, the easier it is to set price. A company can pursue any of five major objectives through pricing:

Survival: Companies pursue survival as the major objective if they are plagued with over capacity, intense competition, or changing consumer wants. As long as prices cover variable costs and some fixed costs, the company stays in business. Survival is a short-run objective; in the long-run, the firm must learn how to add value or face extinction.

Maximum current profit: Many companies try to set a price that will maximize current profits. They estimate the demand and costs associated with alternative prices and choose the price that produces maximum current profit, cash flow or rate of return on investment.

Maximum market share: Some companies want to maximize their market share. They believe that a higher sales volume will lead to lower unit costs and higher long run profit. They set the lowest price, assuming that the market is price-sensitive (market penetration pricing).

Maximum market skimming: Market Skimming makes sense when sufficient number of buyers have a high current demand, it is also sensible when the unit costs of producing a small volume are not so high that they cancel the advantage of charging what the traffic will bear; it again makes sense if the high initial price does not attract more competitors to the market or if the price communicates the image of a superior product.

Step 2: Determining demand: Each price will lead to a different level of demand and therefore have a different impact on a company's marketing objectives. Under normal situation, demand and price are inversely related: the higher the price, the lower the demand.

Step 3: Estimating costs: Demand sets a ceiling on the price the company can charge for its product. Costs set the floor. The company wants to charge a price that covers its cost of producing, distributing and selling the product, including a fair return for its effort and risk. A company's costs take two forms, fixed and variable costs:

Fixed costs: this is also known as overhead they are costs that do not vary with production or sales revenue. A company must pay bills each month for rent, heat, interest, salaries and so on, regardless of output.

Variable costs: These costs vary directly with the level of production. These costs funds to be constant per unit produced. They are called variable because their total varies with the number of units produced.

Total costs: this consists of the sum of the fixed and variable costs for any given level of producing.

Average cost: this is the cost per unit at that level of production; it is equal to total costs divided by the production. Management want to charge a price that will at least cover the total production costs at a given level of production.

Step 4: Analyzing competitors costs, prices, and offers: within the range of possible prices determined by market demand and company costs, the firm must take the competitors costs prices and possible price reactions into account. The firm should first consider the nearest competitors price. If the firms offer contains positive differentiation features not offered by the nearest competitor, their worth to the customer should be evaluated and added to the competitor's price. If the competitors offer contains some features not offered by the firm, their worth to the customer should be evaluated and subtracted from the firm's price. Now the firm can decide whether it can charge more, the same, or less than the competitor. The firm must be aware, however, that competitors can change their prices in reaction to the price set by the firm.

Step 5: Selecting a pricing method: given the three CS-the customers demand schedule, the cost function and competitor's prices the company is now ready to select a price. There are three major considerations in price setting; these include: Costs set a floor to the price; Competitors prices and the price of substitutes provide an orienting point. Customer's assessment of unique product features establishes the ceiling price.

Companies select a pricing method that includes one or more of these three considerations. We will examine seven price-setting methods: markup pricing, target return pricing, perceived-value pricing, value pricing, going rate pricing, and auction type pricing, and group pricing:

Markup pricing: the most elementary pricing method is to add a standard markup to the product's cost. Construction companies submit job bids by estimating the total project cost and adding a standard markup for profit. Lawyers and accountants typically price by adding a standard mark-up on their time and costs.

Target return pricing: In target return pricing, the firm determines the price that would yield its target rate of return on investment. Target pricing is used by Peugeot Automobile in Nigeria, which prices its automobiles to achieve a 5 to 20 percent returns on investment. This method is also used by public utilities, which need to make a fair return on their investment.

Perceived – value pricing: An increasing number of companies base their price on the customer's perceived value. They must deliver the value promised by their value proposition, and the customer most perceive this value. They use the marketing mix elements, such as advertising and sales force to communicate and enhance perceived value in buyer's minds.

Perceived value is made up of several elements, such as the buyer's image of the product performance the channel deliverable, the warranty quality, customer support, and softer attributes such as the suppliers reputation, trust worthiness, and esteem.

Value pricing: This involves charging fairly low price for a high quality offering. Among the best practitioners of value pricing are Mr. Biggs, hotels, boutiques etc.

Going- rate pricing: This is the kind of pricing that a firm bases its price largely on competitor's prices. The firm might charge the same, more, or less than major competitors**.**

Auction- type pricing: This type of pricing is becoming more popular especially with the growth of the internet. There are over 2,000 electronic market places selling everything from pigs to used vehicles to Cargo to chemicals. One major use of auctions is to dispose of excess inventories or used goods.

Group pricing: The internet is facilitating a method whereby consumers and business buyers can join groups to buy at a lower price. Consumers can turn to volume buy .com to buy electronics, computers, subscriptions and other items when a consumer finds a desired product, he or she will see the current pool price, which is a function of the number of orders received so far. The web page may also indicate that if (say) three more orders were to come, the price would fall by a specified amount. Major draw back is that some buyers will not wait for the volume order to be executed.

Step 6: Selecting the final price: Pricing methods narrow the range from which the company must select its final price. In selecting that price, the company must consider additional factors, including Psychological Pricing, gains-and- risk-sharing pricing, and the influence of other marketing mix elements on price, company pricing policies, and the impact of price on other parties.

4.2 Identifying Pricing Constraints

There are many forces that place limits on the range of possible prices. Some of these (such as cost) are internal forces, whereas others (such as government laws) are external forces that affect pricing decisions. However, Jobber (1998:76) has identified the following pricing constraints:

Costs: The price a company gets for its product must cover the cost of production and marketing, plus a variety of other expenses, and still leave enough for profit. Some costs are directly related to the materials and wages involved in the production of goods, but other costs come from licensing fees, taxes, and investments in research, business services, and other areas

Government influences: The Nigeria government plays a big role in regulating prices of commodities as do the governments of many other countries. In an effort to protect consumers and encourage fair competition, the government has enacted a variety of price-related legislation over the years, and all marketers need to be aware of legal ramifications. Unfortunately, these laws can be confusing and they are subject to changes in judicial interpretation. Marketers must navigate these legal waters carefully or risk facing lawsuits from the government, their competitors, or their customers. The softest and simplest route is to learn what pricing practices the courts have considered illegal in the past and then avoid these or similar tactics. The government monitors pricing in the areas of price fixing, price discrimination, deceptive pricing, and predatory pricing.

