

EFFECTS OF SALES PROMOTION ON ORGANIZATION PROFITABILITY IN MANUFACTURING INDUSTRY

(A CASE STUDY OF TUVIL PHARMACEUTICAL INDUSTRY, ILORIN)

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CERTIFICATION

This project work has been read and approved as meeting part of the requirements of the Department of Business Administration and Management, Institute of Finance and Management Studies, Kwara State Polytechnic, Ilorin for the award of Higher National Diploma (HND) in Business Administration and Management.

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DEDICATION

This project is affectionally dedication to Almighty Allah (S.W.T) and my beloved parent and siblings and my lovely husband.

ACKNOWLEDGEMENT

There will never be anything possible in life without Allah (S.W.T), the immovable mover, the creator and sustainer of the universe, I render my profound gratitude to Allah (S.W.T) who bestowed upon me his unmeasurable mercy and has given me all the requisite wisdom, knowledge, health and understanding during the course of my programme and sparing my life to have a successful academic pursuit.



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CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

The business environment has become very competitive in the 21st century due to the growth in technology, infrastructure and access to information around the globe. This has made the environment very complex and consumer preferences keep changing because of the low switching cost in the market. Due to this increasing demand of consumers in the market, management of business organizations have to increase their resources with attention focused more on attracting and retaining its customers (Kotler, 2003).

The ever increasing competition in the global market has prompted organizations to be determined and ensure satisfaction of customer needs and wants more efficiently and effectively than ones competitors (Kotler, 1988). Sales promotion is an initiative undertaken by organizations to promote and increase sales, usage or trial of a product or services (Aderemi, 2003). Sales promotion refers to the provision of incentives to customers or to the distribution channel to stimulate demand for a product. It is an important component of an organizations overall marketing strategy along with advertising, public relations and personal selling. Sales promotion acts as a competitive weapon by providing an extra incentive for the target audience to purchase or support one brand over the other. It is particularly effective in spurring product trials and unplanned purchases (Aderemi, 2003).

Sales promotion is a marketing activity that adds to the basic value proposition behind a product (i.e. getting more for less) for a limited time in order to stimulate consumer purchasing, selling effectiveness or the effort of the sales force (Aderemi, 2003). Th

is implies that, sales promotion may be directed either at end consumer or at selling intermediaries such as retailers or sales crews.

Sales promotion can be an effective tool in a highly competitive market, when the objective is to convince retailers to carry a new product or influence consumers to select it over those of competitors. More so, sales promotion tend to work best when it is applied to items whose features can be judged at the point of purchase, rather than more complex, expensive items that might require hands of demonstration (Kotler and Keller, 2006). Sales promotion includes communication activities that provide extra value or incentives to ultimate customers, wholesalers, retailers or other organizational customers. It also stimulates sales product trial (Kotler and Keller, 2006).

Sales promotion tools are used by the most large organizations including manufacturing and retailers but some of the organizations fail to perform at the high level and this is because some of the techniques used in sales promotion either can be not satisfying their consumers or sometimes their marketer do not sell their brands well to their customers, (Arnould, Prince & Zinkhan 2002).

Sales promotion refers to any consumer or trade program of limited duration that add tangible value to a product or brand. Sales promotion law and usage vary around the world but many consists of many of the following; promotional pricing tactics, contests, sweepstakes and games, premium and specialties, dealer loader, merchandising materials, tie-ins and cross promotions, packaging, trade shows and sponsorship, (Keegan, 2002).

The success of sales promotion had a major impact on organization profitability throughout the years and also has resulted in similar programs being developed by competitors. Such promotions show that advertising is not the only integrated marketing communication tool with a rich and interesting history, but sales promotion and other pro

ma tools are still very vital means to boost the revenue of any given establishment.

Organization's profitability and ways of improving it are hotly debated issues among managers and scholars. Hence, identifying the sources of variation in firm-level profitability is an important research theme in economics, strategic management and accounting and finance (Goddard, et al., 2005). Subsequently, understanding the determinants of heterogeneity in firm profitability is arguably one of the most fertile fields of analysis both for industrial economists and strategic management researches (Kottuman, et al., 2011).

