

SALES PROMOTION STRATEGIES AND MARKETING PERFORMANCE OF FOOD AND BEVERAGE FIRMS IN RIVERS STATE.

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ABSTRACT

Several firms in the food and beverage industry use sales promotion strategies all around the world to outsmart their competitors. However, sales promotion, as excellent as it is in terms of giving numerous incentives designed to encourage quick sales and greater purchases by clients, is limited in time. This paper investigated the effect of sales promotion strategies dimensions such as consumer promotion and trade promotion on market performance of Food and Beverages Companies in Rivers State, Nigeria. The study adopted a cross-sectional survey design. The total population of the study comprised of 29 food and beverage companies in Rivers State, therefore, a census study. Spearman Rank Order Correlation Coefficient was used analyse (testing the hypotheses. The result of the study indicated that there is a positive significant relationship between sales promotion strategies and marketing performance of food and beverage firms in Rivers State). The findings of the study revealed that consumer promotion and trade promotion had a significant effects on Profitability and market shares of Food and Beverages Companies in Rivers State. The study concluded that sales promotion has significant effect on marketing performance of Food and Beverages Companies in Rivers State. The study recommended among other things that; Food and beverage companies should carry out sales promotion campaigns more often in order to influence consumer patronage of the product.

Keywords: Sales Promotion Strategies, Consumer Promotion, Trade Promotion, Marketing Performance, Profitability, Market Share, Food and Beverage Companies, Rivers State.

INTRODUCTION

In today's highly competitive business environment, food and beverage firms face continuous pressure to attract and retain consumers while maximizing profitability. The food and beverage sector in Rivers State, Nigeria, is no exception. It is a vibrant and growing market driven by a rising population, increasing urbanization, and shifting consumer preferences. To thrive, firms must deploy effective marketing strategies that not only raise brand awareness but also drive sales and improve overall market performance. Marketing performance, in this context, refers to the effectiveness of marketing efforts in achieving organizational goals such as sales growth, market share expansion, profitability, and brand loyalty (Grønholdt & Martensen, 2006). Studies have shown that well-designed sales promotion strategies positively influence these performance indicators by enhancing consumer responsiveness and dealer effectiveness (Ahungwa, 2018; Mullin, 2010). However, the impact of such promotional activities can vary depending on factors such as market environment, consumer behavior, and the nature of the product category (Orji et al., 2019).

Sales promotion strategies have emerged as key marketing tools designed to stimulate consumer purchasing behavior, encourage brand trial, and boost dealer effectiveness. These strategies typically include short-term incentives such as discounts, coupons, samples, contests, and loyalty programs. Such promotional activities can create immediate consumer interest, enhance brand visibility, and differentiate products in a crowded marketplace. Sales promotion encompasses various marketing activities such as discounts, coupons, free samples, contests, and loyalty programs aimed at encouraging immediate purchase and enhancing customer engagement (Adrika, 2007). These strategies help firms not only attract new customers but also retain existing ones by increasing product trial and repeat purchase rates (Pembu, Fudamu, & Adamu, 2017). The dynamic

nature of consumer preferences in the Nigerian market, coupled with economic challenges and intense competition, makes sales promotion a vital instrument for food and beverage companies to achieve competitive advantage (Akanbi & Ajagbe, 2012). According to Kotler, (2003) sales promotion is an important component of marketing efforts, and it consists of a wide range of incentive techniques, most of which are aimed to encourage consumers to buy specific items or services more quickly or at a higher price. Other than stimulating consumer buy, sales promotion campaigns are those activities. Product, price, promotion, and distribution are all elements of the four-marketing mix. Sales promotion is one of the four aspects of the promotional mix. It's usually thought of as a tactic that uses short-term incentives to push people to buy or sell a product or service (Kotler, 2003).

