THE DEVELOPMENT OF A GENERIC INTEGRATED MODEL OF PROMOTIONAL MANAGEMENT FOR PURPOSES OF OPTIMISING ORGANISATIONAL TURNOVER GROWTH AND INCREASED PROFITS FROM SALES PROMOTIONAL ACTIVITIES.

BY

KENNETH MARQUES

This paper is submitted in partial fulfillment of the requirements for the degree of Magister in Business Administration in the Faculty of Management at the Port Elizabeth Technikon.

PROMOTER: Professor. N. Kemp

DATE:

.................................
DECLARATION

I, Kenneth Howard, D’sotto Marques, hereby declare that:

- The work carried out in this paper is that of my own.

- That all sources used or referred to have been documented and recognised.

- That this paper has not been previously submitted in full or partial fulfilment of the requirements for an equivalent or higher qualification at any other recognised educational institution.

…………………………

RESEARCHER: Kenneth Howard, D’sotto Marques

PLACE: Port Elizabeth

DATE:

…………………………
ACKNOWLEDGEMENTS

I wish to express my sincere appreciation to the following people who contributed to the completion of this study:

- Professor Norman Kemp, my promoter, for his dedication, commitment and professionalism in pursuit of improving his students’ skills.

- To my loving and understanding wife, Andrea, for her undying belief in me.

- Finally to my mother and late father, Montrue and Zeccas, who supported and believed in me. I thank them for their efforts in providing me with their best.
ABSTRACT

This paper concerns itself with the devising of a model which organisations can consult when considering hosting any sales promotional activities. The success regarding profits derived from these sales promotions activities vary. These anomalies prompted a further investigation into the need for a single promotional model which could be utilized in varied business environments to optimize profits derived from sales promotions.

The uniqueness of the South African environment was also taken into account when considering the various criteria in the development of the model. Sensitivity with regards to the types of barriers peculiar to South Africa is vital. The following excerpt from East Cape Weekend (An Eastern Cape newspaper) reinforces the belief that there are factors to which global environments are not exposed, and thus, the model should and will be designed to cater for these South African peculiarities by virtue of the fact that it will be based on the critical success factors of successful South African retail organisations.

Resistance to technological progress due to the threat of possible job redundancy is one of the South African peculiarities that is referred to in the East Cape Weekend 09/06/2001 Michelle Pugh-Parry, “Controversial telephone technology will make paying bills safer”. Besides safety and convenience, the system can alleviate the R600m PE municipal areas debt, yet the union has outwardly rejected the plan and stormed the municipal buildings, protesting that it may cause job loss.

It is precisely this type of peculiar barrier to progress that the author intends to accommodate for in the devising of his model. South African organizations will be considered when performing the empirical and primary studies in order to formulate a model that has been adapted to and caters for local needs due to its fundamental aspects being based on the South African circumstance. The information in this study contains the analysis of promotions in a broad context in terms of the following six facets of retail management, namely, operations, human resources, marketing, organizational behaviour, economics and strategies.

The results of an analysis of promotional activities used by organizations in the Port Elizabeth municipal area was gained via the application of a questionnaire. An empirical study was performed and provided information that could be used in the development of a promotional model. The application of the model, benefits to whom and importance of the model was debated in the summary, conclusions and recommendations. The table of contents follows.
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CHAPTER 1

1.1 INTRODUCTION

This chapter will explain to the reader the problems, procedures and techniques to be used in resolving these problems. The outline of the study will be explained. This leads to the defining of the problems. The following two points clearly explain the problems.

1.2 MAIN PROBLEM

The decision to write a paper on the development of an integrated generic model to promote the sales turnover and increased profitability was borne out of the fact that there is no such model available to retail practitioners in the market place. A survey will be conducted in the Nelson Mandela Metropolitan Municipality in the Port Elizabeth area. Information gathered from this source, together with a secondary study of literature available on the subject, will form the basis for the proposed development of a model.

"Our basic conviction is that advertising, sales promotion, personal selling, direct marketing, public relations publicity, and corporate advertising are all component parts of one integrated promotional mix." Engel, Warshaw and Kinnear (1987: preface).

The above statement indicates that when an individual or organisation intends promoting sales of its business a number of criteria should be considered in order to reduce the risk of failure. This ideally results in the optimizing of the success of a sales promotion. It is this quest for optimal success in promotions and the lack of a model integrating these criteria that has motivated the investigation of the possible development of such a model.
Integrating the various facets of business which could guide one on how to approach promotions with the dual aims of improving profitability and turnover growth resulting in optimizing the effectiveness of promotions. The model is intended to serve as a framework to retailers in pursuit of the above objectives.

According to Blattberg and Neslin (1990: xi) "...much of the increased level of activity involving sales promotion is taking place without the benefit of a unified synthesis of what is and is not known about the subject. The latter statement indicates the importance of a model that unifies and what is already known about promotional activities." Kotler (2000: 597) explains that sales promotion consists of a diverse collection of incentive tools, mostly short-term, designed to stimulate quicker or greater purchase of particular products or services by consumers or the trade.

Kotler (2000: 597) continues to explain that the sales promotion tools are used by most, including manufacturers, distributors, retailers, trade associations and non-profit organisations. Churches, for example, often sponsor bingo games, theatre parties, testimonial dinners and raffles, in order to generate money (profit). This statement points to the fact that these organizations utilize sales promotion tools, in the absence of a model unifying and synthesizing the processes referred to by Kotler above. Thus a guideline ensuring consistency amongst retail practitioners is absent.

Kotler (2000: 597) explains that a decade ago the advertising-to-sales promotion ratio was about 60/40. Today, in many consumer-packaged companies, sales promotion accounts for 65 to 75 percent of the combined budget.
The above information highlights the extent to which organisations depend on promotional activities to generate profits and growth in order to sustain themselves. There is convincing evidence through the lack of a unifying sales promotional model, that these organizations are performing these activities with questionable direction and consistency. The latter fact, together with the previous statements on the importance of understanding the components constituting most promotional activities, leads to the main problem of the current research:

**What is an ideal model that integrates the various facets of an organisation which focuses on maximising promotional sales turnover and profits?**

Finally, it is important to remember that in the hypothesis there are specific key activities responsible for successful sales promotional activities which may or may not be borne out by the outcomes of this research. However, the information gathered will enable the author to make informed decisions in attempting to solve the main problem. According to Ind (1993: 12) "… research has limitations and should be an aid to judgement, rather than an alternative to it." The main problem will be resolved via the resolution of sub-problems, which will now be listed in point 1.2 below.

**1.3 SUB-PROBLEMS**

In order to address the main problem listed above the following sub-problems were identified:

1 a) **What do practicing managers believe is an ideal model of business promotion?**
1 b) What criteria need to be considered in the development of a promotional model in order for it to cater for the majority of South Africans?

1 c) What does prior research reveal as the necessary elements for the successful promotion of turnover growth?

With the main problem and sub problems in mind the overall purpose of the paper will now be expanded upon.

1.4 THE PURPOSE AND OBJECTIVES OF THE STUDY

The purpose of this study is to establish data via a literature study and the conducting of personal interviews as well as a survey to provide statistical and theoretical data to be used in the development of the proposed model.

Therefore, the objectives of this study are:

• To identify in this study factors of the organisation’s promotional activities that assist in its achievement of turnover growth and profitability.

• To identify in this study promotional strategies used by the organisation, isolating and tabulating those best practices that can be proved statistically or via other means to improve the effectiveness of promotions common to the selected sample of the survey.

• The coaation of a list of critical success factors identified from the survey conducted that are common to successful promoters.
• The adaptation of these success factors into a practical integrated promotional model that can be used by most businesses.

1.5 DELIMITATION OF RESEARCH

In order to ensure that the research project remains a manageable size it was decided to only consider the Nelson Mandela Metropolitan Municipality in Port Elizabeth.

1.5.1 Demarcation of research

The study will be conducted in the Nelson Mandela Metropolitan Municipality in Port Elizabeth which is home to a relatively densely populated retail environment.

The selected retail outlets are sufficient to establish a credible base, as the information gathered in the Port Elizabeth Municipal area should bare relevance to most South African markets, as the promotional activities and subsequent messages will be inescapably similar in their objectives, irrespective of the geographic origin of the retailer.

1.6 DEFINITION OF SELECTED CONCEPTS

The key terms referred to in describing certain concepts around which major discussions in this paper will be centered are defined to ensure a full understanding of the topic at hand:

• Integrated Model

• Strategic advantage
• Profitability

1.6.1 Integrated model

The word integrated in the term integrated model refers to the structured manner in which departments are expected to co-operate, whilst executing and planning sales promotional activities. Explained below is a summation of the word "model" and its intended meaning in the context of this research project.

Emory and Cooper (1991: 64) identified three generic forms of models.

• **Descriptive models:** Describing how elements within a system behave.

• **Explicit models:** Expanding current theories of existing models (These models do not consider the entire promotional process as is the case with this paper’s proposed model).

• **Simulation models:** Replicating current models.

It was decided that this research project would utilize an explicit model to achieve its aims.

1.6.2 Strategic advantage

Kotler (2000: 80) explains that strategy is a game plan for a business to arrive at an expected outcome. Every business must tailor a strategy for achieving its goals, consisting of:

• a marketing strategy
• a compatible technology strategy and a sourcing strategy.

As explained above, strategies are plans that organisations develop that define a path leading the way to the successful attainment of set goals.

These plans are developed with the intention to ensure that the organization maximises opportunities and in so doing maintains its lead in the market place over others. This is referred to as a strategic advantage.

1.6.3 Profitability

When used in this research text the term ‘profitability’ will refer to the following:

• The profits before interest and tax.

• The difference between the gross profit and the expenses. The latter will refer only to the gross profit derived and attributable to the promotional activity and will relate only to those expenses that pertain to the sales promotion at hand.

Mohr and Fourie (1998: 307) define profit as, "the difference between revenue and cost. In other words, a firm’s profit is the difference between the revenue it earns by selling its product and the cost of producing it or selling it."

Profit in this research will refer to the accountant’s definition of profit as stated above, which excludes implicit costs. Mohr and Fourie (1998: 307) explain the difference between economic and accounting profit as follows:

Accounting profit = total revenue –total explicit costs

= normal profit + economic profit
Economic profit = total revenue – total costs (explicit and implicit)

= accounting profit – normal profit

1.7 THE SIGNIFICANCE OF THE RESEARCH

In order to maximise the return on investment when promoting a product or service, it is imperative that strategic plans integrate the key areas of the retail organization into a single unified plan in pursuit of the overall goal. These goals are increased profits and/or turnover growth. A principal tool of achieving the latter is sales promotions.