Profitability refers to earnings of companies that are generated from revenues after deducting all expenses incurred during a given period (Owulabi & Obida 2012). It is considered one of the most important goals that management of every company strives to achieve, without which companies will cease. Ultimately, the goal of the firm is to maximize the wealth of its shareholders by increasing the value of their stocks (Owulabi & Obida 2012).

However, literature in finance provide evidence of strong relationship between earnings and stock values. Accordingly, if earnings announcements come as expected or better, stock prices will increase. On the other hand, if earnings announcements fell short of expectations, the stock prices will decline (Al-Jafari and Samman 2015). The reason is, determining the profitability of manufacturing companies is crucially important, being the main strategy economic development, as well as requirement for any country adopting an export-oriented industrialization policy within an open economic environment (Pratheepan, 2014).

1.2 Statement of Research Problem

Apart from the problem of recognition, sales promotion is the most recent prom

ation in strategy use by many establishment to boost and increase the market share of many enterprises. Sales promotion is also one of the backbones of any successful organization effort in the contest of marketing. Therefore, companies spend a lot of money on sales promotion. Some companies with little budget for sales promotion have recorded drastic fall in profit which has resulted in retrenchment of workers.

Some organizations are not aware of the impact of sales promotion on pharmaceutical industry in Nigeria and the economy at large organizations to assist consumers' attitude towards sales promotion can be seen as a catastrophic, since the organization cannot forecast the demand for product.

Other organization has not been able to discover the sales promotion strategy that can be utilized to increase profitability and sales volume growth in organizations during economic recessions. There is also a minor strategy syndrome by organization who concentrates solely on type of advertising method while failing to realize the potentiality of sales promotion on turnover relative to other forms of advertisement.

There is also the problem of decoding which choice of sales promotion activity is cost effective for a specific situation.

Sales promotion campaign need to be just and fair in extension to enable the right audience to benefit from the programme.

However, communication, finance and transportation facilities are hardly adequate to support the programme especially at sell off time.

1.3 Research Questions

- i. What kind of sales promotion are used by Toyil Pharmaceutical Industry, Ilorin, Kwara State to increase profitability?
- ii. Are the sales promotions done by Toyil Pharmaceutical Industry, Ilorin, Kwara St

ate influencing customer in purchasing products?

- iii. What are the benefits of sales promotion towards Tuyil Pharmaceutical Industry's profitability, Ilorin, Kwara State?

1.4 Research Objectives

Main Objective

To examine the impact of sales promotion on Tuyil Pharmaceutical profitability, Ilorin, Kwara State Nigeria.

Specific Objectives

- i. To examine the kind of sales promotion used by Tuyil Pharmaceutical Industry, Ilorin, Kwara State.
- ii. To examine if sales promotion influences customers in purchasing products offered by Tuyil Pharmaceutical Industry, Ilorin, Kwara State.
- iii. To examine the benefit of sales promotion towards Tuyil Pharmaceutical Industry's profitability, Ilorin, Kwara State.

1.5 Research Hypotheses

To achieve the objective of this study, the following hypotheses would be formulated and tested:

H₀₁: Sales promotion does not have influence on customers in purchasing products offered by an organization.

H₀₂: Sales promotion does not affect the rate of turnover in Tuyil Pharmaceutical Industry.

H₀₃: Sales promotion has benefits towards Tuyil Pharmaceutical Industry's Profitability

y.

1.6 Significance of the Study

This study will give insights to organizations on what kind of sales promotion appeal most to the audience who has the same characters of Tuyil Pharmaceutical Industry. Other marketers make errors on setting up sales promotion campaign due to the fact that they fail to locate precisely target audience. This study will also expose challenges that organization may face during sales promotions. This significance will show where possible barriers can emerge so that a marketer may have a power to escape or negotiate them.

The study will also improve credibility of sales and/or marketing professionals because the study will reveal challenges that a company may face during sales promotion also it gives insights on appropriate audience to target according to their characteristics.

The findings obtained from this study will also be used as reference materials for future researchers in the area and in the organization.

1.7 Scope of the Study

This scope of this study would be on the impact of sales promotion on organization profitability in Tuyil Pharmaceutical Industry, Ilorin, Kwara State. It is concerned with the validity that exist between sales promotion and profitability.

It's also intended to examine how companies use sales promotion tools in influencing growth, consumer buying habits and to increase turnover.