The universality of the food and beverage (F & B) industry to human health and life makes it one of such important sector, unique in its role in expanding economic activities in any nation (both developed and developing) (Ibeh, Nnabuko & Nwajimeje, 2022). The food and beverage (F & B) industry operates at multiple levels through subsistence, at large scale, trading of fresh produce, home-based processing of goods, transformation of domestic crops to finished ready-consumable and intermediate products which is sourced from across local and/or international territories (Pfitzer & Krishnaswamy, 2007). Undoubtedly, these simple activities promote social value and create economic opportunities in the society and indirectly improve the gross domestic product of that nation. According to Ibeh, et al. (2022), in the food and beverage industry, revenue is easily generated, a very large portion of value flows into different areas of the society supplying and/or creating funds for other socioeconomic and developmental activities. Trade Promotions are increasingly becoming a fundamental marketing tool for consumer goods companies to tap into new markets and capture more market share. In Rivers State, food and beverage firms operate within a unique socio-economic and cultural context that influences consumer purchasing decisions. Understanding how sales promotion strategies affect marketing performance within this region is crucial for firms seeking competitive advantage. Marketing performance, in this context, encompasses multiple metrics including sales growth, market share, brand equity, customer loyalty, and profitability.

Most existing studies concentrate on broader markets or different industries, leaving a knowledge gap concerning the specific challenges and opportunities faced by local firms (Kithinji, 2014; Nwielaghi, 2013). Previous research has highlighted the positive impact of sales promotion on consumer behavior and firm performance globally. However, there is limited empirical evidence focusing specifically on Rivers State's food and beverage industry. This gap makes it important to explore the relationship between various sales promotion strategies and their effectiveness in enhancing marketing outcomes for local firms. Furthermore, the dynamic nature of the Nigerian market, characterized by economic fluctuations, infrastructural challenges, and evolving consumer trends, demands a deeper understanding of how promotional tactics can be optimized for sustained performance. Investigating this relationship will provide valuable insights for marketers, business managers, and policymakers, enabling better strategic planning and resource allocation.

Statement of the Problem

In the highly competitive and dynamic landscape of the food and beverage industry in Rivers State, Nigeria, businesses are continually seeking effective means to enhance their marketing performance and secure market share. One of the critical tools employed to achieve this is sales promotion, which encompasses various short-term incentives designed to stimulate immediate customer response and boost sales volume (Kotler & Keller, 2016). Despite widespread use, the effectiveness of sales promotion strategies on marketing performance in the food and beverage sector remains inadequately understood and under-researched in the context of Rivers State.

Many food and beverage firms in the region adopt promotional tactics such as price discounts, free samples, coupons, loyalty programs, and point-of-purchase displays. However, these strategies often fail to yield consistent or measurable improvements in market performance indicators such as

customer acquisition, retention, brand loyalty, and sales turnover (Odunlami & Ogunsiji, 2011). This raises concerns about the alignment of these promotional efforts with consumer behavior, local market dynamics, and long-term strategic goals.

Furthermore, the lack of empirical evidence on the relationship between sales promotion and marketing performance in Rivers State has left many firms relying on trial-and-error approaches, leading to suboptimal marketing outcomes. As competition intensifies due to increased market entries and consumer expectations, food and beverage firms are compelled to reevaluate the efficiency, design, and timing of their promotional activities (Adeleke & Aminu, 2012). Poor promotional planning and implementation can lead to wasted resources, reduced profit margins, and weakened brand equity.

Another issue is the inconsistency in consumer response to various promotional techniques due to cultural, economic, and psychological factors specific to the region. For instance, promotions that might drive sales in urban Port Harcourt may not be effective in rural areas due to differences in income levels, consumer awareness, and shopping behavior (Ebitu, 2016). Without data-driven insights into these variables, promotional strategies may miss their target audience or generate short-lived effects that do not translate into sustainable performance improvements.

Consequently, the central problem confronting food and beverage firms in Rivers State is how to strategically design and implement sales promotion programs that significantly and sustainably enhance their marketing performance. This gap highlights the need for a systematic investigation into which sales promotion strategies are most effective within the local context, how they influence key marketing performance indicators, and what best practices can be established for firms in the industry. This therefore aims to investigate the effect of sales promotion strategies on marketing performance of food and beverage firms in Rivers State.