Price fixing: when two or more companies supplying the same type of products agree on the prices they will charge or on the formulas they use to set prices, they are engaging in a practice known as price fixing. In nearly all cases, price fixing is illegal; two exceptions are when the government itself fixes prices or when regulated public utilities set prices for their services (which they can do only with government approval).

Price discrimination: One of the most important pieces of pricing – related legislation in the United States is the Robinson – Pitman Act. A key part of this legislation outlaws Price discrimination**,** the practice of unfairly offering attractive discounts to some customers but not to others.

Deceptive pricing: This is the kind of pricing which the federal government has the authority to investigate and stop pricing schemes that it considers misleading; the term normally used in such cases is the problem in this case is not so much a pricing issue, but the way in which prices are promoted. The federal government guidelines describe five situations considered as deceptive pricing, this include: Comparison with former prices, Comparison with prices that aren't really being charged, Comparison with suggested retail prices, Bargains with strings attached and other misrepresentations.

Other deceptive pricing schemes include: Limited-time offers when the company has no intention of eventually raising the price and Low prices advertised for "seconds" if the products aren't clearly identified as being of lower quality.

Predatory pricing: some times the government considers a price to be so low that it unfairly hurts competition. This is especially true if the seller sets prices that are below its costs, and lower than it charges in other markets. Such tactics are considered predatory pricing and are illegal if your intent is to drive competitors of business. However, if your intent is only to cause temporary pain for a competitor, rather than to run it out of business, aggressive under pricing is legal.

A special case of international pricing occurs when a firm exporting its products to the U.S is accused of both price discrimination and predatory pricing. The term dumping refers to the practice of selling imported goods at prices so low as to injure local competition; the price discrimination occurs because the supplier sells its products for different prices in various countries. Dumping has been an issue in the semiconductor industry, for instance, as Japanese firms try to build market share in the United States. Of course, dumping isn't bad news for everybody; most customers are more than happy to buy dumped goods at their attractive prices.

Channel expectation: the expectations of all the organizations in the marketing channel also place constraints on pricing. For instances, when a product moves from the producers to a wholesalers to a retailer, costs are incurred at each stage, and the final price has to be high enough to support those costs. In addition, depending on the type of organizations in a particular marketing channel, the final price also has to cover fees, commissions, and profits for each channel member. Various industries have evolved different cost structures and expectations; when you enter these marketing channels, you need to make your prices meet the needs of all the members in the channel.

Customer demand: Customer demand is obviously an important aspect of pricing. Marketers together with retailers priced the game at a level they felt the market would support. As customers demand grows or shrinks, prices often need to be adjusted. During the introductory stage, for instance, a price may be raised to temporarily increase profit. This is possible only if demand is significant, of course. On the other hand, if people aren't exactly lining up in anticipation of your new product, you may have to lower prices initially to encourage people to try your product.

Competition: As you might expect, competitive forces are usually a major pricing constraint, and the more emphasis customers put on price, the more powerful the competitive constraint becomes. For example, when students try to decide between two colleges, they might not put a lot of emphasis on price differences. However, when students' parents enter the discussion, chances are pretty good that competitive prices become an issue.

From the marketer's perspective, then, the presence of price competition can place firm limits on the range of possible prices. It's important to remember, however, that there is more to competition than price. Non–price competition refers to all elements of competition, other than price, that companies can use to differentiate their products. Some of these attributes are quality, service, warranties, performance, and image.

Ethics: finally, ethical considerations play a role in the pricing decision. Although a number of unethical pricing moves are illegal and monitored by various government agencies, gray areas exist in which the ethical choice is left up to the marketer in addition. The opportunities for illegal pricing out numbered the government watchdogs. But even if a company doesn't think it will get caught, it should still manage its business, including pricing, by acceptable standards of conduct.

Questionable pricing practices are not unheard of, however. For example, pricing in the travel industry is so complicated that even professional travel agents can't always figure out the true price customers have to pay.

More over, airlines in Nigeria have been accused at advertising attractive low fares that were nearly impossible for any passenger to take advantage of because there were so many restrictions. A more ethical approach might be to establish and advertise the prices that most people will actually end up paying.

5.0 Distribution Strategy

Distribution decisions are pretty difficult in domestic marketing and even more complicated in international marketing of paramount importance to the marketer and customers is on how to deliver the rights goods and services to the right customer, at the right time and at the right place in an effective and efficient manner.

Kotler and Kelly (2006:103) recognized that physical distribution management (PDM) is a critical area of overall marketing management involving major decision issues in the movement of good and services from one location to the other. The major decisions issues involved in physical distribution activities include inventory control, material handling order processing, transportation and storage function.

Inventory control: Inventories are in effect, reservoirs of goods held in anticipation of sales. The marketing manager must set both maximum and minimum allowable limits bearing in mind that this will involve sales and cost considerations. The control of inventories is essential, if a company is to avoid the losses associated with overstocking or under stocking of both raw materials and finished goods. A satisfactory production schedule cannot be developed without definite inventory policies. For example: when a firm uses just-in-time, they maintain low inventory levels and purchase products and materials in small quantities whenever they are needed, and must have systematic methods for determining a reorder point to avoid stock outs without tying up too much capital.