1.8 Definition of the Key Terms

Promotion: these are incentives to stimulate the purchase or sale of the product usually in the short term.

Sales promotion: comprises a wide variety of tactical promotions tools of the short term incentive designer to stimulate strong market response.

Advertising: It is any paid form of non-presentation and promotion of ideas, goods or services by an identified sponsor.

Sales Promotion: These are marketing activities other than advertising, personal selling and publicity that are designed to stimulate consumers purchasing and dealer effectiveness such as demonstration, context premium, discount and other various non-current selling effort.

Marketing: Is a social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and values with others.

Brand: This is a name, terms symbols or designed or a combination of them to identify goods or services and to differentiate them from those of the competitors.

Sample: Is a part of the population or a subset from the set of unit which is provided by some process.

Preference: It means a great interest in or desire.

Perfect Competition: it is a situation in which there are many buyers and many sellers in which no single seller can influence the ruling price in the market.

Consumption: This is the act of buying and using products.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter provides a review of the existing literatures on the effect of sales promotion on organization profitability. The main sections included therein are: theoretical framework, conceptual framework, critique of existing literature relevant to the study, and summary.

2.1 Conceptual Framework

2.1.1 Concept of Sales Promotion

According to Adirika (2007) defined sales promotion as something extra that can arouse interest, create a buying desire, spark an immediate reaction from customers, middlemen company's sales force. He further explain that sales promotion is a name that is applied to special kinds of sales accelerating, personal selling or publicity. It is considered as a special selling effort. It consist or short terms incentives designed to stimulate buying action.

While according to S. M. Momoh (2010) explained that sales promotion is different from promotion for sales. He further explained that promotion for sales involves all promotional efforts including advertising, personal selling and publicity while on the other hands defined sales promotion as those marketing activities other than advertising, personal selling and publicity that are designed to stimulated consumers purchasing and dealers effectiveness such as demonstration context premium discount and offer various non-current selling efforts.

2.1.2 Objectives of Sales Promotion

The objective of sales promotion is to encourage purchase by improving the value of a brand. An organization may hunt for the need for sales promotion option in order to achieve certain objectives these objectives are as follows:

- a. **Regain Buyer/Consumer Attention:** In spite of the fact that a lot of awareness has earlier been created through the use of advertising, part of his awareness use may at the maturity stage be declining in terms of achieving sales.
- b. **To Achieve Quick Sales:** Sales promotion as incentives backed techniques is sometimes aimed at quick sales, especially during a given period in the business calendar (semiannually or annually by way of clearing goods in stores in order to simplify inventory taking and restocking).
- c. **New Product Introduction:** A successful launch of a new product may not be achieved through advertising alone seeing is believing. This is why certain products must be given a during product introduction as free sample.
- d. **Provide a Drag-Net for Fishing:** The incentive offered is like a fishing net. It is directed at non-brand users to try the brand and to reward brand loyal users to continuing with their loyalty.
- e. It helps to stimulate sales in off-season

2.1.3 Types of Sales of Promotion

Essentially, sales promotions are categorized into three depending on the initiator and the target of the promotion.

These include:

Consumer promotions

Consumer promotion are those efforts aimed at influencing the trial consumer (Bamidele, 2001). They are promotions offered by manufacturers directly to consumers

(Blattberg and Neslin, 1990). Such promotions are designed to motivate consumers to immediate (or nearly immediate) action (Courtland and John, 1992). Consumer's promotion techniques can be used to draw people into a particular store, to induce new product or to promote established products. To accomplish this task, markets have developed quite a variety of sales promotion techniques or tools.

Retailer promotions

Retailer promotions are promotions offered by retailers to consumers. These include allowances and discounts, factory-sponsored in-store demonstration, trade shows, sales contests, cooperative advertising, etc.

Trade promotions

Trade promotions are promotions offered by manufacturers to retailers or other trade entities (Blattberg and Neslin, 1990). They are the aspect where the manufacturer is concerned not only with promoting the product to the consumers but also with whether the product is on the retailers' shelves when the customers go to the store to buy (Osuala, 1998).