Conceptual Framework

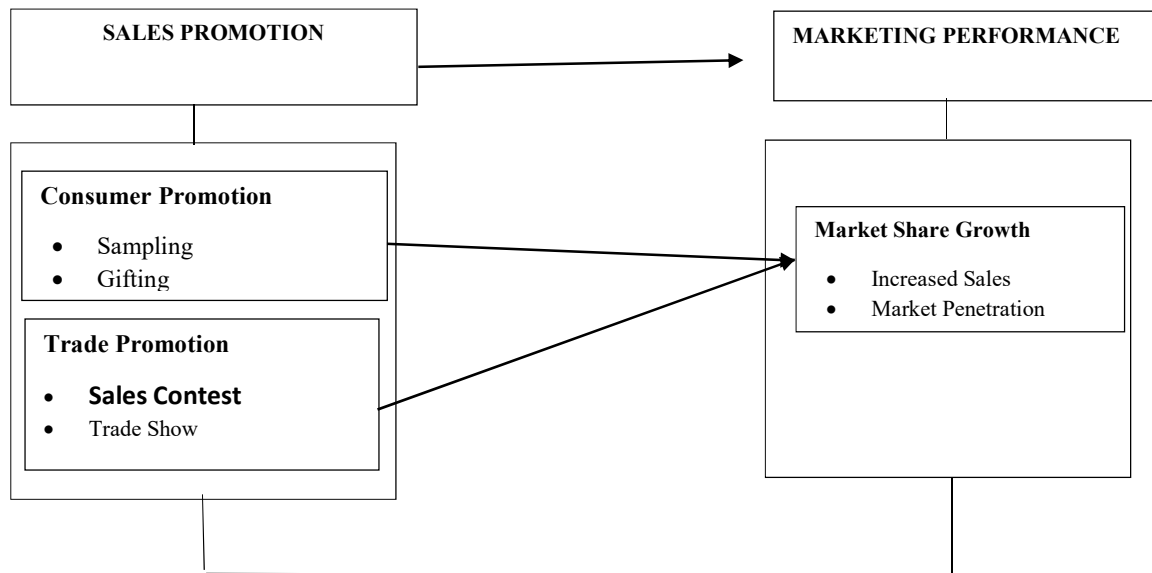


Figure 1.1: Sales Promotion and Marketing Performance

Source: Pembi, Fudamu & Adamu, 2017).

Figure 1.1: Sales Promotion and Marketing Performance

Source: Pembi, Fudamu & Adamu, 2017).

Objectives of the Study

The objective of this study was to examine the relationship between sales promotion strategies and marketing performance of food and beverages firms in Rivers State. The objectives of the study sought to:

- i. examine the relationship between consumer promotion and market share growth of food and beverage companies in Rivers State
- ii. determine the relationship between trade promotion and market share growth of food and beverage companies in Rivers State

Research Hypotheses

Ho₁: There is no significant relationship between consumer promotion and market share growth of food and beverage companies in Rivers State

Ho₂: There is no significant relationship between trade promotion and market share of food and beverage companies in Rivers State.

LITERATURE REVIEW

Concept of sales promotion Strategies

The power of sales promotion at influencing sales and customer's patronage has been acknowledged in the literature of marketing and sales management (Pembi, Fudamu & Adamu, 2017). According to American Marketing Association, (2010) sales promotions is defined as a media and non-media marketing pressures deployed to various potential customers, like consumers, dealers, and distributors, for a specified period in order to stimulate trial, boost consumer demand, and improve the product viability (Mullin, 2010), Organizations employ sales promotion to boost volume, induce trial, improve customer loyalty, gain customers, increase product utilization, stimulate awareness, increase brand awareness, and stimulate interest

Adrika, (2007) described sales promotion as "anything extra that can raise curiosity, develop a buying desire, and trigger an immediate response from clients, Middlemen Company's sales team." He went on to say that sales promotion is a term used to describe specific types of sales acceleration, personal selling, or exposure. It's regarded as a one-of-a-kind marketing endeavor. It comprises of short-term incentives intended to encourage purchasing.