An effective sales promotional strategy should consider the following key areas:

- Advertising
- Sales promotion
- Personal selling
- Direct marketing
- Public relations

In support of this conviction Engel, Warsaw and Kinnear (1987: preface) state, "…that advertising, sales promotion, personal selling, direct marketing, public relations and publicity, and corporate advertising are all component parts of one integrated promotional mix."

A further statement made which supports the need for the development of a model integrating the various facets of retail into a model unifying the key areas noted above is
that of Engel, Warshaw and Kinnear (1987: preface), which states that, "There is no way that an individual activity, say advertising, can be managed without fully considering these strategic interrelationships."

The latter quotation reinforces the need for sales promotional activities to be of an integrated nature and not only of one aspect operating in isolation to another. The above statements again reinforce the belief that sales promotional activities should be a multifaceted concept. The model proposed should include in its design, the various key concepts noted above in order to present the user with a comprehensive and effective tool for sales promotional purposes.

1.8 RESEARCH DESIGN

The research design that will be followed in this study is described below.

1.8.1 Literature study

Various literature sources will be surveyed in order for the author to establish which strategies should be utilized in the development of the proposed model used in the quest for successful sales promoting of organisations’ products and services. The literature will be gathered from libraries at the Port Elizabeth Technikon and the University of Port Elizabeth, the Internet, local retail organisations in the Nelson Mandela Metropolitan Municipality in Port Elizabeth, newspaper articles and magazines.

1.8.2 Empirical study

The empirical study will be comprised of the following parts:
• A sample of retail outlets will be surveyed.

Selected retail outlets. These shops will be used as a source of information which could aid in deciding on how to best develop an ideal sales promotional model.

• Personal interviews.

The interviews will be made from a sample comprised of respondents from various job portfolios. The outcomes of these interviews will be used as a database for the development of the proposed sales promotion model.

• Questionnaire.

A questionnaire will be designed to establish information which will be used in the development of the proposed sales promotion model. Various questioning techniques will be used in the establishment of the required data.

The outcomes of the questionnaire will be assigned weighted numeric values. The questionnaire will thus be used as a metric tool of measure as it will be calibrated.

• The analysis of statistical data.

Graphic illustrations, where possible, will be used to further assist in the interpretation and evaluation of statistical data. The merits of developing an integrated sales promotional model will be discussed and motivated, based on the findings of the empirical study. The following point, 1.7.3,
explains how the framework of the integrated sales promotional model shall be developed.

1.8.3 The development of an integrated model

After having analysed and evaluated the results of the literature and the empirical survey, the merits of all of the outcomes and statistics will be considered. A table listing and identifying the most important positive influencing factors will be established. Those factors that were believed by the respondents interviewed to be critical success factors and appeared in the lists above as positive factors, will be used as well in the development of the model. The latter will ensure that the model is kept as simple as possible and would, thus, allow for ease of understanding and therefore broader and more accurate application thereof. This would be vital in terms of the South African context as many of our retailers may not be sufficiently skilled to interpret and understand a complex model.

1.9 OUTLINE OF THE STUDY

A brief introductory paragraph will explain to the reader the contents covered by each chapter. Chapters two to seven will cover the following topics:

CHAPTER 2

PROMOTIONAL ACTIVITIES OF ORGANISATIONS FROM AN OPERATIONAL PERSPECTIVE WITH SPECIFIC REFERENCE TO THE NELSON MANDELA METROPOLITAN MUNICIPALITY IN PORT ELIZABETH
Once the secondary literature study has been completed, taking note of the relevant literature resources, an empirical study will be embarked upon in chapter five. Chapter seven will conclude the study, and recommendations will be made regarding the main problem. All relevant annexures, lists of statistical data and tables will be attached and form part of the document. This leads to chapter two.
CHAPTER 2
PROMOTIONAL ACTIVITIES OF ORGANISATIONS FROM AN
OPERATIONAL PERSPECTIVE WITH SPECIFIC REFERENCE TO
THE NELSON MANDELA METROPOLITAN MUNICIPALITY PORT
ELIZABETH

2.1 INTRODUCTION

To establish those factors of promotional activities which impact positively on sales
growth and profitability, a diverse range of organizations operating in the Nelson
Mandela Metropolitan Municipality in Port Elisabeth will be visited and details of their
promotional activities will be listed in tables in this chapter. The latter will be done in
order to compile up a database of factors that could, in later chapters be evaluated and
discussed in an attempt to ascertain which criteria should be considered and included into
the design of the promotional model.

Prior to the promotional model being developed, other key problems need to be resolved,
and the information gathered from resolving these sub-problems would greatly assist in
resolving the main problem. Herewith details of the main and sub-problems.

2.2 MAIN PROBLEM

What is an ideal model of business promotion that will assist organizations to
achieve turnover growth, maintain strategic advantage and increase profits?

An ideal promotional model needs to be developed in order to solve the main problem.
A credible database needs to be established. This will provide a selection of the critical success factors that contribute to the achievement of successful promoting, which can be evaluated and utilized in developing an ideal model. This information is vital and needs to be established before attempting to resolve the main problem. Part of this vital information would be the selection of critical success factors that could be evaluated and discussed, as well as the merits of whether or not these factors would positively impact on:

- Turnover growth and
- Profitability.

Bearing the latter in mind, a database will be established in chapter two which can be analysed and evaluated in chapter three. This vital information referred to will chiefly be obtained when resolving the following sub-problems.

**2.3 SUB-PROBLEMS**

The information gathered in chapter two will, when discussed and evaluated later in chapter five, highlight the ideal methods of promoting and, thus aid in resolving this sub-problem. The ideal methods of promoting will be consolidated into a promotional model in chapter seven.

**2.3.1 What do practicing managers believe is an ideal model of business promotion?**

The practices of successful promoters will be identified and tabulated in this chapter. Practices found to be present in all of these successful promoters’ promotional plans will
be regarded as ideal and thus be included in the development of an ideal promotional model, resolving this second sub-problem.

Some, or possibly all, of the criteria of firms that are considered to be successful promoters may, in chapter seven, be utilized in the development of the ideal promotional model, however, the merits of these factors will be decided upon in chapters three, four, five and six.

Another aspect of promotional planning is the consideration that should be given to local conditions. This leads to the next sub-problem.

2.3.2 What criteria need to be considered in the development of a promotional model in order for it to cater for the majority of South Africans?

The firms selected as successful promoters, being used as the sample from which data will be gathered, are operating in the Nelson Mandela Metropolitan Municipality in Port Elizabeth. These firms have customized their promotional plans to suit the local conditions.

The criteria that were considered by these firms when customizing their promotional plans will be identified in this chapter, however, the evaluation and merits thereof will be discussed in chapter three. In so doing, the latter sub-problem will be addressed.

2.3.3 What does prior research reveal as the necessary elements for the successful promotion of turnover growth?
Secondary studies on how to best identify what the critical success factors are in order to maximize turnover growth and profitability will be performed. Some of these studies will be referred to in the following paragraphs and assist in resolving the latter sub-problem. The bulk of the discussion that resolves this sub-problem will be covered in chapter three.

Information from reference sources will now be discussed and will provide a structured guideline on the presentation of the critical success factors present in the diverse sample of successful promoters in the Nelson Mandela Metropolitan Municipality in Port Elizabeth. The sample of firms that were analysed ranged from small businesses to large business enterprises. The following firms operating in the Nelson Mandela Metropolitan Municipality Port Elizabeth have been selected as successful sales promoters and the critical success factors of their promotional plans will be tabulated later in this chapter:

- **Bridgestone Firestone**
- **Volkswagen South Africa**
- **Makro**
- **Engen**
- **South African Bottling Company (SABCO)**

The firms have been selected as they form a diverse profile of business and the proposed model is intended for use by just such a diverse profile of business.

All organizations have specific methods and mediums which are used to ‘tell’ people about the nature of their business. According to Futrell (1993: 52), "**Promotion**, as part of the marketing mix, is designed to increase company sales by communicating product
information to potential customers. The four basic parts of a firm’s promotional effort are (1) personal selling, (2) advertising, (3) publicity and (4) sales promotion."

These four "basic parts" referred to would provide a good framework which could be used in structuring the tables into which the sample firms’ promotional plans could be categorized.

Goncalves, an ex-lecturer of undergraduate marketing majors and other undergraduate business students and currently the president of Delphi Market Research, Inc., (a market research and planning consulting firm), reinforces the latter statement in her book, *Services Marketing A Strategic Approach*, (1997: 100), by stating the following, "The communications task is the same for services and goods. The communications mix: personal selling, sales promotion, public relations/ publicity, advertising."

**The latter activities echo the sentiment of Futrell.** The merits of the latter types of activities will be discussed in chapters three, four and five. The types of promotional activities that the firm will use are usually dictated by consideration of two factors, namely:

- type of customer and
- type of product.

Futrell (1993: 52) explains that the decision as to which promotional activities should be used in selling a product are only made once it is decided who the customer is and, secondly, *which product or service is to be promoted*. 
It is the firm’s activities that are elected to execute the sales promotion that are of interest to the researcher as. The activities that are involved to do the following will be analysed in this document:

a. How the organisation promotes it’s products and services and

b) The manner in which it delivers it’s services to consumers whilst performing sales promotions.

These basic activities will be considered when evaluating firms promoting their goods and services in the Nelson Mandela Metropolitan Municipality Port Elizabeth. According to Futrell, (2000:138), "Sales promotion can be divided into consumer and trade sales promotion. Consumer sales promotion includes free samples, coupons, contests and demonstrations to consumers. Trade sales promotion encourages retailers to purchase and aggressively sell a manufacturer’s products by offering incentives like sales contests, displays, special purchase prices and free merchandise, for example, buy ten cases of a product and get one case free." Bearing the latter in mind, the firms selected as successful sales promoters will have their promotional plans tabulated into two tables. One table listing the critical success factors of Consumer trade sales, and the other, Trade Sales.

The proposed ideal promotional model to be developed in chapter seven will consider the following:

- personal selling;
- advertising;
- publicity, and
The identified firms will now be presented using Futrell’s activities as a framework and guideline for discussing them. The first firm to be discussed is Bridgestone Firestone.