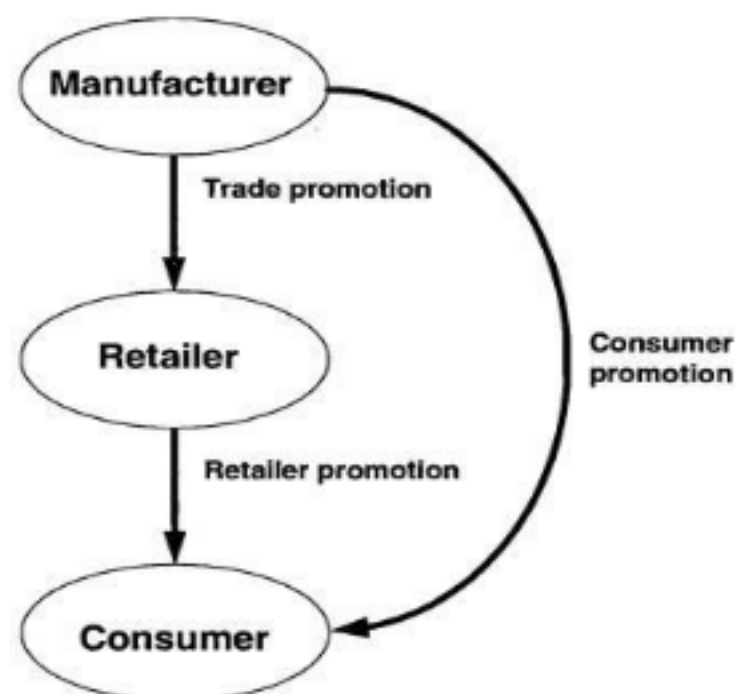


Fig 1: Types of Sales promotion.

2.1.4 Importance of Sales Promotion

Sales promotion is increasing becoming importance in marketing as a way of increasing the demand of product/service, sales promotion activities are usually used to produce immediate short terms sales.

While a marketer uses advertising or personal selling either non a continuous or cyclical basis, sales promotion activities makes valuable contribution to marketing effectiveness by supporting advertising, personal selling and public relation activities and thereby increases producers profit specifically sales promotion producer profit. Specifically sales promotions have the following uses.

Prices Determination: Sales promotion permits marketers to practice price discrimination, changing different customers, price to different customers price discrimination, also explains the use of coupon and price special aimed at the more price sensitive consumers who will make effort on his preferred brand. Sales promotion also enables producers to practice price discrimination over time by adjusting to variation in demand and supply.

Trade Behaviour: Sales promotion also encourage the trade to provide temporary display price cut advertising features that makes customers buy some quantities from traders to consumers.

Sales promotion enables producers and their marketers to reach the deal pone to customers and encourage the consumer to switch. Though sales promotion, consumers are exposed to new products there by reducing the risk in stocking new product.

2.1.5 Problems of Sales Promotion

Sales promotion has the following negative effects and they are:

Dearth and information: There is usually little or no information to be given, there is equally problem of an approach time of the sales promotion offer.

Further problem faced in the use of sales promotion is that of illiteracy, ignorance, conservatism and sentiment even if the promotional message is clear the methods of entry is usually highly procedural.

Problem of dishonesty: The organizers of a sales promotion campaign may exclude certain people from participating in the interest of fairness.

Role conflict: ideally, the brand manager is in charge of managing the sales promotion programmes, but when the incentive is attractive the brand manager may not be given a free hand to run the sales promotion programme.

Programme distribution: The distribution of incentive may not be done freely as expected the distribution even be directed to the wrong sources.

2.1.6 Planning Sales Promotion

When it comes to considering the range of sales promotion tools and techniques we all face with almost bewildering verity.

Two excellent review of the range of sales promotion tools are those given by Davidson (1987) and Coulson Thomas (1983). The intention here is to point to the users of sales promotion in marketing planning together with some of the users which arise in an attempt to manage this element more effectively with many varieties of sales promotion techniques, however, we need to be sure that the planning of sales promotion is systematic.

The starting point in planning of sales promotion is the identification of the target audience and specific objective we intend our sales promotion to achieve.

The following are the factors to be considered in planning sales promotion strategy:

Nature of the Market: This means the sales, the location compositing, exposure, and demography.

Culture of Tradition: This takes into account the perception of the incentive in terms of the culture religions, economic and social class as well as political consideration.

Cost Consideration: The seller should be able to ascertain the impact of the incentive cost of the profit realize.