Materials handling: This refers to the in-store transportation of goods from one place to another. Materials handling is often necessary in stocking goods and these may be done manually or mechanically. Material handling also includes activities associated with the following operations:

1. Loading and unloading trucks, conveyors and containers.
2. Lifting and lowering materials to and from work tables, containers and storage locations.
3. Transporting materials to and from receiving, storage, work place and shipping locations.
4. Storing materials at raw materials, work-in-process or finished goods location.
5. Packaging, Labeling and movement must be coordinated to maximize cost reduction and customers' satisfaction.

Order processing: This refers to the methods firms or organizations use for processing customers orders. Efficiency in order processing can confer suppliers with competitive advantages, minimize their reorder problems and ensure prompt delivery of orders. Order processing consists of three (3) main tasks: order entry, order handling, and order delivery. Order processing can be done manually, but it is usually accomplished through electronic data interchange (EDI).

Transportation: This creates place utility by moving goods to places where they are more useful. Transportation may be by land, air, or sea. Motor vehicles and trains may be used on Land, Aero planes may be used in the air, ships, tugs, and barges may be used at sea. The choice of a means of transportation will depend on:

1. The nature of the product whether it is bulky or light, or it is easily fragile, perishable, or otherwise.
2. The cost to using the different means;
3. The urgency with which the goods are to be transported
4. The distance over which the goods are to be transported
5. The security of the goods in that means of transport.
6. The availability of transport facilities such as airports, rail and sea routes.
7. The preference of the owner of the goods.

Storage: Marketers must make two important storage decisions:

1. Geographic deployment of warehouses i.e., a choice between dispersing and concentrating storage facilities near the potential

2. Ownership of warehousing facilities or renting

This decision will of course be influenced by several important variables including customer's buying patterns and delivery expectations, cost of building and operating warehouses, location of markets and factories, transportation cost etc

5.1 Channels of Distribution

The Channels of Distribution are the means employed by manufacturers and sellers to get their products to market and into the hands of users. Stanton (1964) defines channels of distribution as the combination of institutions which direct the company's product to consumers. Channels according to Frazier et al (1996) are management tools used to move goods from production to consumption; by which the title to goods is transferred from seller to buyer.

Kotler and Armstrong (2004) observe that most businesses use third parties or intermediaries to bring their products to market. They try to forge a "distribution channel" which can be defined as: "All the organization through which a product must pass between its point of production and consumption" Why does a business give the job of selling it products to intermediaries? After all, using intermediaries' means, giving up some control over how products are sold and who they are sold to.

The answer lies in efficiency of distribution costs. Intermediaries are specialists in selling. They have the contacts, experience and scale of operation which means that greater sales can be achieved than if the producing business tried running a sales operation itself.

There is a variety of intermediaries that may get involved before a product gets from the original producer to the final user. These are described briefly below:

Retailers: Retailers operate outlets trade directly with household customers.

Wholesalers*:* Wholesalers stock a range of product from several producers. The role of the wholesaler is to sell onto retailers. Wholesalers usually specialize in particular products.

Distributors and dealers: Distributors or dealers have a similar role to wholesalers-that of taking products from producers and selling them on. However, they often sell onto the end user/customer rather than a retailer. They also usually have a much narrower product range. Distributors and dealers are often involved in providing after-sales service.

Franchises: Franchises are independent businesses that operate a branded product (usually a service) in exchange for a license fee and a share of sales.

Agents: Agents sell the products and services of producers in return for a commission (a percentage of the sales revenues)

5.2 Types of Channels of Distribution

Ayuba (2005:121) identifies the following channels of distribution:

Direct distribution channel a direct channel is the movement of goods and services from the point of the production line to the point of use without using any marketing intermediary. An indirect channel is a conduct to the customer which is not owned by the vendor of products supplied through the channel. A channel is composed of group of companies whom have similar business model and selling similar products and services to a similar customer set. It is simply the movement of goods and services from the point of the production line to the point of use using chains of marketing intermediaries.

Hybrid channels are created when more than one channel member must participate in a single transaction or solution for the customer. For example, a hardware vendor and software publisher might team to provide a solution for a specific industry. The hardware vendor might provide hardware and system configuration while the publisher always provides the software, installation, training and on-going software support. The creation of this type of channel is often the only way for a commodity hardware vendor to enter a highly specialized marketplace. Most IT channels are hybrid and are extremely effective if managed properly.

Internet channel this is a channel established via the World Wide Web, intranet or extranet which acts as a retail mall or catalog sales organization. This type of channel is usually supported with phone sales and technical personnel who assist with transactions and technical questions. It may provide exceptional efficiency while dealing with packaged goods such as books, software, computers etc.

2.6.4 Functions of Distribution Channel

Stanton (1964:148) states clearly the main function of a distribution channel which is to provide a link between production and consumption. Organizations that form any particular distribution channel perform many key functions:

Information: Gathering and distributing marketing information and marketing intelligence which is important for marketing planning.

Promotion: communicating information about the product or services.

Contact: Finding and communicating with prospective buyers

Matching: Adjusting the offer to fit a buyer's needs, including grading.

Negotiation: Reaching agreement on price and other terms of the offer, as well as assembling and packaging.

Physical Distribution: Transporting and storing goods

Financing: Acquiring and using funds to cover the cost of the distribution

Risk Taking: Assuming some commercial risks by operating the channel (e.g. holding stock)

2.6.5 Selecting Channel of Distribution

As stated earlier in Stanton 1964 and Frazier et al (1996) that a channel of distribution consists of intermediaries used in moving goods from producers to consumers, it must be emphasized that a company has a choice as to what channel to use, since the alternative is usually available to choose from. The three basic alternatives are:

1. A producer may sell directly to consumers without going through intermediaries i.e. a furniture maker, who sells custom made goods directly to customers or users.

2. A producer may sell to retailers who then sell to consumers or user's i.e. Automobile dealers use this channel. Example, Peugeot Automobile Nigeria limited sells its cars to dealers (ASD Motors) who in turn sell to customers.