Kotler (1994) noted that if sales promotion is conducted continuously, they lose their effect. Customers begin to delay until a coupon is offered or they question the product's value. When organizing sales promotion firms' can direct sales promotion to ultimate consumers, that is, Consumer-oriented sales promotion to support a company's advertising and personal selling. On the other hand firms' can also direct their sales promotion to traders like the wholesalers, retailers or distributors. This can be done by giving the traders allowances and discounts (Pembi, Fudamu & Adamu, 2017). They can also carry out cooperative advertising whereby manufacturer pays a percentage of the retailers' local advertising expenses for advertising the manufacturer's products and lastly, firms can train distributor sales forces to increase their performance (Hardie, 1991; Pembi, Fudamu & Adamu, 2017). To Moemeke (1997), besides advertisement, sales promotion is the next available marketing strategy that help to promote sales, increase product life cycle, sales growth and enhance customers' goodwill. Modern marketing management calls for more than developing good quality product, attractive price and making brands accessible to target customers. Companies engage in integrated marketing communication to attract and retain customers' loyalty (Pembi, Fudamu & Adamu, 2017).

Given the growing significance of sales promotion, there has been extensive interest in the effect of sales promotion on different dimensions such as consumers' price perceptions, brand choice, brand switching behaviour, evaluation of brand equity, and effect on brand perception. One of the purposes of a consumer promotion is to elicit a direct impact on the purchase behaviour of the firm's customers (Kotler, 2002). Research evidence recommended that sales promotions positively affect short term sales (Priya, 2004). Promotions affect significantly sales aggregate and stock piling and

purchase acceleration (Akanbi & Ajagbe, 2012). However, there have also been studies that recommend that sales promotion affects brand perceptions. In another study, Schultz (2004) argues that over dependence on promotions can erode consumers' price-value equation. Similarly, Yoo, Dondhu and Lee (2000), based on structural equation model, suggest that frequent price promotions, such as price deals are related to low brand equity, whereas high advertising spending, high price, good store image and high distribution intensity are related to high brand equity. There is also a managerial belief that if a brand is supported with frequent promotional offers, the equity of the brand tends to get diluted. On the contrary, there have also been studies that indicate brands benefit from promotions. Achumba (2002) defined sales promotion as those marketing activities, other than personal selling, rebates and publicity that stimulate consumer purchasing and dealer effectiveness, such displays, shows and exposition, and demonstration. Sales promotion is one of the ways used by firms to communicate with intended target audience. Sales promotion is unique in that it offers an extra incentive for action (Adrian, 2004).

Therefore, based on the above literature, it is reasonable to conclude that sales promotion is a marketing strategies that is designed to attract a customer to take a specific action such as creating a purchase that usually occur for adequate period of time to help create a sense of necessity. In other word sales promotion is promotional activities other than personal selling, advertising, publicity/public relation, and direct marketing that stimulate interest, trial, or purchase by end users (final consumers) (Pembi, Fudamu & Adamu, 2017). According to Orji, et al. (2019) and Pembi, Fudamu and Adamu (2017), there are different ways to classify sales promotions; the most basic is to classify them between trade promotions and consumer promotions and sales force promotion. However, this study will focus on consumer promotions and trade promotion.

Dimension of Sales Promotion Strategies

Consumer promotion

Customer Patronage According to the Concise Oxford English Dictionary (2008), the word customer or consumer patronage mean a person or thing that eats or uses something or a person who buys goods and services for personal consumption or use. People patronize organizations products/services at one time or the other. Customer patronage and customer loyalty can mean the same because customer patronage precedes loyalty. There is a strong relationship between patronage and loyalty. Patronage is isburn out of a desire to be committed to an organization either based on its service quality or perceived service qualities. Hence, the extent to which a customer will patronize the services/products of an organization depends on how the customer perceives the organization physical environment (services cape) and how the customer also thinks and feels that the condition of the service/product environment is consistent with his / her personality.

Simons (2016) viewed customer patronage as the means of a respondent's rating for his or her firm's sales volume / volume of transactions, profit margin and customer retention level. Consumer patronage is the approval or support provided by customers with respect to a particular brand. Patronage delivers the foundation for an established and growing market share. Kottler (2007), advocates that consumers have unpredictable degree of patronage to particular services, stores and other entities. The importance or essence of repeat customer patronage is that an increase in sales volume will ultimately and significantly impact on the company's profitability level.