Competition: Middlemen can organize competition for members of the public as a way of creating awareness, stimulating interest and desire in order to enhance sales.

Promotional Objectives: The promotion should be selected on the basis of promotional objectives, loss leader pricing is a short term incentives for attracting buyers to the shop.

2.2 Theoretical Review

2.2.1 Sales Promotion Theory

Sales promotion is giving the customer something extra, rewarding them for their behavior on this particular purchasing occasion. There are several theories which support the concept of reward as a motivator. The conditions of sales promotion are classical and operant conditioning. Whereas classical conditioning is largely associated with advertising, operant conditioning is seen as an explanation for consumer behavior in relation to sales promotion. Operant conditioning suggests the response of the individual is likely to be affected by positive reinforcement (reward).

Negative reinforcement (punishment) the affect is likely to cease when the reinforcements are taken away. Edward Thorndike suggested that the 'law of effect', which had to do with positive and negative consequences of actions, is also relevant to sales promotion. The law states that the consequences of behavior now will govern the consequences of that behavior in the future. In other words once a buying pattern is achieved it will continue into the future. John Watson, US psychologist and founding father of American behaviouralism, introduced the concept of shaping, chaining, and priming.

Shaping: John Watson states shaping suggests that a final response can be explained as 'appearing after preceding acts which; taken together, constitute a chain of successive approximations'. Shaping breaks the desired behaviors in a series of stages and the parts are learnt in sequence.

Chaining: Chaining suggests behavior emerges from sequences of actions in which the preceding action becomes the discriminative stimulus for the final response (inducement > purchase).

Priming: De Pelsmacker (2001) states, priming suggests that a short exposure to a particular stimulus can evoke an increased drive to consume more of a product. So this all theories offer reasons why we can motivate people to buy more by offering incentives although the continuation of these behaviors is open to doubt.

2.2.2 Pull Theory

The Pull Theory is about trying to market directly to customers to increase their demand for your product. Advertising and tie-ins with other products or services is the key to this strategy. The theory goes that if you increase the demand for your product by consumers, they will in turn demand the product from retailers, retailers will demand more of your product from wholesalers and wholesalers will demand more products f

from you. This is a way to increase your sales without decreasing the sale value of your merchandise. Most of the costs are in advertising, so using a tie-in with a related product or service can disperse this cost across both companies.

2.2.3 Push Theory

Using the Push Theory, you can increase sales by creating incentives to wholesalers or retailers to sell more of your product. In this method you would offer discounts to wholesalers or retailers who buy your product in bulk. This leaves them with more of your merchandise on hand and drives them to sell more of your product. Giving them the bulk discount "pushes" them to buy more of your product at a lower price to increase the amount of money they make. In turn they must "push" your products to customers because they will make a better return on them than on similar products supplied to them by your competitors.

2.2.4 Combination Theory

This theory requires both of the above theories working together. The "push" is used to get more products into the hands of retailers and wholesalers while advertising and product tie-ins with other products are used as a "pull" to get more people to want to buy the product.

2.3 Empirical Review

This section concentrates in writings from other researchers pertaining to this study.

Sales promotion is a key ingredient in market campaigns and consists of a diverse collection of incentives tools, mostly short term designed to stimulate quicker or greater

ter purchase particular products or services by consumers. Sales promotion are those activities other than stimulate consumer purchase, (Kotler, 1997).

According to Odunlami and Ogunsiji, (2011) in their research study "effect of sales promotion as a tool on organization performance (a case study of sunshine plastic company)", found that majority of respondents accepted the fact that sales promotion affects company sales volume especially when is organized according to degree of competition. Also the researcher concluded that the effective implementation of sales promotion too ls lead to increase in sale volume and higher profit, the effectiveness of sales promotion can sustain life of a failing product, sufficiently to enable its recover from its decline and sales promotion is important at all level of product life cycle but it is more important at the introductory and growth stage.

The research conducted by Pauwels, Silva-Risso and Hanssens, (2003) depicts th at the effect of sales promotion on firms' revenue which they call as first line performance, firms' income which is bottom line performance and on market to book value ratio which is named as firms' values is encouraging for the short term. While in the long run the sales promotion is positive for top line performance but it is negative for bottom line performance and firm's value. This proves the fact that impact of sales promotion on t he value of firm is not in the long run, but in the short run it has positive impact the profitability of the firm. The study conducted by us combines this aspect with the long term impact of sales promotion.