2.4 THE EVALUATION OF ORGANISATIONS IN THE NELSON MANDELA METROPOLITAN MUNICIPALITY OF PORT ELIZABETH

Bridgestone Firestone is the world’s largest tyre manufacturer. The company develops, manufactures and markets tyres for passenger, light truck, truck, bus, earthmoving, agricultural, motorcycle and aircraft applications. www.Firestone.co.za.

2.4.1 Bridgestone Firestone

This local tyre manufacturer is an example of a firm that promotes its products and services successfully. The company methodology of promoting sales in terms of the activities previously explained is tabulated in table 2.1.
Table 2.1: **Firestone consumer sales promotions**

| PERSONAL SELLING | • Caps, t-shirts, wall charts, vehicle tyre specification manuals and booklets offering competitor tyre alternatives.  
|                  | • customer pamphlets, and salesman training and development workshops on existing and new products. |
| ADVERTISING      | • Dealerships, Television, radio, newspaper, automotive magazines, cinema, motor-sport sponsorships, Firestone products advertised at FMCG retail outlets, and Firestone products advertised within the fuel industry (forecourt displays/signage/sales).  
|                  | • Web pages advertising products and services. |
| PUBLICITY        | • Local sports heroes drive a sponsored vehicle, advertising their tyre of choice or, celebrities display the Firestone logo and caption on their personal attire or vehicles or both. Firestone banners and signage at: Aldo Scribanti Race Track, Rover Raceway, PE Cart Club Race Track or as mobile units or as permanent fixtures at popular events. |
| SALES PROMOTION | • Consumer discounts.  
| SALES PROMOTION | • Automotive parts suppliers offering discount coupons on future tyre purchases, for example, Speedy Exhaust outlets offering a tyre discount to consumers visiting one of their fitment centers and, in so doing reinforcing the alliance between Speedy Fitment centers and Firestone. |
Table 2.1.1 lists the criteria used in trade sales promotions.

**Table 2.1.1: Firestone trade sales promotion**

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
</table>
| PERSONAL SELLING | - Firestone supplies dealers and allied trades, pamphlets on purchasing tips for new vehicles and the buying of cars. Information concerning car dealer scams is revealed; leasing, negotiating tips, used cars, car loans, used car prices, car insurance and warranty tips are provided.  
  - The provision of free tyre selection/specification and model suitability booklets to traders. Go to the following web site. (www.carbuyingtips.com) |
| PUBLICITY       | - Dealerships and outlets supplied with free door decals.  
  - On-site signage and props supplied free of charge.  
  - Tyre testing equipment supplied for free or subsidized. |
| ADVERTISING     | - In-store advertising, pamphlets, financial support provided to dealers on condition that Firestone logos and captions are included on all advertising materials. |
| SALES PROMOTION | - Rewards to best performing outlet for sales, for example, the ATX (All terrain tyre) in summer.  
  - Sales contests within each outlet, display competitions, special purchase prices and free merchandise, for example, Firestone embossed caps and t-shirts. |
The following quotes further reinforce the notion that Firestone is, indeed, an icon to successful sales promoters:

"With annual sales of over R40 billion and nearly 45,000 employees, Firestone is the principal subsidiary of Bridgestone Corporation, the world’s largest tyre and rubber company."

"Bridgestone Firestone is at the forefront of world tyre technology" www.Firestone.co.za.

The merits of Firestone’s sales promotional success will be analysed in chapter three.

2.4.2 Volkswagen South Africa

Formed in 1946, Volkswagen South Africa (VWSA) can be found on the outskirts of the industrial town of Uitenhage, 35 kilometres from the city of Port Elizabeth in the Eastern Cape Province. VWSA has come a long way since the first Beetle rolled off the line on August 31, 1951. As one of seven passenger car manufacturers in South Africa their market share has more than doubled since the mid-80’s.

As the largest foreign employer in South Africa, VWSA employs 5 500 workers and the Volkswagen family contains more than 2 500 suppliers plus a national network of 152 Dealerships. VWSA has ensured that through superior promoting it remains an icon to success. This now leads to the mechanics of VWSA’s sales as tabulated in 2.2.
Table 2.2: Volkswagen South Africa consumer sales promotions

<table>
<thead>
<tr>
<th>PERSONAL SELLING</th>
<th>o Sales executives sell the VW products on dealership sales floors with the aid of printed brochures and technical specification data booklets and secondly, by physically demonstrating the vehicles features, advantages and benefits via the provision of demonstration vehicles.</th>
</tr>
</thead>
</table>
| ADVERTISING      | o 1997 saw the launch of the Citiwise Campus Drivers’ Club – an exciting marketing initiative motivated by demand for an on-campus driver training programme that provides students with the one qualification that is guaranteed to take them places – a driver’s license. The new academic term in January 2002 was launched with an aggressive campaign to market the Citi Golf to students.  
  - Web site |
| PUBLICITY        | o The Citiwise programme mentioned above acts as an excellent publicity vehicle as well as an innovative advertising medium.  
  o GTI Golfs are supplied to the SA Police and the Scorpions unit. This elite SA crime investigation unit now act as ambassadors to |
<table>
<thead>
<tr>
<th>SALES PROMOTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>o Every car that comes off the assembly lines has, as the main ingredient, a company–wide commitment to quality. Every step in the production process centres around Volkswagen’s commitment to providing South Africans with cars of exceptional quality. This is one of the key missions of VWSA that has remained at the core of all their promotions as they promote quality products in terms of &quot;the peoples&quot;, thus exposing their quality products to the mass market. Due to the extensive number of dealerships, the products are thus automatically promoted with maximum exposure in the SA market.</td>
</tr>
<tr>
<td>o Promotions are targeted at as many diversified markets as possible, ensuring that, should one market not respond as expected, another alternate market could compensate. An example of this is the customizing of the Golf and Jetta vehicles to meet vehicle emission standards; having the steering rack and control mechanisms adapted to suit left hand drive operation for the specific Chinese market, and, at the same time, aggressively promoting the right hand drive version in the local market.</td>
</tr>
</tbody>
</table>
Table 2.2.1 overleaf lists the criteria used in trade sales promotions.

**Table 2.2.1: Volkswagen South Africa trade sales promotions**

| PERSONAL SELLING: | • Dealer principles’ workshop technicians and sales staff are all educated on the features, advantages and benefits of VW products at training workshops, presentations, etc. |
| PUBLICITY | • VWSA is launching new and varied products in the media, television, car magazines, and so on. |
| ADVERTISING | • Motoring shows and race events are sponsored by VWSA, creating awareness amongst the trade, thereby advertising indirectly to the traders, knowing that consumers demand will ultimately lead to traders purchasing stock to satisfy consumer demand. |
| SALES PROMOTION | • Cheese and wine cocktail parties are financed and hosted by VWSA, attended by top dignatories, building relationships with dealer principles and sales executives in an effort to gain credibility and confidence in the trade market, thereby enhancing the demand for products. |
The following statistics point to the fact that the Citi Golf promotion has significantly increased sales growth. In chapter three the author will analyse promotions, focussing on sales growth. The increased sales growth is apparent in table 2.2.2.

**Table 2.2.2: Citi Golf sales performance**

<table>
<thead>
<tr>
<th>Item promoted</th>
<th>Sales in units prior to promotion (Jan ’02)</th>
<th>Sales in units after promotion (Feb02)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Citi Golf</td>
<td>996</td>
<td>1262</td>
</tr>
</tbody>
</table>

Source: Top Car (2002:134)

The following graphic representation clearly shows the impact of the promotion as depicted in Graph 2.4.
Graph 2.1: Citi Golf unit sales performance

As an indication of the passenger car market share, the following statistics further reinforce the fact that VWSA is a successful promoter of products in the passenger market sector. The Citi Golf was a major contributor to this success, as indicated in Table 2.2.2. The following table was derived from information which appeared in Top Car motoring magazine (2002:134).
Table 2.2.3: Sales performance in units and percentage contribution in the passenger car market

<table>
<thead>
<tr>
<th>Product</th>
<th>Units sold in Jan and Feb’02</th>
<th>% of VW’s Passenger Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>VW Citi Golf</td>
<td>2258</td>
<td>25.65%</td>
</tr>
<tr>
<td>VW Jetta 4</td>
<td>1011</td>
<td>11.49%</td>
</tr>
<tr>
<td>VW Golf 4</td>
<td>1518</td>
<td>17.23%</td>
</tr>
<tr>
<td>VW Polo Playa</td>
<td>1661</td>
<td>18.87%</td>
</tr>
<tr>
<td>VW Polo Classic</td>
<td>743</td>
<td>8.44%</td>
</tr>
<tr>
<td>Audi A4</td>
<td>984</td>
<td>11.18%</td>
</tr>
<tr>
<td>VW Passat</td>
<td>204</td>
<td>2.32%</td>
</tr>
<tr>
<td>Audi A3</td>
<td>260</td>
<td>2.96%</td>
</tr>
<tr>
<td>VW New Beetle</td>
<td>58</td>
<td>0.66%</td>
</tr>
<tr>
<td>Car</td>
<td>Units Sold</td>
<td>Contribution</td>
</tr>
<tr>
<td>-----------</td>
<td>------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Audi TT</td>
<td>48</td>
<td>0.55%</td>
</tr>
<tr>
<td>VW Sharan</td>
<td>52</td>
<td>0.59%</td>
</tr>
<tr>
<td>Audi A8</td>
<td>5</td>
<td>0.06%</td>
</tr>
</tbody>
</table>

The author combined information gathered from Top Car motoring magazine (2002:134) and developed the table above. This information clearly shows the impact of the promotion.