3. A producer may sell directly to wholesalers who in turn sell to retailers, who then resell to consumers i.e. oil refineries and Breweries make use of this channel.

6.0 PROMOTIONAL STRATEGY

Promotion is one of the basic elements of the Marketing mix. When product is launched newly into the market, aggressive promotional effort has to be embarked upon to create the awareness in potential customers. An attempt here will be made to evaluate the various promotional strategies which help marketers achieve their marketing communication objectives.

6.1Steps in the Promotional Plan

Kotler (1998:243) said for promotion to be effective and result-oriented, it must be properly planned and carefully implemented. The following steps according to him are to be followed:

Step 1: Selling Objectives
Step 2: Identifying the Target Market
Step 3: Developing a Budget
Step 4: Choosing a Message
Step 5: Determining the Promotional Mix
Step 6: Selecting the Media Mix
Step 7: Measuring Effectiveness

Selling objectives: Before embarking on a particular promotional exercise, it is essential to establish the objectives the promotion is aimed at achieving. It is indeed impossible to plan a promotional program unless the marketing manager knows what goals he or she is trying to achieve. The objective could be one of creating awareness, increasing level of sales or reminding purchasers of the brand name, or capturing new customers.

Identifying the target market the market segment that the firm wants to reach in a given promotional campaign should be explicitly defined both demographically and perhaps, psycho graphically through market research. Naturally, the target market should consist primarily of the individuals where most likely to purchase the product within a relevant period. For a new product in home use, test marketing; on focus groups provide valuable insights into characteristics of potential buyers.

Developing a budget after a marketing manager has specified the promotional goals and identified the relevant market segments; a concrete promotional budget can be developed. At this stage, top-level management decision-making is required. It is not the duty of the marketing manager alone.

Choosing a message after promotional objectives have been created, target markets identified, and promotional budgets established, management could begin preparing the right message to reach the target. The nature of the message will vary, depending on the goals of the promotion. If the product is in the introductory phase of the product life cycle, product information will probably be the major message.

Determining the promotional mix Often different message themes are developed for each promotion tool. For example, public relations may be charged with creating a positive corporate image among target customers. Advertising will focus on developing corporate and product awareness to complement personal selling. The function of personal selling will be to interact with customers by amplifying and explaining the advertising messages and designing the right product or services to meet the specific needs of customers. Sales promotion may come into the picture by communicating a "special discount" to prospective buyers if they purchase now. Thus, public relations, advertising and sales promotion are all aimed at increasing sales effectiveness.

Measuring effectiveness: The next stage is to assess the success or otherwise of a chosen promotional tool. Where a tool failed to achieve the set goal, a modification could be made.

6.2 Designing the Promotional Message

Kotler (2001) went further to suggest that, "having identified the target audience of a promotion and established the goal, the marketer must design a realistic message to make the promotion meaningful and effectively convincing. Ideally the message should get attention, hold interest, arouse desire and elicit action i.e. (AIDA Model). In formulating the message, the marketer must consider solving four problems:

- Message content – In terms of what to say
- Message structure – In terms of how to say it logically
- Format – In terms of how to express it symbolically
- Message source – In terms of who should say it

Message content: The communicator must figure out what to say to the target audience to produce the desired response. This involves formulating some kind of benefit, motivation, identification or reason why the audience should think about or investigate the product. Three types of appeals can be distinguished:

Rational appeal shows that the product will produce the claimed functional benefit.

Emotional appeal attempts to stir up some negative or positive emotion that will motivate purchase.

Moral appeal is directed to the audiences' sense of what is right and proper. They are often used to exhort people to support social causes, such as cleaner environment etc.

Message structure: Message effectiveness depends on its structure as well as its content. Messages can be communicated in a way that leads to a logical conclusion about the benefits of the product. For example, a current advertisement on TV that shows how a man tries to contact his doctor through the telephone. The logical conclusion here will be that the bin atone brand of telephone is better than any other type.

Message format: The communication must develop a strong format for the message. In print advert, the communicator has to decide on the headline copy, illustration and color. To attract attention, advertisers use such devices as key visuals, a pay off, image, demonstrations, testimonials, emotion, and music. If the message is to be carried over the television, all of these elements plus body language have to be planned, and presenters have to pay attention to their facial expressions, gestures, dress, posture, and hair style. If the message is carried by the product or packaging, the communicator has to pay attention to color, texture, scent, size and shape.

Message source: Messages delivered by attractive sources achieve higher attention and recall. Advertisers often use celebrities and spokes people, for as Mohammed Ali for a Ribena Drink and our local Austin Okocha for IGI Insurance. The source of a message should be attractive, likeable and trustworthy.

6.3 Promotional Mix Elements

The word mix is constantly used in connection with other concepts in marketing. The way, in which the promotional methods are used, and their weight and cost relative to each other and to the other ingredients of marketing mix, will vary from one situation to another. The group of methods to be used in a given situation and the weighting attached to each method is referred to as the promotional mix, they include advertising, personal selling, sales promotion and publicity.

Promotional activity would be more effective if the mix is proportional. Arriving at the correct promotional mix is a very complex business; first and foremost, a manager should look at the kind of factors that influence the make-up of the promotional mix (Kotler and Keller, 2006:98).

6.3.1 Advertising

The Institute of Practitioners in Advertising (IPA) the body which represents advertising agencies, defines advertising as; the means of providing the most persuasive selling message to the right prospects at the lowest possible cost (www.tutor2u.net).

Kotler (1991:233) defines advertising as any paid form of non-personal presentation and promotion of ideas, goods and services through mass media such as newspapers, magazines, television or radio by an identified sponsor.

David (1977:188) noted that “Advertising permeates almost all facets of our everyday life. Whenever we scan a newspaper, look at a magazine, listen to a radio, watch TV program, open our mail or walk down a city street, the chances are that we will be exposed to commercial messages”. It is virtually impossible for anyone to escape contact with some form of advertising.