In another research conducted by Pauwels, (2002) in his study Short Term and Long Term Impact of Sales Promotion on Organization Profitability (A comparative study between Convenience and Shopping goods) he examined the permanent impact of sale s promotion on accumulative annual sales for the two product categories which include storable and perishable products. It was found that perishable and storable product cat

egories lack permanent effects of sales promotion. Furthermore it is revealed that effects of sales promotion are short lived and persist only on average 2 weeks and at most eight weeks for both product categories. The research's results prove the common concept that sales promotion makes only benefits which are temporary for the established brands.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

Generally, this chapter deals with the activities involved in the collection of necessary data and information required for the finding that will makes the research work valid.

The purpose of this research is to examine impact of sales promotion on organization profitability in Tuyil Pharmaceutical Industry, Ilorin, Kwara State, Nigeria. It explain the various procedure or technique that are followed and the instrument used in collecting the data or information required for the course of this study.

3.1 Research Design

This study adopts descriptive survey research type. The descriptive survey research type was considered suitable for this study because it allows the respondents to view and analyse the opinions or views of the respondents without been bias or manipulation.

3.2 Population of the Study

In the way of gathering important or vital and timely information on this research work, the survey was conducted and it is aimed at enabling the researcher to determine a particular situation from the reaction of this subject concerned with study.

The reason of defining the population in this research work is not just to identify the element but to enhance the measurement of certain characteristics which can be eliminated and classified according to the requirement of a particular survey. Furthermore, this research work on the population of the study shall be limited to the entire staff and management of Tuyil Pharmaceutical Industry, Ilorin, Kwara State. The staff of Tuyil Pharmaceutical Industry, Ilorin, Kwara State, is further sub-divided into senior and

junior staff from the data available from Toyil Pharmaceutical Industry, Ilorin, Kwara State. This study covers fifty-three (53) senior staff and forty-seven (47) given to total population of One hundred (100).

3.3 Sample Size and Sampling Techniques

Sample size

A standard sampling technique was used in selecting staff from which the company was located. According to Pedro (2011), 20% could be used as the sample size. 50% of 100 is equal to 20 which represents the entire population which is basically selected from various departments of the company. Sampling in research projects gives the researcher room for thorough study complete coverage from all population. It enables the researcher to obtain a quicker result.

The sample size using Taro Yamane 1967 is formulated below:

n = Sample size

N = No of population

e = Degree of error (5%)

$$n = \frac{25}{25}$$

$$n = 25$$

$$n = 80$$

Sampling Technique

In this research, the method used for selecting samples to represent the population of study was simple random sampling. In simple random sampling, members of the population of the study staff were drawn randomly in the sample. The researcher adopted random sampling technique to make sure that every element in the population has the same chance of being drawn in the sample. The sampling technique used in this research work is method where no variable is used. The number of respondents would be divided by the response level such as strongly agreed, discharge strongly disagreed and undecided. Stratified sampling technique would also be adopted to select the respondents from the study population. The sampling techniques adopted categorize elements of

the population into strata on the basis of vital characteristics. The method was use especially because of its efficiency in maximizing the required time.

$$f_e = \frac{\text{Row Total} \times \text{Column Total}}{\text{Grand total}}$$

3.4 Methods of Data Collection

The method of data collection to be used for this study are the primary and the secondary source. The Primary and secondary data entails the administration of questionnaire to obtain data about change management and corporate performance among staff of Tuyil Pharmaceutical Industry, Ilorin, Kwara State. The questionnaire would be divided into two parts namely bio-data information and performance appraisal of staff productivity. The administered questionnaire by the researcher and researcher assistant for easy administration of the instruments to the respondents and which would be collected at a later date. Also, the self-administered questionnaire would be followed up with personal interview in such a way that it would give rooms to acquire the reason, effects, merits and demerits of the contribution of sales promotion on organization profitability, being a case of Tuyil Pharmaceutical Industry, Ilorin, Kwara State, Nigeria.

3.5 Instruments of Data Collection

In this research, the instrument use: personal interview, sample that is random sampling method (to avoid bias), questionnaire, textbooks, presentation in seminar and journals.