Graph 2.1.1: **Citi Golf sales performance in units and percentage contribution in the passenger car market.**

As is visible in the graph above, the impact of sales promotions clearly enhances sales performance. The Citi Golf sales performance in comparison to the overall passenger car market for the year to date and monthly trend is noted in table 2.2.4.
Table 2.2.4: Citi Golf sales performance impact on VWSA’s overall performance in the passenger car market

<table>
<thead>
<tr>
<th>Product</th>
<th>Feb ‘02</th>
<th>Jan ‘02</th>
<th>Monthly Trend</th>
<th>Year to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>VW</td>
<td>21.2%</td>
<td>22.0%</td>
<td>-3.6%</td>
<td>21.6%</td>
</tr>
<tr>
<td>Toyota</td>
<td>18.5%</td>
<td>15.0%</td>
<td>+23.3%</td>
<td>16.6%</td>
</tr>
<tr>
<td>DCSA**</td>
<td>12.9%</td>
<td>20.3%</td>
<td>-36.5%</td>
<td>16.9%</td>
</tr>
<tr>
<td>FMC***</td>
<td>12.7%</td>
<td>10.2%</td>
<td>+24.5%</td>
<td>11.4%</td>
</tr>
<tr>
<td>BMW</td>
<td>9.2%</td>
<td>11.0%</td>
<td>-16.4%</td>
<td>10.2%</td>
</tr>
<tr>
<td>Delta</td>
<td>7.4%</td>
<td>6.6%</td>
<td>+12.1%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Fiat</td>
<td>6.4%</td>
<td>4.9%</td>
<td>+30.6%</td>
<td>5.6%</td>
</tr>
</tbody>
</table>

Table 2.2.4 (continued)

<p>| Nissan  | 4.9%    | 4.5%    | +8.9%         | 4.7%         |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Renault</strong></td>
<td>3.8%</td>
<td>3.1%</td>
<td>+22.6%</td>
<td>3.4%</td>
</tr>
<tr>
<td><strong>Peugeot</strong></td>
<td>1.6%</td>
<td>0.6%</td>
<td>+166.7%</td>
<td>1.1%</td>
</tr>
<tr>
<td><strong>Honda</strong></td>
<td>0.8%</td>
<td>0.6%</td>
<td>+33.3%</td>
<td>0.7%</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td>0.5%</td>
<td>0.3%</td>
<td>+66.7%</td>
<td>0.5%</td>
</tr>
<tr>
<td><strong>Daewoo</strong></td>
<td>0.3%</td>
<td>0.7%</td>
<td>-57.1%</td>
<td>0.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>19 472</td>
<td>22 463</td>
<td>-13.3%</td>
<td>41 935</td>
</tr>
</tbody>
</table>

The following graphic representation clearly shows that with the Citi Golf being the major contributor to VW’s overall sales has resulted in VW being the largest volume seller in the passenger car market. The Citi Golf sales promotion has thus been a major contributor to this firm’s success in this market. See graph 2.1.2 which clearly highlights this fact.
Although VWSA appears to show relatively average growth as compared to Peugeot for example it must be remembered that VWSA sells stock off a massive base as compared to smaller brands. When comparing the number of units sold this becomes more apparent. The sale of Citi Golfs being a chief reason for the growth within VWSA. The merits of Volkswagen South Africa’s promotional success will be analysed in chapter three. The following firm to be discussed is Makro.

3. **Makro**

Makro South Africa is a trading division of Masstores (PTY) Limited, which is a wholly-owned subsidiary of the JSE listed Massmart Holding Limited (MSM). Other group companies include Game, Dions, Jumbo, CCW Wholesalers, Shield and Brown and Weirs. Makro comprises a chain of eleven large warehouse wholesale and retail
operations and one Makro office outlet within South Africa. In addition, MSM trades through two similar warehouse outlets situated in Zimbabwe. All these stores trade in food, liquor and general merchandise with commercially affiliated customers. Massmart is dedicated to value retailing.

Massmart is a management group, invested in a portfolio of focused but collaborative retail and wholesale distribution formulae, each reliant on operational excellence as the foundation of price leadership, in the distribution of mainly branded consumer goods. Makro has proved to be economically very successful.

In financial terms Makro represents the second largest contributer to Massmart Holdings’ turnover. Makro has increased its trading profit before interest from financial year June 2000 to June 2001 by 30.6 million rands, a 76% increase. A chief reason for Makro’s success was the implementation of SAP retail which has enabled Makro to have a strategic advantage over competitors in terms of information. Promotional planning is an area of the business that has derived much benefit from this information in terms of which products are being purchased and by whom. The latter information is thus vital in planning sales promotional activities, www. Makro.co.za. According to Futrell (1993:52) "… the decision as to which promotional activities should be used in selling a product are only made once it is decided who the customer is and, secondly, what product is to be promoted."

Knowing how to effectively plan a promotion for it to capture the maximum possible market with the maximum demand for a product is paramount to increasing promotional success. Makro’s promotional planning will now be scrutinized, tabulating the various
criteria that have contributed to the success of Makro’s sales promotional efforts. See table 2.3

**Table 2.3: Makro consumer sales promotions**

<table>
<thead>
<tr>
<th>PERSONAL SELLING</th>
<th>• On-site sales staff advising consumers on the products’ prices, advantages and features.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADVERTISING</td>
<td>o Knock and drop advertising pamphlets, newspaper adverts, in-store advertising over the PA system.</td>
</tr>
<tr>
<td>PUBLICITY</td>
<td>o Sponsoring of popular cycle events.</td>
</tr>
<tr>
<td>SALES PROMOTION</td>
<td>o Competitively priced goods.</td>
</tr>
<tr>
<td></td>
<td>o Bulk buying of popular and new products driving up the demand for these goods, reducing stock availability in the market place.</td>
</tr>
<tr>
<td></td>
<td>o This tactic forces the consumer to shop at Makro and, in so doing, promotes sales.</td>
</tr>
<tr>
<td></td>
<td>o Marking certain items below or, at cost thereby increasing the demand for these</td>
</tr>
</tbody>
</table>
products (creating a loss-leader product). This increases traffic flow into Makro sites and exposes consumers to other Makro goods, promoting future visits and purchases from the encounter.

Table 2.3.1 lists the criteria that have contributed to the success of Makro’s sales promotional efforts used in trade sales promotions.

**Table 2.3.1: Makro trade sales promotions**

<table>
<thead>
<tr>
<th>PERSONAL SELLING:</th>
<th>◦ Representatives cold canvass business in the marketplace.</th>
</tr>
</thead>
<tbody>
<tr>
<td>PUBLICITY</td>
<td>◦ Brochures are made available to the wholesale public through the postal system, hand delivery or fax.</td>
</tr>
<tr>
<td>ADVERTISING</td>
<td>◦ Faxes are sent to wholesale traders, television advertising, radio advertising, billboards, etc.</td>
</tr>
</tbody>
</table>
Traders calling at a Makro site are able to scan products on-shelf through the provision of mobile scanners programmed to show the trader his/her unique deal price.

The following statistics point to the fact that the promotions hosted above were successful as can be seen in table 2.3.2

**Table 2.3.2: Sales growth performance**

<table>
<thead>
<tr>
<th>Item promoted</th>
<th>Average week sales prior to promotion</th>
<th>Sales for week of promotion</th>
<th>Growth in units for period of promotion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defy Automaid</td>
<td>6</td>
<td>94</td>
<td>88</td>
</tr>
<tr>
<td>Flymo trimmer</td>
<td>25</td>
<td>75</td>
<td>50</td>
</tr>
<tr>
<td>Pineware spiral</td>
<td>36</td>
<td>294</td>
<td>258</td>
</tr>
<tr>
<td>Product</td>
<td>Unit 1</td>
<td>Unit 2</td>
<td>Unit 3</td>
</tr>
<tr>
<td>-------------------------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>Hotplate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ideas/steam iron</td>
<td>33</td>
<td>187</td>
<td>154</td>
</tr>
<tr>
<td>Bootleg/pants</td>
<td>23</td>
<td>127</td>
<td>104</td>
</tr>
<tr>
<td>3 piece bathroom set</td>
<td>19</td>
<td>181</td>
<td>162</td>
</tr>
</tbody>
</table>

The growth in units as indicated by the right-hand column points to the fact that sales promotions elevate average sales growth levels.

The following graphic representation clearly shows the impact of the promotion in graph 2.2.
Graph 2.2: Sales growth performance

The merits of Makro’s promotional success will be analysed in chapter three. The following firm to be discussed is Engen.
2.4.4 Engen

Engen Limited, incorporated in the Republic of South Africa, is the holding company with investments in the oil and related industries. The company was originally listed on the Johannesburg Stock Exchange (JSE) as Trek Beleggings Beperk in 1968, allowing investors to participate for the first time in an oil company. It changed its name to Engen Limited in May 1990 following the acquisition of Mobil’s refining and marketing business in southern Africa. The company was de-listed in December 1998 when it became a wholly-owned subsidiary of Petroliam Nasional Berhad (Petronas), the Malaysian National Oil Company.

Subsequent to the de-listing, and in support of Engen’s Black Economic Empowerment goals, Petronas sold 20% of its shareholding to Worldwide African Investment Holdings (Pty) Limited (Worldwide) late in 1999. Engen Limited listed its upstream business on the JSE during March 1996 and holds a 57.5% interest in its oil and gas exploration and production subsidiary, Energy Africa Limited. Engen Petroleum Limited is a wholly owned subsidiary of Engen Limited and is the operating company in South Africa.

www.engen.co.za

Engen have successfully promoted their products and services in South Africa and this success has enabled the firm to sustain their position as the number one fuel retail organization in South Africa. In the tables that follow, the information that typically form the promotional plans of this firm has been listed.
## Table 2.4: Engen consumer sales promotions

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
</table>
| **PERSONAL SELLING**| - Cashiers are briefed daily on in-store specials, selling the features, advantages and benefits to customers at the point of sale. According to Mc Donald and Leppard (1986: 99) "… through this process of benefit analysis and establishing customer appeal, its ultimate value depends very much upon the ability of the salesman to communicate these benefits to the buyer." The latter statement highlights the importance of what the cashiers at Engen are doing.  
- Petrol attendants inform consumers of in-store specials whilst doing fuel fill-ups and general maintenance to vehicles on the forecourt. |
| **ADVERTISING**     | - Television, radio, newspaper, brochures and on-site advertising billboards all advertise and promote products and services to consumers.                                                                       |
| **PUBLICITY**       | - Sporting icons are employed by Engen to advertise products and services, further communicating and                                                                                                           |
promoting the Engen brand, products and services.

| SALES PROMOTION | • Seasonal promotions such as summer madness, Easter carnival, and the sweet fare in winter are but some of the focal ways in which Engen promotes its products, brand and services to its consumers. Promotions within promotions are also hosted by Engen. For example, within the overall Easter promotions of chocolates etcetera, the Town of the Year competition is hosted.  
| • Customer incentive prizes are used to attract the travelers and shoppers to the Engen sites.  
| • Sporting events are used as a way of attracting customers to the sites. Customers are offered free caps and other paraphernalia with the sporting events names or logos embossed or printed onto the free gift. Examples of this are the sports hero competition, rugby hero collection coupons and albums. |

Table 2.4.1 lists the information used in trade sales promotions.
Table 2.4.1: *Engen trade sales promotions*

| PERSONAL SELLING: | • Area network managers communicate to dealer-owned and Engen leased sites products and services which Engen have on offer. The financial and economic benefits of purchasing the products and services from Engen are communicated via word of mouth, brochures, workshops and presentations. |
| PUBLICITY | • Engen sites that achieve good sales and profitability are publicized nationally via in-house newsletters, newspapers and the intranet. |
| ADVERTISING | • Printed billboards, in-store props and bunting, cost books, word of mouth and e-mails are but some of the mediums used by Engen to advertise their products and services to promote the organisation to dealers. |
| SALES PROMOTION | In-store display incentives, sales performance incentives, discounted product cost prices, free give-away prizes, extra stock and overseas holidays are the types of tactics used by |
Engen to promote the sales of their products and services.