David went further to suggest that, “before advertisement is carried out the following decisions must be made:

1. If the organization is going to make use of an advertising agency or performing the entire function internally and the criteria by which such an agency would be selected.

2. How much the organization is going to spend on advertising that will reflect a percentage of anticipated sales?

3. The organization should also decide on when the advertising budget should be spent. If it should be spent evenly in the year or when sales are normally lowest.

4. The media at which the organization will use to advertise in reaching its targeted customers, as well as decisions on how to select the various media organizations for the advert placement.

6.3.1.1 The Reasons for Advertising

The following has been identified by George et al (1998 and reported by Ayuba, 2005:131) as the reasons why marketers advertise:

1. To create awareness, customer interest or desire.
2. To boost sales (moving the demand curve to the right).
3. To build brand loyalty (or to maintain it at the existing level)
4. To lunch a new product.
5. To change customer attitudes – perhaps trying to move a product more “up market” or to dispel some widely held perceptions about the product.
6. To support the activities of the distribution channel (e.g. supporting a “pull” strategy).
7. To build the company or brand image.
8. To remind and reassure customers
9. To offset competitor advertising – business may defend market share by responding to competitors’ campaigns with their own advertising.

10. To boost public standing: companies can boost their public standing with advertisements that link them with generally approved campaign such as care for the environment.
11. To support the sales force – advertising can make the job of the sales force easier and more effective by attracting leads from potential customers and perhaps motivate them by boosting the profile of the business.

6.3.1.2 What to Advertise?

Factors that help answer the question "what are we advertising"? Will focus on what the advertising message should be in general, there are really only two kinds of effective advertising message:
Firstly, does the business/product have a unique selling preposition? A unique selling preposition is a customer benefit that no other product can claim. In reality these are rare, although that does not stop markets from obtaining them for their products.

Secondly, does the thing that is being advertise, "Add value" and if so, how? For example, advertising for washing powders will focus on the "added value" created by whitening agents or the fact that a particular formulation will last longer than the competition (take a look at the fairly website to see if you can spot the other "added value" features claimed for its products). Whatever is advertised, it is important that the messages are: Seen, Read, Believed, Remembered, and Action upon by target customers (Ayuba, 2005: 132).

6.3.1.3 Types of Advertising

Schew et al (1980:133) identifies six main categories of advertising, these are: Consumer advertising, Industrial advertising, Trade advertising, Retail advertising, Financial advertising and Recruitment advertising.

Consumer advertising: There are two types of goods bought by the public, consumer goods and consumer durables, which together with consumer services are advertised through the media addressed to the appropriate social grades. Consumer goods are the numerous goods to be found in the shops, those goods, which enjoy repeat sales like foods, drinks, confectionery and toiletries. Consumer durables are usually more expensive, less essential, less frequently bought, and also of a more permanent nature than consumer goods. They include clothes, furniture, domestic appliances, radio, television, video, etc.

The media of consumer advertising will tend to be those with wide appeal and even when more specialist journals such as women's magazines are used, they will still have large circulations. The primary media of consumer advertising are the press, radio, television, exhibitions and sales promotion. Sponsorship of many popular sports supported by arena advertising at the sports venue is also important.

Industrial advertising: This is aimed at promoting sales of equipment and services used by industry. Such equipment is machinery, tools, vehicles, and specialist consultancy, finance and insurance. It is also aimed at promoting sales of raw materials, components and other items used in industrial production. Such items include; plastic, food ingredients, chemicals and parts for assembly, etc.
The suppliers of service, equipment, raw materials and components will usually advertise in media seldom seen by the general or consumer public. The media used will consist of trade and technical journals, technical literature and catalogues, trade fairs or exhibitions, direct mail and technical demonstrations and seminars.

Trade advertising: This is addressed to distributors, chiefly wholesalers, agents, importers/exporters and numerous kinds of retailers, large and small. Goods are advertised for resale.

Under press or direct mail is commonly used here. Trade press is read by traders. The trade press advertising is to inform merchants and traders about goods available for resale. Through reminding them about well-established brands, introducing new lines, or as is often the case, announcing special efforts to help retailer sell goods e.g. price reductions, better trade terms, new packages, and consumer advertising campaigns or sales promotion schemes.

Occasionally, commercial television time may be bought to tell retailers about new lines or retailers may be mailed to tell them that consumer-advertising campaigns are about to appear on TV.

Retail advertising: Here, we have a form of advertising which lies between trade and consumer advertising. The most obvious examples are those for department stores and supermarkets, but it can include the advertising conducted by any supplier including a petrol station, restaurant, or insurance broker.

The purpose of retail advertising is to sell the establishment, attract customers to the premises, and increase the number of people passing through the shop (store traffic). If they can be encouraged to get inside the shop they may possibly buy things they wouldn't have bought.

Retail advertising is also aimed at selling goods, which are exclusive to the shop. Some distributors are appointed dealers for certain makes, e.g., Peugeot cars, Coca Cola, etc. Retail advertising is confined to local media.

Financial advertising: Financial advertising includes those banks savings, insurance and investments. In addition to advertising addressed to customers or clients it can also include company reports, prospectus for new share issues, records of investments in securities and other financial announcements.

Some, like building society and national savings advertisements, may be addressed to the general public while others will appear in the financial and business press only, e.g. the Business Times, The Economist, Business Day etc. The object of financial advertising may be to borrow or lend money, conduct all kinds of insurance, sell shares or report financial results.

Recruitment advertising: This form of advertising aims to recruit staff and may consist of run on classified advertisements or displayed classified, although other media such as radio and television are sometimes used. Recruitment advertisement is mainly of two kinds that inserted by employers, whether identified or using box number, and that placed by employment or recruitment agencies, which have been commissioned to fill vacancies.
The media of recruitment advertising include national newspapers, magazines, trade and professional journals, etc. The aim of recruitment advertising is to attract the largest number of worthwhile applications at the lowest possible cost.