Sampling: It is predominantly used in the Cocoa-cola industry for perfumes, deodorants, soaps or even eatables. Sampling is an excellent way to introduce your product in the market and at the same time to increase the awareness of the product (Okoye-Chine, 2021). The customers who are being targeted by sampling carry a huge lifetime value. Once they get hooked onto your product, they won't leave it that early. Hence, Sampling might be of higher cost to the company but it is quite successful in the various types of sales promotions (Okoye-Chine, 2021).

Gifting: One of the most common ways to promote your store during festival time or when there is a huge walk in expected is Gifting. It is also a way to increase the sales of the products because customers have an anticipation that they might win a gift from the store. Another popular way to use gifting is to advertise "Assured gifts (Ogilvy 2013; (Okoye-Chine, 2021). Basically, you have different gifts on offer like a mixer grinder or a steam iron. A customer who purchases a set amount of products will get the "Assured gift" from you. This creates excitement in the mind of the customer and he received something for "free". He might visit again and again (Okoye-Chine, 2021).

Trade promotion

Trade promotions are inducements offered by manufacturers to retailers to encourage them to reduce retail prices. Blattberg and Levin (1987) define trade promotion as "special incentives offered by manufacturers to their distribution channel members". According to Nwielaghi, (2013), "it is an aspect of sales promotion which creates incentives for channel members to share with consumers and create sales for manufacturer's merchandise." It is also called 'Dealer' or 'trade promotion' or 'push strategy'. Push implies a forward thrust of effort whereby a manufacturer directs personal selling, trade advertising, and trade-oriented sales promotion to wholesalers and retailers. The essence is to encourage these channel members to stock the product, provide strategic shelf space for it and encourage consumers to buy from their outlets. For purposes of this work these incentives include, trade contest, trade fair and trade allowance.

Sales Contest: There are different forms of contests which can be run to gather more customer information or to motivate the customer to try the product or to create awareness about the new retail place. Contests can be as simple as winning a gift through a scratch card or it can be an in house game in a retail showroom or it can be an online contest for which users have to enter their information. Due to the phenomenal rise of the internet, online contests have become very easy and important. They also penetrate faster and reach a lot of customers (Okoye-Chine, 2021).

Trade Shows: While exhibitions are targeted towards individual buyers, Trade shows are targeted towards resellers, dealers, distributors and bulk buyers. A trade show is typically a display point for all top companies within an industry. These companies are there to compete and grab the maximum eyeballs of retailers, dealers and distributors. While Exhibitions are concentrated mostly on individual buyers, trade shows are concentrated towards bulk buyers (Neslin & Shoemaker 2009; (Okoye-Chine, 2021).

Concept of Marketing Performance

This essentiality is being manifested in indicators such as strong brand awareness, expressions of consumer preference sales volume, and high levels of market share (Grønholdt & Martensen, 2006). However, it is conventionally assumed that achievement of robust marketing performance is problematic for small businesses because of their distinctive features compared with large businesses (Blankson & Cheng, 2005). According to Gakii and Maina (2019) marketing performance is the utilization of scarce resources by businesses to meet the demand of consumers for market related goals such as market share, profit and sales volume.

Since a substantial amount of money, time and effort is spent on marketing activities, it is needful for the marketing department to show the effects of their efforts on the company's overall performance (Kithinji, 2014). These effects are usually measured using the number of sales or sales volume, profit margin, number of website visitors, customer's brand awareness levels and market share.

Measures of Marketing Performance

Market share Growth

Market share represents the percentage of an industry or market's total sales that is earned by a particular company over a specified time period. Market share is calculated by taking the company's sales over the period and dividing it by the total sales of the industry over the same period. This metric is used to give a general idea of the size of a bank in relation to its market and its competitors. Market share is the percentage of a market (defined in terms of either units or revenue) accounted for by a specific entity.