The following statistics point to the fact that the promotions hosted under the Engen brand were successful. (See table 2.4.2).

**Table 2.4.2: Sales performance in units**

<table>
<thead>
<tr>
<th>Item promoted</th>
<th>Sales in units prior to promotion Feb’00</th>
<th>Sales in units during promotion Mar’00</th>
<th>Growth in % for period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Snickers</td>
<td>18</td>
<td>225</td>
<td>1150%</td>
</tr>
<tr>
<td>Coke 500ml</td>
<td>738</td>
<td>807</td>
<td>9.4%</td>
</tr>
</tbody>
</table>

As indicated in the table above, sales promotions result in vastly enhanced sales growth for the promotional period. The following graphic representation clearly shows the impact of the promotion. (Note graph 2.3).
The merits of Engen’s promotional success will be evaluated in chapter three.

The South African Bottling Company will be discussed next. www.sabco.co.za

2.4.5 SABCO

The Coca-Cola Company and Port Elizabeth-based SA Bottling Company launched a $400 million (R1.46 billion) joint venture called Coca-Cola SABCO in November 1995. The new company combined the Coca-Cola Company's bottling interests in Kenya, Tanzania, Uganda and Namibia with SABCO's operations in South Africa and Mozambique. SABCO’s sales promotion activities are tabulated overleaf.
Table 2.5: SABCO consumer sales promotions

| PERSONAL SELLING | o Merchandising teams display the SABCO products in an appealing manner to further entice consumers to purchase SABCO products.  
|                  | o Marketing teams provide consumers with wet demonstrations. These demonstrations allow the consumers to physically taste the various products on sale.  
| ADVERTISING      | o In-store advertising, radio, television and billboards.  
| PUBLICITY        | o Sporting icons are employed to promote the brand via personal use of SABCO products and by displaying the Coca-Cola logo on their personal attire.  
| SALES PROMOTION | o Consumers are encouraged to purchase products by enticing them with lucky draw prizes.  |
Table 2.5.1 overleaf lists the criteria used in trade sales promotions.

**Table 2.5.1: SABCO trade sales promotions**

| PERSONAL SELLING: | • Sales representatives call on outlets to take orders and to promote existing and new products.  
| | o Representatives cold canvass new business in the marketplace. |
| PUBLICITY | o SABCO sponsor most sporting events and display products and promotional props, usually associating themselves with some form of public personality (icon). The latter publicity aides trade retailers in capturing consumer attention, driving them into the shops to purchase SABCO products associated with known celebrities. |
| ADVERTISING | o Brochures are made available to the wholesale public through the postal system, hand |
The following statistics point to the fact that the promotions hosted above were successful.
Table 2.5.2: Sales performance growth in rands

<table>
<thead>
<tr>
<th>Item promoted</th>
<th>340ml Coke</th>
<th>2l Coke</th>
<th>500ml Coke</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales growth % prior to promotion</td>
<td>18.3%</td>
<td>-52.16%</td>
<td>32.56%</td>
</tr>
<tr>
<td>Sales growth in Rand’s prior to promotion</td>
<td>R221,616.50</td>
<td>R96,903.10</td>
<td>R757,855.30</td>
</tr>
<tr>
<td>Previous years promotional period in Rand’s</td>
<td>R187,332.60</td>
<td>R 202,538.20</td>
<td>R571,726.90</td>
</tr>
<tr>
<td>Sales growth % for promotional period</td>
<td>-17.39%</td>
<td>312.43%</td>
<td>34.17%</td>
</tr>
</tbody>
</table>
The period of the above promotion was: 15 November 2001 to 18 Jan 2002. The name of the promotion was: "The Educash promotion". The overall result of this promotion was a 277% sales growth. A similar promotion was held from: 13 to 31 March 2002. The name of this promotion was: Shoprite Checkers national 2l competition." The overall result of this promotion was a 715.95% sales growth. This information was provided by the Statistics department in SABCO Port Elizabeth.

The following graphic representation further highlights and shows the overall positive impact on sales that sales promotional activities has. See graph 2.4 below.
Graph 2.4: A graphic illustration of the positive impact on sales of promotional activities.

The massive growth of sales for the 2l Coke, 500ml Coke and Educash ‘all product’ promotions clearly indicates the positive impact the sales promotional activities made on the sales for the promotional period. (All figures supplied by SABCO). The merits of SABCO’s promotional success will be analysed in chapter three. The tabulation of the critical success factors of the firms selected as successful promoters in the Nelson Mandela Metropolitan Municipality of Port Elizabeth is now complete. The information above will assist in forming part of a credible database that could be used in evaluating promotional plans that positively impact on turnover growth and increased profitability,
and could be included in the design and development of an ideal promotional model that would resolve the main problem of this document, namely:

**What is an ideal model of business promotion that will assist organizations to achieve turnover growth, maintain strategic advantage and increase profits?**

In order to decide whether or not some, or all, of the above promotional plans do impact positively on the turnover growth and profitability of an organization, they will need to be evaluated, analysed and discussed. This leads to the next chapter.
CHAPTER 3
THE ANALYSIS AND EVALUATION OF FACTORS THAT SUPPORT SUCCESSFUL PROMOTIONS

3.1 INTRODUCTION
In chapter two successful promoting firms were identified and critical success factors were listed in tables. The critical success factors were grouped into categories as follows:

- Personal selling
- Publicity
- Advertising
- Sales promotion.

The purpose of this chapter is to establish a database of factors that will be used in chapter seven in the design of the proposed sales promotional model. This chapter will conclude with the presentation of the critical success factors in tabular form. Each of the categories into which the critical success factors were grouped, is discussed below. This leads to the following sub-problem.

3.2 WHAT IS AN IDEAL MODEL OF BUSINESS PROMOTION THAT WILL ASSIST ORGANISATIONS IN ACHIEVING TURNOVER GROWTH, MAINTAIN STRATEGIC ADVANTAGE AND INCREASE PROFITS?
The following important factors of sales promotional activities will now be discussed: personal selling, publicity, advertising and sales promotion. These will be considered when developing the ideal model of business promotion, assisting organizations in achieving turnover growth, maintenance of strategic advantage and the increase of profits.

- **Personal selling**

  When discussing personal selling the following topics will be evaluated and discussed:

  a) the role of personal selling;

  b) selling activities;

  c) the personal selling process, and

  d) ways to sell for maximum success.

- **Publicity**

  When discussing publicity, the following will be emphasized:

  a) activities directed at consumers, and

  b) the trade and the sales force.

- **Advertising**

  When discussing advertising the focus will be directed at:

  a) the promotional mix;
b) development of media strategy, and

c) the characteristics of the various media and how these characteristics
determine the manner in which the message will be communicated.

- **Sales promotion**

When discussing *sales promotion*, the following factors will be discussed:

a) the total promotional program;

b) the programme’s evaluation and control;

c) the regulation of the promotion, and

d) The social aspects of promoting.

The chapter will conclude by highlighting the factors implemented during a sales
promotions program, that are most likely to lead to promotional success.

These factors should further assist in resolving the following sub problem if integrated
into the proposed sales promotional model. The next sub-problem will now be discussed.

**3.2.1 What do practicing managers believe is an ideal model of business
promotion?**

The practices of successful promoters that were identified and tabulated in chapter two,
and the practices found to be present in most or all of these successful promoters’
promotional plans, will be regarded as *ideal*. Therefore, they are included in the summary
tables in the conclusion of this chapter.
3.3 THE ANALYSIS OF THE CRITICAL SUCCESS FACTORS OF THE SELECTED PROPONENTS OF SUCCESSFUL SALES PROMOTIONS

The first critical success factor, namely personal selling, will be discussed as a sales promotions proponent.

3.3.1 Personal selling skills

According to Govoni (1986:293), "…some people overlook the vital role of personal selling on an effective promotional campaign." This statement supports the theory that certain key factors of personal selling could, if incorporated into a promotional plan, assist in a firm achieving a successful promotion.

A focal point of the concept of personal selling is the role it is intended to play in a specific promotion. Personal selling fosters an interaction between the potential buyer and the seller. According to Govoni (1986: 294) the role of personal selling is for the sales individual to identify the consumer’s problem and to solve it. Consumers enter a shop with certain needs and wants. Effective personal selling would result in these needs and wants being identified and the problem being resolved with the consumer being sold a product or service. It now becomes apparent that this is a key role of personal selling. The firms selected as successful promoters in chapter two will now be analysed in terms of their unique personal selling strategy. Tabulated below are the selected firms’ critical success factors for Personal Selling. Certain factors concerning Firestone’s promotions strategy will now be tabulated according to consumer sales promotions and trade sales promotions. These factors are analysed according to the category: personal

This leads to table 3.1.
Table 3.1: The analysis of Firestone’s critical success factors of personal selling for consumer sales promotions.

| PERSONAL SELLING | • Caps, T-shirts, wall charts, vehicle tyre specification manuals and booklets offering competitor tyre alternatives, as well as customer pamphlets, and salesman training and development workshops on existing and new products.  
|                  | • Sales staff are offered various incentives for good sales performance. |

As can be seen in table 3.1 Bridgestone Firestone have used the principle of educating the consumer through pamphlets on related products. As a result this practice appears to encourage consumer spending. Naturally, Firestone products are front-runners in the product specification superiority. The practice of providing free competitor product specification information, subtly highlights competitor product specification inferiority and often leads to legal confrontation between the various firms. The ethics of this type of practice is however questionable.