Schewe (1980:134) noted that advertising is undertaken by an almost limitless variety of sources. In addition, to manufacturers, these include intermediaries, especially retailers, and non-traditional markets. In general, he went further to classify advertising into three categories; product or primary demand advertising, institutional and professional advertising.

6.3.1.4 Roles of Advertising

Kotler (1991:235) say the great advantage and role of advertising is that it carries the sales message to a very large number of people, possibly to people the advertiser does not know or cannot meet, and who may be scattered throughout a town, a state, country or may be the world. It is this broadcast effect, which is so valuable that it became the best means of reaching the market.

He also states that it can influence product and brand selection when a natural or favorable frame of reference already exists. For instance, Revlon can influence women to buy “Charlie” perfume through advertising because society perceives a pleasant body odor as a desirable trait. On the other hand, Revlon would find it difficult to convince Nigerian women generally to purchase the “new Revlon nose ring” because our society does not view nose rings as acceptable jewelry.

Advertising influences consumer preferences. Advertising leads to increase sales returns. It influences not only sales of the advertising brand but also sales of other brands. It forces competing firms to raise their promotion budgets in order to maintain market share.

The ultimate purpose of advertising is to create sales and unless there is a clear cut evidence regarding the relationship between communication and subsequent sales, it is not necessarily realistic to assume a high degree of brand awareness of the existence of a favorable attitude towards a product will lead to an increase in a company's sales performance.

6.3.1.5 Stages in Advertising Campaign

Levitt (1960:187) came up with five main stages involved in a well-managed advertising campaign as follows:

Stage 1: Set Advertising Objectives
An advertising objective is a specific communication task to be achieved with a specific target audience during specified period of time. Advertising objectives fall into three main categories:

1. To inform – e.g. tell customers about a new product
2. To persuade – e.g. encourage customers to switch to a different brand
3. To remind – e.g. remind buyers where to find a product

Stage 2: Set the Advertising Budget
Marketers should remember that the role of advertising is to create demand for a product. The amount spent on advertising should be relevant to the potential sales impact of the campaign. This, in turn will reflect the characteristics of the product being advertised.
For example, new products tend to need a larger advertising budget to help build awareness and to encourage consumers to try the product. A product that is highly differentiated may also need more advertising to help set it apart from the competition – emphasizing the points of difference.

Setting the advertising budget is not easy – how can a business predict the right amount to spend. Which part of the advertising campaign will work best and which will have relatively little effect? Often businesses use "rules-of-thumb" (e.g. advertising/sales ratio) as a guide to set the budget.

Stage 3: Determine the Key Advertising Messages
Spending a lot on advertising does not guarantee success. Research suggests that the clarity of the advertising message is often more important than the amount spent. The advertising message must be carefully targeted to impact the target customer audience. A successful advertising message should have the following characteristics.

Meaningful – customers should find the message relevant
Distinctive – capture the customer's attention
Believable – a difficult task, since research suggests most consumers doubt the truth of advertising in general.

Stage 4: Decide which Advertising Media to Use

There are a variety of advertising media from which to choose. A campaign may use one or more of the media alternatives. The key factors in choosing the right media include:

Reach – what proportion of the target customers will be exposed to the advertising?

Frequency – how many times will the target customer be exposed to the advertising message?

Media impact – where, if the target customer sees the message – will it have most impact? For example, does an advert promoting holidays for elderly people have more impact on Television (if so, when and which channels) or in a national newspaper or perhaps a magazine focused on this segment of the population?
Another key decision in relation to advertising media relates to the timing of the campaign. Some products are particularly suited to seasonal campaigns on television (e.g. Christmas hampers) whereas for other products, a regular advertising campaign throughout the year in media such as newspapers or special magazines is more appropriate.

Stage 5: Evaluate the Results of the Advertising Campaign
The evaluation of an advertising campaign should focus on two key areas:

The communication effects; is the intended message being communicated to the intended audience effectively?

The sales effects; has the campaign generated the intended sales growth? This second area is much more difficult to measure.

6.3.1.6 Criticisms of Advertising

Critics of advertising have attacked advertising in various perspectives. David (1977:88) notes that advertising is frequently attacked on economic, sociological, aesthetic, and even moral grounds. Some major critiques to advertising (Drucker 1973, Chandler 1962 and George *et al*) believe that, “the cost of advertising is not worth it: Overtime people have argued that the amount of money spent on advertising consumer products is more than necessary. But David (1997) maintains that the truth is that less is spent on advertising than most people think.

Advertising unnecessarily adds to the cost of products. This argument has been on for a period of time, though scholars (Ayuba, 2005:131and Wilson 1996:234) have tried to debunk this claim by maintaining that Advertising result to increase in sales volume which subsequently results to more profit that may not necessarily add to the cost of product. Naturally, the size of market determines whether what is spent on advertising is adding to the cost of the product or not. It is obvious that the price paid by the consumer must include all cost of doing business, and advertising is certainly one of such.

Much advertising is deceptive or down right dishonesty: Among the many criticisms against advertising, this seems to be more obvious, despite the efforts of better business bureaus and various consumer groups, much advertising remains just a come-on. In other words, marketers use advertising as a deceptive tool.

Advertising creates discontent: Some critics claim that advertising over-emphasizing the happiness to be obtained from material things and induces people to want what they really do not need. Advertising alone can not achieve promotion objectives effectively, it is the blend with other promotional elements such as personal selling, sales promotion and publicity that will make promotion to be effective and result oriented.

6.3.2 Personal Selling

Personal selling is oral communication with potential buyers of a product with the intention of making a sale (Kotler, 1991:123). The personal selling may focus initially on developing a relationship with the potential buyer, but will ultimately end with an attempt to "close the sale". Personal selling is one of the oldest forms of promotion. It involves the use of a sale force to support a push strategy (encouraging intermediaries to buy the product) or a pull strategy (where the role of the sales force may be limited to supporting retailers and providing after-sales service).