Market share is a company's percentage of sales in a particular industry. Both increases and decreases may affect profits, so managers typically adjust operations and marketing strategies to increase or decrease it as needed. People also look at this figure before they invest in a company, since it can indicate a business's competitiveness. When discussing this topic, it's important to remember that a share market is something different: it's the exchange of companies' stocks. Victor (2009), market share represents the percentage of an industry or market's total sales that is earned by a particular company over a specified time period. Market share is calculated by taking the company's sales over the period and dividing it by the total sales of the industry over the same period. This metric is used to give a general idea of the size of a company in relation to its market and its competitors.

Increased Sales: Chen (2001) highlighted that a sales-oriented company is therefore an organisation where their efforts are focused on the sales function. The sales-oriented company is not focused on the needs of the customer but on the seller's need which is most times directed towards making profit. The concept under sales are the quality of the product, the corporate brand otherwise known as the brand name, sales promotion and the pricing. Bandura (1982) in his earlier study considered the manners to focus on the consumer personality which could help to increase sales volume of a product. He suggested that the sales force should make sure they target the right consumer, that is, consumers that would make an impact in the decisions of the public therefore encouraging them to buy the product. The author also added that Mavens who are knowledgeable persons and deeply rooted in the use of a product should be the main target alongside innovators and opinion leaders.

Market Penetration: A market penetration strategy is essentially a market share strategy. A business will utilize a market penetration strategy to attempt to penetrate in an existing market. The goal is to get in quickly with your product or service and capture a large share of the market. Market penetration is also a measure of the percentage of the market that your product or service is able to capture. A marketing penetration strategy involves increased sale of already existing products to a market that is already in existence. This is in an effort to acquire a bigger market share than the organization's competitors. In this regard, market penetration offers the organizations an opportunity to increase both their sales as well as revenue. It is viewed as the least risky strategy of all four in the Ansoff matrix.

Theoretical Framework

Theory of Reasoned Action

The theoretical framework upon which the study was based is Reasoned Action Theory. Reasoned Action theory was propounded by Martin Fishbein and Icek Ajzen in the late 1960s, the Theory of Reasoned Action centers its analysis on the importance of pre-existing attitudes in the decision-making process. The core of the theory posits that consumers act on a behavior based on their intention to create or receive a particular outcome. In this analysis, consumers are rational actors who choose to act in their best interests. According to the theory, specificity is critical in the decision-making process. A consumer only takes a specific action when there is an equally specific result expected. From the time the consumer decides to act to the time the action is completed, the

consumer retains the ability to change his or her mind and decide on a different course of action. Sales personnel learn several lessons from the Theory of Reasoned Action. First, when marketing a product to consumers, personnel must associate a purchase with a positive result, and that result must be specific. Axe Body Spray used this concept very effectively by linking its product to desirability with women. Second, the theory highlights the importance of moving consumers through the sales pipeline. Sales personnel must understand that long lags between initial intention and the completion of the action allow consumers plenty of choice or decision (Ahungwa, 2018).

Empirical Studies

An empirical study was carried by Ibeh, Nnabuko and Nwajimeje (2022). The main objective of the study is to examine the effect of personal selling and sales promotion strategy on the market performance of selected manufacturing companies in Lagos State Nigeria. Specifically, the study determine the effect of sales promotion on the market performance of manufacturing companies in Lagos Nigeria and determine the effect of personal selling on the market performance of these manufacturing companies in Lagos Nigeria. Econometric technique involving descriptive research, correlation coefficient and multiple regressions was used for the data analysis. A population and sample of 24 product promotional related managers were drawn through a census sampling technique. Two research instruments – Annual Report/Financial Statement and Questionnaire were used for data collection. The result of the study indicates that there is significant predictive impact of sales promotional strategy on the market performance and that there is significant contribution of the promotional tool on the profit margin level of all six companies. The study therefore conclude that personal selling and sales promotion strategy have positive and significant impact on market performance of selected manufacturing companies in Lagos, Nigeria. Amongst the recommendations is that staff saddle with the implementation of personal selling and sales promotional strategy should devote time and resources into it since it largely influence profitability of the companies.