According to Govoni (1986: 319), "Companies in the automotive parts industry, are ranked first in the use of incentives." Govoni further states that the principle of rewarding the resellers of its products, "…can be used to enhance a consumer promotion by gaining greater retailer support and cooperation." It is apparent from the promotional success of Firestone that the process of providing rewards to sales staff could positively impact on sales and ultimately promotional success and thus further reinforce Govoni’s theory. The next step is an analysis of Firestone’s Trade Sales Promotion.
Table 3.1.1: The analysis of Firestone’s critical success factors of personal selling for trade sales promotions

| PERSONAL SELLING | • Firestone has available to car dealers and allied trades pamphlets on purchasing tips for new vehicles and buying cars, car dealer scams revealed, leasing, negotiating tips, used cars, car loans, used car prices, car insurance and warranty tips.  
|                  | • The provision of free tyre selection/specification and model suitability booklets to traders. (www.carbuyingtips.com)  
|                  | • Sales staff are offered various incentives for good sales performance. |

As can be seen in table 3.1.1 the principle of providing the Trade Sales Promotions with product excellence specification data, like the Consumer Sales promotion, by means of data in the form of booklets, pamphlets, and so on, enables Firestone to ‘sell’ its products and services to its targeted market. Firestone has to ensure that it remains competitive in terms of the features, advantages and benefits of its products and services in order to profit from this factor of personal selling.

The provision of **free** product specification booklets enables Firestone to market its product more favourably than competitor products largely due to it determining the layout of such information. The cover and each page are emblazoned with the Bridgestone Firestone logos. This promotes brand awareness. Very often the above activities lead to brand preference being given to Firestone, giving them a strategic advantage.
Firestone openly attempts to forge alliances with consumers and the trade through the
provision of useful information to these parties, a monetary discount to the consumer or a
financial reward or incentive to the trade encourages a process of cooperative advertising.
One could liken this to a stimulant provided to consumers and resellers to become partial
to a particular firm and or product.

According to Stanley (1985: 322), "…In most cooperative advertising programs the
manufacturer makes the actual preparation of the ad very easy for the dealer…Use of
"alternate media", such as …handbills, flyers, and shoppers' guides." This statement by
Stanley again reinforces the fact that Firestone use this ploy consciously as a tool to
improve their strategic advantage.

In the above instance, both shoppers guides and rewards to sales staff are offered.

The latter analysis will be applied to the selected firms that utilize this critical success
factor for their personal selling. With the above rationale in mind, Volkswagen SA’s
(VWSA) Personal Selling skills will now be analysed. Table 3.2 lists the critical success
factors for VWSA.
### Table 3.2: The analysis of VWSA’s critical success factors of personal selling or consumer sales promotions

<table>
<thead>
<tr>
<th>PERSONAL SELLING</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Sales executives sell the VW products on dealership sales floors with the aid of printed brochures and technical specification data booklets, and, by physically demonstrating the vehicles features, advantages and benefits via demonstration vehicles.</td>
<td></td>
</tr>
<tr>
<td>• Sales staff are offered various incentives for good sales performance.</td>
<td></td>
</tr>
</tbody>
</table>

As can be seen in table 3.2 the same analysis as provided above for Firestone applies for Volkswagen, however Volkswagen have enhanced this factor by providing physical demonstrations of their products. Ulanoff (1985:173) explains, "According to an old adage, seeing is believing, there certainly is a great deal of truth in this. What we experience firsthand is most likely to be accepted. Manufacturers rely on sales promotion at a personal level where they can explain the advantages of the product or service they are selling, obtain an immediate reaction to their sales story, modify or extend their sales arguments on the spot, and move quickly to a close." Thus by VWSA physically showing the goods to the consumer, the consumer can see and experience the goods for themselves.

Buskirk and Buskirk (1979:318) state the following, "The purpose of display is to sell goods." This statement reinforces the good practice of VWSA, whereby the goods are physically displayed to the consumers. By rewarding good performance via an incentive
scheme staff are encouraged to repeat good behaviour. With the above rationale in mind VWSA’s Personal Selling skills for trade sales will now be analysed.

Table 3.2.1 The analysis of VWSA’s critical success factors of personal selling for trade sales promotions

| PERSONAL SELLING: | • Dealer principles’ workshop technicians and sales staff are all educated on the features, advantages and benefits of VW products at training workshops, presentations, and so on.  
| | • Sales staff are rewarded for good sales performance. |

As can be seen in table 3.2.1 when selling a product it is vital to understand the following:

• features, advantages and benefits of the product or service;

• how to successfully sell a product or service, and

• how to close the sale.

For the latter to take place, the sales force product knowledge and selling skills need to be communicated and tested. According to Tracy, B. (1995:302), "Most salespeople feel they are good at presenting and because they think they are fairly good at it, most people end up doing it poorly. Like surgery, it is complex and requires a good deal of preparation and knowledge." Volkswagen has observed the above principle and has included into their promotional plan an educational facet of selling skills. Volkswagen have embarked upon a program of salesmanship skills educating sales people on:
• Features, advantages and benefits of the product or service;

• How to successfully sell a product or service, and

• How to close a sale.

In support of this concept Tracy (1995:302) says, "The sale is made in the presentation." Volkswagen are keen exponents of this principle, as not only are the products and services on offer described verbally by the sales people they are physically demonstrated and exhibited in showrooms. By rewarding staff they are encouraged to repeat a good behaviour. The good behaviour in this instance is good sales performance. The following firm to be analysed is Makro.

Table 3.3: The analysis of Makro’s critical success factors of personal selling for consumer sales promotions

| PERSONAL SELLING | On-site sales staff advising consumers on the products’ prices, advantages and features. |

As can be seen in table 3.3 personal selling and physical demonstrations are a good method of promoting consumer sales. The trade sales promotion for Makro will next be analysed.
Table 3.3.1: Makro’s critical success factors of personal selling for trade sales promotions.

| PERSONAL SELLING: | • Representatives cold canvass business in the marketplace. |

As can be seen in table 3.3.1 the consumer trade sales promotion strategy for communication of a message to the consumer may make use of a number of methods/ mediums to achieve this goal, for example:

- Media advertising (magazines, newspapers and so on)
- Brochures, and so on.

Consumer Trade Sales are very often communicated via similar methods. One of the most effective methods of communicating with the trade is through the use of personal representation. Sales representatives call on firms in the trade and can focus on satisfying the particular needs of these firms. The success of this type of personal selling depends on the understanding of the trade seller’s particular needs. According to Jerome, Kernan, Dommermuth, Montrose, & Sommers, (1970:19), "For strategic purposes, then, it is incumbent on the individual sellers to recognize their position in the institutional structure of marketing and to formulate promotional strategies with due consideration of the position and objectives of everyone else in that structure who might be involved in the marketing effort." To this end then Makro have endeavoured to successfully sell to this market via well equipped and skilled sales representatives calling on firms in the trade. The following firm to be analysed will be Engen.
Engen

Table 3.4: The analysis of Engen’s critical success factors of personal selling for consumer sales promotions

<table>
<thead>
<tr>
<th>PERSONAL SELLING</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>• Cashiers are briefed on a daily basis on in-store specials, selling the features, advantages and benefits to customers at the point of sale.</td>
</tr>
<tr>
<td></td>
<td>• Petrol attendants inform consumers of in-store specials whilst doing fuel fill ups and general maintenance to vehicles on the forecourt.</td>
</tr>
</tbody>
</table>

As can be seen in table 3.4 knowing the features, advantages and benefits of the products and services on offer enables staff to sell with confidence. Informing the customers on the forecourt of what specials are available in-store, increases the possibility of added sales. The trade sales promotion for Engen will now be analysed.

Table 3.4.1: The analysis of Engen’s critical success factors of personal selling for trade sales promotions

<table>
<thead>
<tr>
<th>PERSONAL SELLING</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Area network managers communicate to dealer-owned sites products and services that Engen have on offer. The financial and economic benefits of purchasing the products and services from Engen are communicated via word of mouth, brochures, workshops and presentations.</td>
</tr>
</tbody>
</table>

As can be seen in table 3.4.1 by informing the various sites of current products and services on special offer, the area managers ensure that the sites knowledge level is high.
This enables the staff to sell the products and services on offer with confidence. SABCO will now be analysed.

Table 3.5: The analysis of SABCO’s critical success factors of personal selling for consumer sales promotions

| PERSONAL SELLING | • Merchandising teams display the SABCO products in an appealing manner to further entice consumers to purchase the firms products.  
• Marketing teams provide consumers with wet demonstrations. These demonstrations allow the consumers to physically taste the various products on sale. |

As can be seen in table 3.5.1 staff skilled in the presentation of merchandise visit retailers on behalf of SABCO. In so doing, merchandise presentation standards are maintained and the exceptionally well merchandised product leaves the consumer with a lasting impression of excellence, further enhancing brand perception. Merchandising teams ensure dynamic merchandising of stock on promoted lines, maximizing its visibility and, therefore ensuring good exposure to consumers. SABCO supplied fridges are frequently serviced and maintained ensuring that the product is always sold at optimal temperature. The latter attention to merchandise presentation shows that SABCO is focused on ensuring that their brand and products are physically at the forefront of retailers’ sales floors and consumers’ minds, and statistics prove that this goal has been achieved. In pursuit of increased sales during promotions some firms, as in the case of SABCO, use...
demonstrations very successfully. The main aim of sales promotions is normally increased sales volume and, ultimately, increased profits.

According to Ulanoff (1985:174), "Almost all demonstrations are designed to lead to orders." It is with this in mind that demonstrations may be recommended and considered when later designing the proposed promotional model in chapter seven. Trade sales promotions of SABCO will now be analysed.

Table 3.5.1: The analysis of SABCO’s critical success factors of personal selling for trade sales promotions.

| PERSONAL SELLING: | • Sales representatives call on outlets to take orders and to promote existing and new products. |

As can be seen in table 3.5.1 by having sales staff visit retail outlets the possibility of increasing sale is maximised. The next critical success factor to be analysed is advertising.

2. Advertising

When discussing advertising the focus will be directed at:

• the promotional mix;

• development of media strategy, and

• the characteristics of the various media and how these characteristics determine how the message will be communicated.
According to Kotler, (2000: 577), "The best advertising is done by satisfied customers." Kotler, (2000: 578) defines advertising as, "…any paid form of non personal presentation and promotion of ideas, goods, or services by an identified sponsor." The latter statement points to the fact that organizations should strive to ensure customer satisfaction. In the chapters that follow, it will be interesting to see which organizations focus sales promotional strategies around a consumer-centric theme. In this section of chapter three, the methods of advertising of the selected successful promoting firms will be analysed. The mix of promotional elements depend on how one believes the consumer can best be targeted. According to Kotler, (2000: 580), there are five factors to consider, namely:

(a) **Stage in the product life-cycle:** New products typically receive large advertising budgets to build awareness and to gain consumer trial. Established brands usually are supported with lower advertising budgets as to sales ratio.