- i. **Questionnaire:** They are question statement formats tapping readily available information. They contain carefully selected questions about the construct being measured by the researcher fixed alternative type of questionnaire is being used in specific frames of reference.
- ii. **Textbook Presentation of Seminar:** In this area of study may reveal useful information of interest to the research.

- iii. Journals: It is not likely that he will find recent and current article relevant to his research that have not yet appeared in the appropriate index.
- iv. Interview: It is a face-to-face interaction situation in which the interviewer asks question directly and the interviewee is expected to respond to the question asked.

3.6 Methods of Data Analyses

Data collected was analyzed, summarized and interpreted. Tables were formulated for easy understanding of the information that was acquired from questionnaires. Descriptive statistical techniques involving total score and simple percentage were employed. Each table was followed by logical explanations or interpretations of the results of the table. The technique adopted is regression analysis.

3.7 Historical Background of the Case Study

Tutit Pharmaceutical Industry, Ltd is a privately owned business and was established on the 1st of May, 1996 in Ilorin, Kwara State, at No 22 Stadium Road, Ilorin Kwara State. It is a Pharmaceutical company that manufactures both human and animal products including potable table water. Due to its rapid expansion in production activities, the company moved to its permanent site at No 22 New Yidi Road, Ilorin, Kwara State on the 2nd of June, 2005 and was commissioned by Governor Bukola Saraki and former Director of NAFDAC, (Late) Prof Dora Akuyil as special guest.

CHAPTER FOUR

DATE PRESENTATION, ANALYSIS AND PRESENTATION

4.1 Introduction

Every research is pursued to get the relevant findings of the study by which the conclusion of the research can be drawn and the objectives of the study are evaluated in terms of the respondents of the samples. This section of the research will initiate the results of survey questions that have been conducted on the samples to find out the outcomes regarding objectives. This survey questions have been designed in quantitative format and thus the findings will be shown with different quantitative measures. The analysis of the quantitative data is elaborated in the following:

4.2 Demographic Profile of the Respondents

In conducting the survey and analyze the findings of the results, demographic analysis is an important part. Demographic analysis dictates the nature of demography of the samples who took part in this survey. The survey questionnaire contains some demographic questions emphasizing the name, age, gender, educational qualifications and professional status of the respondents. Demographic analysis will support the survey results in relation to the relevancy of the research issue with the right demography who actually reflects the consideration of the impact of sales promotion on organizational profitability.

Table 4.2.1 Gender of the Respondents

Gender	Frequency	Percentage
Male	56	56%
Female	44	44%

Total	100	
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Source: Field survey, 2025

The above table represents that the respondents of the survey were 56% male and 44% female. So, the researcher got more male respondents than the female respondents.

Table 4.2.2 Age

Age	Frequency	Percentage	Cumulative Percentage
Below 20	8	8%	8%
20-35	36	36%	44%
36-50	40	40%	84%
51 or above	16	16%	100%
Total	100	100%	

Source: Field survey, 2025

The age of the respondents is crucial for this research as the age of the respondent can define the experiences of products and services. In this term paper, the below 20-year-old respondents were 8%, 20-35-year-old respondents were 36%, 36-50-year-old respondents were 40%, and the 51-year-old or above respondents were 16%. So, from the analysis, we can see that the most respondents were 36-50-year-old which is a good thing for the research as they are all experienced.

Table 4.2.3 Education Qualification of Respondents

Respondents	Frequency	Percentage	Cumulative Percentage
Below B.Sc	25	25%	25%
B.Sc/HND	60	60%	85%
Professional	15	15%	100%
Total	100%	100%	

Source: Field Survey, 2025.

The above table shows that only 25 respondents were below university qualification which represent 25% while 60 have first degree or HND which is from 60% of the total respondent 15 respondent were professional qualification with over 15% of them being educated up and above the B.Sc level.

Table 4.2.3 Sales Promotion affects Company Sales Volume

Scales	Frequency	Percentage	Cumulative Percentage
Strongly Disagreed	11	11%	11%
Disagreed	19	19%	30%
Neutral	8	8%	38%
Agreed	42	42%	80%
Strongly Agreed	20	20%	100%
Total	100	100%	

Source: Field survey, 2025

Table 4.2.3 above shows that 20% of the respondents strongly agreed, 42% agreed, 11% strongly disagreed and 19% disagreed, while 8% are neutral. This signifies that the nature of products determine the type sales promotional strategies to be adopt by the organization.