Benumolo (2021) examined an empirical study. The objectives of the study was to examine the effects of sales promotion campaigns on its sales performance in Nigerian bottling companies., to determine the influence of Nigerian bottling companies sales promotion campaigns on consumer's patronage of its products and to establish the relationship between various sales promotion campaigns and sales volume in Nigerian bottling companies. It used questionnaires and open-ended interviews guide in support of the primary data. Both quantitative and qualitative research method were used and descriptive research design was employed as a sample size of 100 consumers of NBC products and the sales and marketing personnel of NBC was used. The sample size selected for the study was 100 consumers of Nigerian bottling companies products, sales and marketing personnel of Nigerian bottling company. The findings revealed that multiple Nigerian bottling companies products are consumed by the respondents and most consume it on a daily and weekly basis. It also revealed that Nigerian bottling companies has been regular enough with sales promotion campaigns. It also revealed that Nigerian bottling companies makes use of strong sales promotion campaigns (discounts) to improve sales performance. The study recommends that Nigerian bottling company should make use of various communication channels in order to make consumers aware of the sales promotion campaigns that will be deployed.

Orji, Oyenuga and Ahungwa, (2020) examine the effects of sales promotion on the consumer buying behavior of food seasoning among Nigerian households using Nestle Nigeria Plc Maggi NAIJA POT brand as a case study. The study employed cross sectional research design and the population consists of consumers of Nestle product (Maggi seasoning) in Bwari Area Council, Abuja. The sample size is 246 determined using Topman's formula. Primary data was used through administration of questionnaire and regression analysis was used to test the relationship between the study variables. The findings revealed that most of the consumers enjoy the rebates which influence their decision before, during and after the purchase; there is a positive effect of free trial and free gift on consumer buying behavior of Maggi NAIJAPOT in Bwari Area Council, Abuja. The study concluded that that sales promotion through rebates, free trial and free gifts is one significant tool marketing companies

should give attention to in order to influence their consumers' buying behavior, and recommended among others that providing free samples for food seasoning is a good technique to use in introducing new products to the Nigerian marketplace, also free gift should be included in the outer part of the product packaging to serve as a visual attraction to Nigerian consumers.

Uloko, A. (2019) assessed the impact of promotion on the profitability of the Nigeria Bottling Company Plc, Enugu Plant. The population of the study was made up of 56 management staff drawn from marketing, sales and accounting/finance departments of the company. Employing a census technique, the whole population of 56 management staff constituted the sample size of the study and data obtained from the 56 copies of the questionnaire were presented using descriptive statistics whereas, multiple regression analysis with the aid of the Statistical Package for Social Science (SPSS) was conducted to test both the company's financial statement from the year 2003 to 2012 and the hypotheses. The findings from data analysis of company's financial statement shows that, profit is slightly influenced by the variables of sales income not necessary cost of promotion, while the results of the hypotheses testing indicated that, rebates has no significant impact on profitability; sales promotion has a significant impact on profitability; personal selling has no significant impact on profitability; public relations has a significant impact on profitability. The need for an organization to properly coordinate its promotional strategies to achieve a clear consistent and competitive message about itself and its products has become an issue of concern to every result driving firm. The study concluded that, promotion is an important tool that helps companies to improve their profitability. We recommended that there is the need for organizations to increasingly integrate effective promotion in their activities to improved their profitability and competitive advantage.

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

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

take advantage of festival period or events by developing effective sales promotional tools that can influence consumers' awareness about the product in the events.

Michael and Ogwo (2013) investigated the relationship between trade, sales promotion and marketing performance of two soft drink production companies (NBC and 7-Up Bottling) and their accredited centres in Abuja, Port Harcourt and Lagos using 400 respondents. Quantitative data were collected through a 5-point Likert-type scale questionnaire and data were analysed using ANOVA, t-test and Regression. Findings revealed that trade sales promotion strategies affect marketing performance through the use of trade allowances and trade contests. The correlational co-efficient was 0.776 with 60.2% level sales promotion contribution to market performance (co-efficient of determinant (r^2) = 0.602) believing that the remaining 39.8% may be contributed from other promotional tools. They reported that the relationship was significant (t-value of 18.728, P = 0.000). The study affirms that the firms are not at their optimal levels in both their trade promotion strategies and marketing performance and thus recommended for optimal level to be achieved.

METHODOLOGY

The study adopted a correlational research design.