(b) **Market share and consumer base:** High-market-share brands usually require less advertising expenditure as a percentage to sales to maintain their share. To build share by increasing market size requires larger advertising expenditures. On a cost-per-impression basis, it is less expensive to reach consumers of a widely used brand than to reach consumers of low share brands.

(c) **Competition and clutter:** In a market with a large number of competitors and high advertising spending, a brand must advertise more heavily to be heard. Even simple clutter from advertisements not directly competitive to the brand creates a need for heavier advertising.
(d) **Advertising frequency:** The number of repetitions needed to put across the brand’s message to consumers has an important impact on the advertising budget.

(e) **Product substitution:** Brands in a commodity class (cigarettes, beer, soft drinks) require heavy advertising to establish a differential image. Advertising is also important when a brand can offer unique physical benefits or features.

These five important aspects of consideration should thus be considered when organizations plan their advertising campaigns. Bolen (1982: 166) states that, "The product life-cycle may also affect the retailers buying decision concerning a product or service." This statement further highlights point one as referred to by Kotler. The selected firms’ advertising will now briefly be analysed below in Table 3.6, focusing on the characteristics of each medium and how these characteristics determined the manner in which various firms chose to send their message to the consumer. Advertising will now discussed.
Table 3.6: The analysis of Firestone’s critical success factors of advertising

for consumer sales promotions

<table>
<thead>
<tr>
<th>ADVERTISING</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Dealerships, television, radio, newspaper, magazines, cinema, sponsorships, advertising at FMCG retail outlets, advertising within the fuel industry (forecourt displays).</td>
</tr>
<tr>
<td>• Web pages advertising products and services.</td>
</tr>
</tbody>
</table>

As can be seen in table 3.6 **competition and clutter** is great (Many local brands available in the market place.). Product substitutability is high. **Advertising frequency** needs to be high in order to keep the keen price and product specification at the forefront of consumers minds. Maintaining a **differential image** is managed by innovative product specification and relatively frequent advertisements.(See pages 57 and 58 for explanations of these comments). This well known brand allows for the firm to maintain a relatively **low cost per impression** due to its high market share. Forecourt displays allow the firm’s brand and products to be exposed to a very large customer base because of the large number of vehicles passing on the forecourt. Car- wash, retail shop, and fast-food customers are also exposed to Firestone’s forecourt messages. Web advertising exposes a large customer base to Firestone’s messages. Trade sales promotion for this firm will now be analysed.
Table 3.6.1: The analysis of Firestone’s critical success factors of advertising for trade sales promotions

<table>
<thead>
<tr>
<th>ADVERTISING</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• In-store advertising, pamphlets, dealer financial support, provision of Firestone logos and captions on all advertising materials.</td>
<td></td>
</tr>
</tbody>
</table>

As can be seen in table 3.6.1 in order to strategically place Firestone at the forefront of fitment shops, in-house advertising, namely, props, bunting and product specification pamphlets are supplied free of charge to traders. The supplying of logos, and such ‘free of charge’ paraphernalia enable traders to dress up their stores at no expense, resulting in increased brand awareness for Firestone. The following firm to be analysed is Volkswagen South Africa (VWSA).

Table 3.7: The analysis of VWSA’s critical success factors of advertising for consumer sales promotions

<table>
<thead>
<tr>
<th>ADVERTISING</th>
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</tr>
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<tbody>
<tr>
<td>• 1997 saw the launch of the Citiwise Campus Drivers’ Club – an exciting marketing initiative motivated by demand for an on-campus driver training programme that provides students with the one qualification that is guaranteed to take them places – a driver’s license. The new academic term in January 2002 was launched with an aggressive campaign to market the Citi Golf to students.</td>
<td></td>
</tr>
<tr>
<td>• Web site</td>
<td></td>
</tr>
</tbody>
</table>

As can be seen in table 3.7 the Citi Golf is a budget line vehicle in that it is marketed to the lower income youthful market. To this end VWSA has focused its marketing efforts at the student and emergent income earners. The statistics indicate that this effort has
succeeded in achieving a high volume of sales. Advertising to the above market and the large web-based markets ensure high exposure of the product to consumers.

**Table 3.8: The analysis of VWSA’s critical success factors of advertising for trade sales promotions**

| ADVERTISING | • Brochures, free advertising paraphernalia, sponsored cheese and wine cocktail parties, sponsored product training workshops, various incentive schemes and exceptionally good VW/Dealer relationship building programmes constitutes the major source of trade promotions.  
| ADVERTISING | • VWSA also ensure that a major part of many motoring magazines focus on new and exiting products and services on offer by the company.  
| | • Television, radio, and cinema are utilized by VWSA. |

As can be seen in table 3.8 VWSA use most mediums available to them. Much like other very well known products and brands, VWSA and its well-known brands like the Citi Golf have a high market awareness through such "blanket" advertising campaigns. Dealer relationship-building programmes are used extensively by VWSA. According to Johnson and Jakeman (1997: 189) "We all know that partnerships with customers, suppliers and employees is the way forward for successful companies." The latter statement reinforces VW’s stance in this regard. The next firm to be discussed is Makro.
Makro

Table 3.9: The analysis of Makro’s critical success factors of advertising for consumer sales promotions

<table>
<thead>
<tr>
<th>ADVERTISING</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Knock and drop advertising pamphlets, newspaper adverts, in-store advertising on the public address system, television, website.</td>
</tr>
</tbody>
</table>

As can be seen in table 3.9 due to the nature of the products the advertising frequency is high. Product substitution is not applicable, however, supermarket substitution dictates heavy advertising for supermarket chain differentiation. Product and Supermarket clutter dictate that advertising should be heavy. Broad and varied advertising mediums are used to reach the diversified market. New brands require high advertising budget to sales ratios as Makro often sell new market brands, however, ensure that the new product is always what the customer requires. This is done through extensive market research.

According to Sewell and Brown (1990: 57) "If you want to keep their business, give customers exactly what they ask for- or even-more- without any hesitation. If you do anything less, you might as well offer them nothing, because you’ll have lost their good will." The trade sales promotions for Makro will now be analysed.
Table 3.9.1: The analysis of Makro’s critical success factors of advertising for trade sales promotions

| ADVERTISING | • Faxes are sent to wholesale traders, television advertising, radio advertising, advertising on billboards. |

As can be seen in table 3.9.1 deal periods and costs are conveyed to prospective buyers. Traders have become accustomed to looking for Makro’s "specials". Due to Makro’s diverse market of customer, these methods or mediums cover a large spectrum of the customer base and this appears to be effective for the firm. Advertising of Engen for consumer sales will now be discussed.

Engen

Table 3.10: The analysis of Engen’s critical success factors of advertising for consumer sales promotions

| ADVERTISING | • Television, radio newspaper, brochures, on-site advertising billboards. |

As can be seen in table 3.10 broad and varied advertising mediums are used to reach the diversified market. Fuel Company substitution dictates heavy advertising for fuel retailing differentiation. Competition in the fuel industry is fierce and Product and Fuel Retailer Clutter dictate that advertising should be heavy.
Table 3.10.1: The analysis of Engen’s critical success factors of advertising for trade sales promotions

| ADVERTISING | • Printed billboards, in-store props and bunting, cost books, word of mouth, e-mails, intranet, extranet. |

As can be seen in table 3.10.1 most dealers have access to the web. Up to date information is communicated via this medium. Free in-store promotional props and bunting is supplied. Dealers maximize this opportunity to dress up their stores. In so doing, Engen punt their brand through their logos and advertising paraphernalia being present at dealers sites. SABCO’s advertising for consumer sales will now be discussed.

SABCO

Table 3.11: The analysis of SABCO’s critical success factors of advertising for consumer sales promotions

| ADVERTISING | • In-store advertising, radio, television and billboards. |

As can be seen in table 3.11 advertising frequency is increased when a new product is launched. Competition clutter only exists on certain products, thus the advertising budget is relatively low. Coca-Cola, for example, enjoys international monopoly of the market.
Table 3.11.1: The analysis of SABCO’s critical success factors of advertising for trade sales promotions

| ADVERTISING | • Brochures are made available to the wholesale public through the postal system, hand delivery or fax. |

As can be seen in table 3.11.1 the firm’s brand is very well known. SABCO has a monopoly in this market. Traders have no alternative but to purchase stock from SABCO. SABCO has created a massive consumer demand and traders who do not stock the SABCO products do so at their own peril.

3.3.3 Publicity

In the broad sense the term publicity refers to the firm’s efforts to uphold the trade and consumer’s excellent opinion of it. According to Rossiter, & Percy, (1997; 334), publicity refers to, "…all the company’s efforts to foster better relations with its various publics or stakeholders, beyond relationships necessitated by sales transactions. The narrower term, ‘publicity’, refers to media reportage of PR activities."
Table 3.12: The analysis of Firestone’s critical success factors of publicity for consumer sales promotions

<table>
<thead>
<tr>
<th>PUBLICITY</th>
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<tbody>
<tr>
<td>• Local sorts heroes drive a sponsored vehicle, advertising their tyre of choice or celebrities display the Firestone logo and caption on their personal attire or vehicles.</td>
</tr>
<tr>
<td>• Firestone banners and signage at Aldo Scribanti Race Rack, Rover Raceway, PE Cart Club Race Tack as advertising mobile units, or as permanent fixtures at popular events.</td>
</tr>
</tbody>
</table>

As can be seen in table 3.12 although competition clutter in this industry is not as frequent as in many others, the advertising frequency and manner in which Firestone build public awareness through forming alliances with sporting heroes, helps the firm differentiate their brand and products. Flags, banners, shirts, caps, etcetera, are supplied to community icons free of charge, in so doing, the general public associate Firestone with good performance and greatness. In hosting and supporting local events, loyalty amongst the community is established and this promotes Firestone’s positive image publically.
Table 3.12.1: The analysis of Firestone’s critical success factors of publicity for trade sales promotions

| PUBLICITY | • Dealerships and outlets supplied with free door decals.  
|          | • On-site signage and props supplied free of charge.  
|          | Tyre testing equipment supplied for free or subsidized |

As can be seen in table 3.12.1 very often when new workshop or fitment organisations are established the new firm’s funds for setting up the sites signage, and related costs are limited. Firestone use opportunities like these to assist these new ventures to enhance the appearance of their site by supplying shop fitting equipment with the Firestone logos on them. Tyre testing equipment is sometimes supplied on a lease basis. Often these new ventures and even existing firms support and promote the Firestone brand due to the loyalty and thanks to Firestone for their support.