Table 4.2.4 Sales Promotion helps to Increase the Profit of the organization

Scales	Frequency	Percentage	Cumulative Percentage
Strongly Disagreed	5	5%	5%
Disagreed	23	23%	28%
Neutral	7	7%	35%
Agreed	40	40%	75%
Strongly Agreed	25	25%	100%

Total	100	100%	
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Source: Field survey, 2025

Table 4.2.4 above indicates that 25% of the respondents strongly agreed, 40% agreed, 5% strongly disagreed, 23% disagreed and 7% were neutral with the statement. This means that the profitability of the organization is determine by sales promotion.

Table 4.2.5: Degree of Competition Determines the Sales Promotion of the Organization

Scales	Frequency	Percentage	Cumulative Percentage
High	25	25%	25%
Moderate	45	45%	70%
Low	15	15%	85%
Undecided	15	15%	100%
Total	100	100%	

Source: Field survey, 2025

In analysis of table 4.2.5, 45% of the respondents indicate that the degree of competition is moderate, 25% shows high degree, while 15% indicates low and undecided. This shows that the degree of competition in the market place determines the sales promotion of the organization.

Table 4.2.6: Sales Promotion Enhances the Purchase of Organizational Products

Scales	Frequency	Percentage	Cumulative Percentage
Strongly Disagreed	7	7%	7%
Disagreed	15	15%	22%
Neutral	11	11%	33%
Agreed	43	43%	76%

Strongly Agreed	24	24%	100%
Total	100	100%	

Source: Field survey, 2025

Table 4.2.6 above establishes that 24% of the respondents strongly agreed, 43% agreed, while 7% strongly disagreed and 15% disagreed, while 11% were neutral. This implies that the purchases of the organization products are determined by sales promotion.

Table 4.2.7: Sales Promotion helps in Increasing Market shares of the Company

Scales	Frequency	Percentage	Cumulative Percentage
Strongly Disagreed	9	9%	9%
Disagreed	11	11%	20%
Neutral	13	13%	33%
Agreed	45	45%	78%
Strongly Agreed	22	22%	100%
Total	100	100%	

Source: Field survey, 2025

Table 4.2.7 above, designate that 22% of the respondents strongly agreed with the statement, 45% agreed, 9% strongly disagreed, 11% disagreed, while 13% were neutral. This connotes that the sales volume and market share of the organization are enhanced by effective sales promotion.

Table 4.2.8 Does sales promotion have influence on customers in purchasing products offered by an organization?

Scales	Frequency	Percentage	Cumulative Percentage
Strongly Disagreed	10	10%	10%
Disagreed	5	5%	15%
Neutral	5	5%	20%
Agreed	70	70%	90%
Strongly Agreed	10	10%	100%
Total	100	100%	

Source: Field survey, 2025

Table 4.2.8 above establishes that 10% of the respondents strongly agreed, 70% agree

d, while 10% strongly disagreed while 5% disagreed and neutral respectively. This implies that sales promotion have influence on customers in purchasing products offered by an organization.

Table 4.2.5: Does sales promotion affect the rate of turnover in Tuiyl Pharmaceutical Industry?

Scales	Frequency	Percentage	Cumulative Percentage
Strongly Disagreed	5	5%	5%
Disagreed	10	10%	15%
Neutral	5	5%	20%
Agreed	65	65%	85%
Strongly Agreed	15	15%	100%
Total	100	100%	

Source: Field survey, 2025

Table 4.2.9 above indicates that 15% of the respondents strongly agreed, 60% agreed, 5% strongly disagreed, 10% disagreed and 5% were neutral with the statement. This means that sales promotion affect the rate of turnover in an organization.

Table 4.2.10: Sales promotion has benefits towards Tuiyl Pharmaceutical Industry's Profitability.

Scales	Frequency	Percentage	Cumulative Percentage
Strongly Disagreed	5	5%	5%
Disagreed	10	10%	15%
Neutral	5	5%	20%
Agreed	65	65%	85%
Strongly Agreed	15	15%	100%