Population of the study; consisted of Twenty Nine (29) food and beverage companies in Rivers State. The organisations consisted the population of the study since the criterion variable (marketing performance) is macro and manifests at the organizational level. The entire population of 29 food and beverage companies was used as the study sample. Thus, this study is a census research which involves using the entire population rather than drawing a sample from it.

Result

Research Question 1: what is the relationship between customer promotion and market share growth?

Ho₁: There is no significant relationship between consumer promotion and market share growth of food and beverage companies in Rivers State

Correlations of Consumer Promotion and Profitability

		Consumer Promotion	Market share growth
Spearman's rho	Consumer Promotion	Correlation Coefficient	0.000
		Sig. (2-tailed)	.000
		N	350
	Profitability	Correlation Coefficient	.987**
		Sig. (2-tailed)	.000
		N	350

****.** Correlation is significant at the 0.05 level (2-tailed).

Source: Survey Data, 2025

The table above reveals r value of 0.987 at a $P=0.00 < 0.05$ for the hypothesis relating consumer promotion and market share growth ss. Since the significance value 0.00 is less than the alpha level of 0.05, the null hypothesis (Ho₂) which states that there is no significant relationship between consumer promotion and market share growth of food and beverage companies in Rivers State is rejected and the alternate accepted. With a correlation coefficient of 0.987, the result implies that consumer promotion has a very strong positive correlation with market share growth of food and beverage companies in Rivers State.

Research Question 2: what is the relationship between trade promotion and market share growth?

Ho₂: There is no significant relationship between trade promotion and market share growth of food and beverage companies in Rivers State

Table 2: Correlations of Trade Promotion and Market Share.

		Trade Promotion	Market Share
Spearman's rho	Trade Promotion	Correlation Coefficient	1.000
		Sig. (2-tailed)	.000
		N	145
	Market Share	Correlation Coefficient	.888**
		Sig. (2-tailed)	.000
		N	145

****.** Correlation is significant at the 0.01 level (2-tailed).

Source: Survey Data, 20235

The table above reveals r value of 0.888 at a $P=0.00 < 0.05$ for the hypothesis relating trade promotion and market share. Since the significance value 0.00 is less than the alpha level of 0.05, the null hypothesis (H_{02}) which states that there is no significant relationship between trade promotion and market share of food and beverage companies in Rivers State is rejected and the alternate accepted. Nevertheless, considering our decision rule with a calculated correlation coefficient of 0.776, the result implies that trade promotion has a high/strong positive correlation with market share of food and beverage companies in Rivers State.

Discussion of Findings

The test of hypotheses one and two shows that consumer promotion enhances profitability and market share of food and beverage companies in Rivers State. This implies that consumer promotion has significant impact on profitability and market share of food and beverage companies in Rivers State. This finding agrees with that of Okwo and Ugwunta, (2010) on consumer promotion and profitability of the brewery firms in Nigeria. They revealed that the effect of consumer promotion on profitability is statistically positive and significant, and consumer promotion impacts profitability of the brewery firms in Nigeria. The findings of Bamiduro (2001) also confirmed the positive relationship between consumer promotion and market share of soft drink products as well as the sales volume of the beverage industry.

The test of hypotheses three and four shows that trade promotion enhances profitability and market share of food and beverage companies in Rivers State. This implies that trade promotion has significant impact on profitability and market share of food and beverage companies in Rivers State. This finding agrees with that of Akin (2010) that trade promotion is a powerful tool for consumer goods companies that can help increase market share and appeal to the right retail partners. These findings are also in agreement with Belch and Belch (1998) assertion that it has been acknowledged that consumer and trade promotion is a very effective tool for generating short-term increases in sales.

CONCLUSION

The study concluded that sales promotion dimensions (consumer promotion and trade promotion) is a major determinant of the marketing performance (profitability and market share) of food and beverage companies in Rivers State.

RECOMMENDATIONS

Base of the findings, this study makes the following recommendations:

1. Food and beverage companies should carry out sales promotion campaigns more often in order to influence consumer patronage of the product.
2. Food and beverage companies should make use of various communication channels in order to make consumers aware of the sales promotion campaigns that will be conducted.

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