Schewe (1987:102) considers personal selling as a person-to-person communication in which the receiver provides immediate feed back to the sources message through words, gestures, expressions, and the like. Because of the nature of this communication, it is possible the message can be tailored to the audience. This allows more precise customer targeting than advertising, even though it limits the number of contacts to be made.

6.3.2.1 Types of Personal Selling

Kotler (1991:124) states that, "personal selling can be classified according to the sales job performed by the sales force".

Account representative: This sales person also known as a sales representative, calls on a large number of already established customers. Selling is low-key, orders are taken, and there is little effort to develop new business. The account representative is frequently used in goods, textiles, etc.

Missionary salesperson: The task of this salesperson is primarily to introduce products and to perform promotional activities rather than to solicit orders. Among pharmaceutical manufacturers, the missionary salesperson are called 'detail salesperson', and their job is to call on doctors, distribute samples, and persuade them to write prescriptions that specify the brand being pushed. Actual sales are made through the wholesalers.

Sales engineer: When technical knowledge and ability to discuss technical problems is essential to the sale, the job usually calls for a sales engineer. This salesperson can identify, analyze and solve customer's problems to make the sale. The sales engineer is found most in the chemical, machinery and heavy equipments industries.

Non-technical/ industrial product salesperson: Firms that sell tangible products to industrial and other organizational purchasers, where no technical knowledge is necessary use this type of salesperson. Producers of packaging materials or standard office equipment like typewriters are apt to use this.

6.3.2.2 The Main Roles of the Sales Force

Kotler (2001:161) identifies six main activities of a sales force:

1. Prospecting – trying to find new customers.
2. Communicating – with existing and potential customers about the product range.
3. Selling – contact with the customer, answering questions and trying to close the sale.
4. Servicing – providing support and service to the customer in the period up to delivery and also post sale.
5. Information gathering – obtaining information about the market to feed back into the marketing planning process.
6. Allocating – in times of product shortage, the sales force may have the power to decide how available stocks are allocated.

6.3.3 Sales Promotion

Sales promotion is an activity designed to boost the sales of a product or services. It may include an advertising campaign, increased PR activity, a free-sample campaign, offering free gifts or trading stamps, arranging demonstrations or exhibitions, setting up competitions with attractive prizes, temporary price reductions, door-to-door calling telemarketing personal letters on other methods". More than any other element of the promotional mix, sales promotion is about "action". It is about stimulating customers to buy a product. It is not designed to be informative – a role which advertising is much better suited to (Stanton, 1964:99).

However, Kotler (2001:188) defines sales promotion, “as a non- recurring promotional activity between the producer, the marketing intermediary and the end user. Rather than competing with either advertising or personal selling, sales promotional activities are complimentary to them.

6.3.3.1 Sales Promotional Techniques

There are various sales promotional techniques available to marketers. According to Kotler (2001:189), these include:

Price promotion: Price promotions are also commonly known as “price discounting.” This involves offering either (1) a discount to the normal selling price of a product, or (2) more of the product at the normal price.

Coupons: Coupons are another very versatile, way of offering a discount. It can be used on a pack to encourage repeat purchase, it can be sent out in newspapers or on the back of a receipt.

One problem with coupon is that they may simply encourage customers to buy what they would have bought anyway. Another problem occurs when retailers do not hold sufficient stocks of the promoted product causing customer disappointment.
Use of coupon promotions is, therefore often best for new products or perhaps to encourage sales of existing products that are slowing down.

Gift with purchase: The “gift with purchase” is a very common promotional technique. It is also known as a “premium promotion” in that the customer gets something in addition to the main purchase. This type of promotion is widely used for Newspapers/Magazines subscriptions or consumer luxuries (e.g. perfumes)

Competitions and prizes: Another popular promotion tool with many variants. Most competition and prize promotions are subject to legal restrictions.

Money refunds: Here, a customer receives a money refund after submitting a proof of purchase to the manufacturer. Customers often view these schemes with some suspicion – particularly if the method of obtaining a refund looks unusual or onerous.

Frequent user/consumer promotion: Repeat purchases may be stimulated by frequent user incentives. Perhaps the best examples of this are the many frequent user schemes used by airlines, train companies, car hire companies, etc.

Contest: This is an old type of sales promotion; it involves the consumer participation in a contest. Though recently, it has lost much of its appeal. This is because of the legal implication.

Sweepstakes: This is the type of sales promotion that encourages consumers to purchase a particular item. However, here again legal considerations are involved. To avoid prosecution under lottery laws, sweep takes sponsors no longer require entrants to actually purchase the product.

Samples: Another common consumer sales promotion is sampling, which is offering the product free or at a great reduced prices. Sampling puts the product in the consumer's hands. A trial size is generally offered that is smaller than the regular package size. If consumers like the sample, it is hoped that they will remember and buy the product.

Point-of purchase displays: This type of sales promotion involves displaying products in form of advertising signs, which sometimes actually hold or display the product. It involves the use of some eye catching materials such as wall signs, posters, shelves etc.

6.3.3.2 Objectives of Sales Promotion

The objectives of sales promotion vary widely. Marketers may use consumer promotions to increase short-term sales or to help build long-term market share. The objective here would be to entice consumers to try a new product, lure consumers away from competitors' products. The objectives of trade promotions include getting retailers to carry new items and more inventories, getting them to advertise the product and give it more shelf space, and getting them to buy ahead.

The objective of a sales promotion may also include getting more sales force support for current or new products or getting sales people to sign up new accounts. It has been noticed that price promotion achieves the objective of building the customers relationship. Sampling may stimulate consumer trial where as a free management-advisory service may achieve a good long term relationship with the retailer (Edward et al, 1963).

6.3.4 Public Relations

The institute of Public Relation (1940) defines public relations as the planned and sustained efforts to establish, maintained goodwill and mutual understanding between an organization and its public." Berkowitz etal (2000) states that public relation is a form of communication management that seeks to influence the feelings, opinions, or beliefs held by customers, prospective customers, stock holders, suppliers, employees and other publics about a company and its product or services.

Kotler (2001:191) sees public relations as building good relations with the company's various publics by obtaining favorable publicity, building up a good "corporate image", and handling or heading off unfavorable rumors, stories and events. To succeed in its operations a company must not only relate constructively to it customers, suppliers and dealers, but it must also relate to a large number of interested public.

Public relations in this case, could be defined as any group that has an actual or potential interest in or impact on a company's ability to achieve its objectives. Therefore, public relations involve a variety of programs designed to promote or protect a company's image or its individual products. A scholar once noted that public relations could facilitate or impede a company's ability to achieve its objectives. Public relation has often been treated as a marketing stepchild, an after thought to more serious promotion planning.

6.3.4.1 The Need for Public Relations

Public relations are used to promote products, people, places, ideas activities, organization and even nations. Public relation influence on the life of the business and is most appreciated from the fact that it reduces the amount of money to be spent on other forms of communication. Public relation can have a strong impact on public awareness at a much lower cost than advertising.

The public relation department monitors the attitudes of the organization's public and distributes information and communications to build good will. When negative publicity happens the public relation department acts as a trouble-shooter. The best public relation departments spend time counseling top management to adopt positive programs and to eliminate questionable practices so that negative publicity does not arise in the first place.

Busori et al (2002), states that the public relations department contributes the following to the organizations survival and growth:

Builds awareness the public relations can place stories in the media to bring attention to a product, service, person, organization or idea.

Builds credibility the public relation can add credibility by communicating the message in an editorial context.

Stimulates the sales force the public relation can boost sales force and dealer enthusiasm. This can be achieved by publishing stories about the product before it is launched.

Holds down promotion cost costs of sales promotion can be cut down if the public relation effectively disseminates information about the company and its product.

6.3.4.2 The Role of Public Relations

Busori et al (2002) identifies the following as the roles performed by public relations:

1. Identify the relevant publics
2. Influence the opinions of those publics by reinforcing favorable opinions
3. Transforming perhaps neutral opinions into positive ones
4. Changing or neutralizing hostile opinion.

6.3.4.3 Public Relations Techniques/Tools

There are many techniques available to influence public opinion, some of which are more appropriate in certain circumstances than other this can be achieved through Consumer communication such as the use of: Press releases, Trade press, Promotional videos, Consumer exhibitions, Competitions and prizes, Product launch events, Celebrity endorsements, Web sites etc (Kotler, 1991:195).

He went further to explain that, "public opinion can also be influenced through Internal/employee communication such as newsletters and magazines, Intranet, Notice boards, Employee conferences, Email, External corporate communication, Company literature (brochures, videos etc), Community involvement programs, Trade, local, national and international media relations".

Others include financial communication which can be conducted through financial media outfits, Annual report, meetings with stockholders or finance managers etc.
Given the wide range of techniques used in public relations, how is it possible to measure the effectiveness of public relations?

While contributing to the above question, Egelhoff (2004:66) said, "It is actually quite difficult to measure whether the key messages have been communicated to the target public. In any event, this could be quite costly since it would involve a large amount of regular research". According to him, there are many public relation tools opened to public relations practitioners for the effective discharge of their responsibilities, these include:

News several tools are devised by professionals in carrying out the public relation activities. According to Kotler "one of the major tools is news." In his view, public relations practitioners find or create favourable news about the company and its products or people. Most at times news items comes naturally and some times the public relations person can suggest events or activities that would create news.

Speeches another tool used in creating publicity are speeches. It has become necessary that chief executives must field questions from the media or give talks at trade associations or sales meetings, and these events can either build or hurt the company's image.

Special events also have been found useful as a tool in public relation. These event include conferences, press tours and grand openings to laser shows, hot air balloon releases, multimedia presentations and star-studded spectaculars, or educational programs designed to reach and interest target publics.

Written materials Public relation practitioners also prepare written materials to reach and influence their target markets. These materials include annual reports, brochures, articles, and company newsletters.

Audio-visual materials such as films, slide and sound program and audio-cassette, are being used increasingly as tools of public nation.
Corporate identity materials can also help create a corporate identity that the public immediately recognizes. Logos, stationery, brochures, uniforms etc all become public relation tools when they are attractive, distinctive and memorable.

8.0 CONCLUSION

I want to conclude by stating that the lecture has updated the knowledge of participants on the marketing mix variables. Participants must have learnt how best to blend the elements to produce the desired result in an effective and efficient manner. With what has been achieved today, we must acknowledge the fact that understanding and aligning the marketing mix is a key strategy to organizational success. It's in view of it strategic importance to marketing practitioners that I made the following recommendations:

1. Marketing Managers should be evaluating and re-evaluating their marketing policies from time to time so that it can be in conformity with the changing nature of the Nigerian marketing environment.

2. Marketers should understand the changing trends in the marketing environment that may have serious implications on marketing activities. The changes on the Nigerian economy has both positive and negative implications from the privatization, deregulation, and other federal government's economic policies which is reshaping marketing in Nigeria as it has created so many business opportunities for marketers to take advantage of.

3. Marketing practitioners should pay adequate attention to the emerging trends within the communication sector which is reshaping marketing

activities in the country due to the rapid changes in technology. It is expected that practitioners are moving with the changing pace of technology so as to be abreast of development in the sector, particularly in this information age.

4. Federal government should continue to encourage business regulatory bodies in the country by providing them with adequate funding to enable them discharge their statutory responsibility of protecting Nigerian consumers and the society at large.

5. And finally, Marketers should always conduct themselves in line with the ethical provisions of marketing by not indulging in practices that are deceptive/misleading, exploitative and dangerous to human live.

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