Volkswagen South Africa

Table 3.13: The analysis of VWSA’s critical success factors of publicity for consumer sales promotions

| PUBLICITY | • The Citiwise programme mentioned above acts as an excellent publicity vehicle as well as an innovative advertising medium.  
|          | • GTI Golfs are supplied to the SA police and the scorpions unit. This elite SA crime investigation unit acts as ambassadors to VWSA. |

As can be seen in table 3.13 the gaining of public awareness via such publicity campaigns appears to be effective based on this organization’s good performance.
Table 3.13.1: The analysis of VWSA’s critical success factors of publicity for
trade sales promotions

| PUBLICITY | • Launching new and varied products via, television, car magazines, and so on. |

As can be seen in table 3.13.1 advertising material linking VWSA’s publicity of products and services available under the VW brand is supplied to dealerships and most forms of motoring enterprises that are involved in the selling of VW products and services. This enables the consumer to link the positive perception of VWSA’s products and services to specific outlets. Once these vendors have been accepted as legitimate “agents”, they, too, then receive the recognition by the consumer via support.

The benefits are increased sales and profits. This encourages vendors to work amicably with VWSA in order to receive such assistance. Supplier vendor alliances are a benefit of this action. The following firm to be discussed is Makro.

Makro

Table 3.14: The analysis of Makro’s critical success factors of publicity for consumer sales promotions

| PUBLICITY | • Sponsoring of popular cycle events. |

As can be seen in table 3.14 Makro focus on the local market. In order to garner local support, awareness and ultimately loyalty in terms of shopping, a relationship building program of uniting the community through cycle events, and so on. The support is
normally excellent. At such events the Makro logos and advertising materials are emblazoned on billboards and overhead signage.

Prior to the event, radio and newspaper advertisements are launched. Entry forms are obtainable from the Makro stores and selected trader outlets. The latter ensures that consumers visit these shops and, in so doing, Makro attracts consumers into their shop and loyal trading outlets.

Trade sales promotion will now be analysed for Makro. The above ingenious initiative has increased the publicity of Makro and its products and services amongst the general public and its supportive traders. Naturally, the traders are supportive and grateful to Makro for such efforts, as it drives up sales.

**Table 3.14.1: The analysis of Makro’s critical success factors of publicity for trade sales promotions**

| PUBLICITY | • Brochures are made available to the wholesale public through the postal system, hand delivery or fax. |

As can be seen in table 3.14.1 competitive prices are conveyed to traders and all vendors via price-lists that are usually faxed or handed to them. A large mailing distribution list is also embarked upon. The latter efforts result in vendors passing on this information via word of mouth amongst themselves. So often in the Port Elizabeth area one is told of the "bargain" at Makro. This is as a direct result of their ingenious publicity efforts. Very often these "bargains" leak out to the general consumer via word of mouth.
Engen

Table 3.15: The analysis of Engen’s critical success factors of publicity for consumer sales promotions

| PUBLICITY | • Sporting icons are employed by Engen to advertise products and services, further communicating and promoting the Engen brand, products and services. |

As can be seen in table 3.15 road users are made aware of the pleasant and convenient One-stop shops on offer by Engen via national publicity associating the firm with sporting celebrities that are employed by Engen. In so doing, the public are attracted to these venues.

Table 3.15.1 The analysis of Engen’s critical success factors of publicity for trade sales promotions

| PUBLICITY | • Engen sites that achieve good sales and profitability are recognised nationally via in-house newsletters, newspapers and the intranet. Sponsorship of race drivers.  
• On-site customer service training workshops hosted by well known sporting stars, for example "Tjops" Mabula (motor racing celebrity). Sponsorship of athletics events and the public association via sponsorship with various athletics champions. |

As can be seen in table 3.15.1 promotional, general information, and corporate changes, among others, are frequently and effectively communicated through various methods/mediums. Area network managers visit and communicate with sites on a day to
day basis. The Engen products and services are communicated to the trade using virtually every medium available. This leads to the next firm to be discussed.

SABCO

Table 3.16: The analysis of SABCO’s critical success factors of publicity for consumer sales promotions

| PUBLICITY | SABCO sponsor most sporting events and display products and promotional props, usually associating themselves with some form of public personality (icon). The latter publicity aids trade retailers in capturing consumer attention, driving them into the shops to purchase the advertised products. |

As can be seen in table 3.16 SABCO’s publicity is enhanced in South Africa predominantly by the organisations association with soccer heroes.

Table 3.16.1: The analysis of SABCO’s critical success factors of publicity for trade sales promotions

| PUBLICITY | SABCO sponsor most sporting events and display products and promotional props, usually associating themselves with some form of public personality (icon). The latter publicity aids trade retailers in capturing consumer attention, driving them into the shops to purchase the advertised products. |

As can be seen in table 3.16.1 the Coca-Cola name and other well-known products sold by SABCO are in great demand by vendors and consumers alike.

New products and services and special deals are conveyed via fax and mail.
The soft drink market generally represents 50% or more of typical convenience store sales. SABCO realize this and do not have to focus much effort on publicity in the trade sector. In fact, the trade ask SABCO for details. This is chiefly due to SABCO enjoying a monopoly in this market. Traders make it their business to be proactive in seeking trade information such as deal prices, new products and services, and so on. This concludes the analysis of publicity for the selected firms, and leads to the final factor, namely, sales promotion.

4. Sales promotion

It is important to remember that all promotions take place in a particular environment. If cognizance is not taken of the environment in which a promotion is to be hosted, then, although the balance of the promotional effort may be theoretically and operationally correct, the result could end in disaster.

According to Govoni (1986: 9), "A promotional strategy cannot be effective unless the strategy accounts for and is responsive to the environment in which the product business will have to operate". Further to this, Govoni (1986: 8), states "The environment may enhance or constrain the strategic options available to the marketer, or it may facilitate or restrict the success of a given strategy." With the latter in mind, the firms selected as successful sales promoters will now be analysed, and the manner in which they have accommodated the external and internal factors of the environment surrounding their promotions will be considered. This leads to the discussion on Firestone.
Firestone

Table 3.17: The analysis of Firestone’s critical success factors of sales promotion for consumer promotions

<table>
<thead>
<tr>
<th>SALES PROMOTION</th>
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<tbody>
<tr>
<td>• Consumer discounts.</td>
<td></td>
</tr>
<tr>
<td>• Automotive parts suppliers offering discount coupons on future purchases of tyres, for example, Speedy Exhaust outlets offering a tyre discount to consumers visiting one of their fitment centers thus reinforcing/building alliances.</td>
<td></td>
</tr>
</tbody>
</table>

As can be seen in table 3.17 price discounting is a powerful promotional tool. Blatberg & Neslin (1990: 345), explain, "Retailers will indicate the level of the price cut to the consumer in the form of regularly x and now y (e.g. regularly R 1.89, now R 1.69). This might encourage the consumer to anchor on the regular price discount, enhancing the perceived value of the price discount." Believing that discounting could substantially improve the sales of their products, Firestone use discounting as one of their chief sales promotional tools.

The basic concept used by Firestone is simple. Two segments of consumers exist: Some consumers with low elasticities (high transaction or holding costs), the other with high elasticities, (low transaction or holding costs). When an offer is made to these two segments, there exists the opportunity that a firm could enhance its profits, as the low-cost consumers have a higher elasticity for demand.

According to Blatberg & Neslin (1990: 96), "Retailer promotions or coupons are the vehicle used to offer different prices to these segments." It is apparent from their coupon
offerings that Firestone have used this effectively and successfully when judging their good sales performance.

**Table 3.17.1: The analysis of Firestone’s critical success factors of sales promotion for trade promotions**

| SALES PROMOTION | • Rewards to best performing outlet for sales, for example, the ATX (All terrain tyre) in summer.  
|                 | • Sales contests within each outlet, display competition, special purchase prices and free merchandise, for example Firestone caps and t-shirts. |

As can be seen in table 3.17.1 Rossiter & Percy (1997: 352) mention that "Sales-force promotions most importantly include the way in which sales people are compensated…. These may be regarded as promotional strategies as they speed up the rates of sale" Firestone support this concept and statement as they *have* various incentive schemes in operation for the trade.

According to Dr Richard Boyatiz of McBer and Company, the structure of a reward system, as in the case of Firestone tyre company, is most often achieved when the following basic principles are included in a reward program:

- **The program must be strictly performance based** with no room for subjective judgements. If people suspect that it is in any way a personality contest the program will not work. There should be no doubt as to whether someone has qualified to receive a reward or not. With reference to this comment, Dr Boyatiz: "It should be clear to anyone looking at the data that, yes, these people won."
• **It should be balanced.** The program should not be so difficult that only a few can hope to win, or so easy that just about everyone does. In the first case, people will not try: in the second, the program will be meaningless.

• **A ceremony should be involved.** If rings are casually passed out, or plaques sent through the mail, a lot of the glamour of the program will be lost.

• **The program must be in good taste.** If not, it will be subject to ridicule and, rather than motivate people, leave them uninspired. No one wants to be part of a recognition program that is condescending or tacky. Says Dr Boyatiz: "The program should make people feel good about being part of the company."

• **There must be adequate publicity.** In some cases, sales managers do such a poor job of explaining a program or promoting it to their own salespeople that no one seems to understand or care about it. Prominent mention of the program in company publications is the first step in overcoming the handicap. VWSA will now be discussed.
### Table 3.18: The analysis of VWSA’s critical success factors of sales promotion for consumer promotions

| SALES PROMOTION | • Every car that comes off the assembly lines has, as the main ingredient, a company wide commitment to quality. Every step in the production process centers around Volkswagen’s commitment to providing South Africans with cars of exceptional quality. The latter is one of the key missions of VWSA and has remained at the core of all their promotions as they promote quality products in terms of "the peoples", thus exposing their quality products to the mass market. Due to the extensive number of dealerships, the products are thus automatically promoted with maximum exposure in the South African market.  
| | • Promotions are targeted at as many diversified markets as is possible. |

As can be seen in table 3.18 quality is a factor that, if perceived by the consumer to be present in a product, could increase the demand for that product. Consumers owning such a product, too, are perceived as having an appreciation for quality, an enviable trait. Porche is a product synonymous with quality and performance. The CEO of Porche, Peter Shutz, in the March/April issue of Harvard Business Review (1986) stated that, "...customers are people who place high expectations of themselves, and they expect no less from the companies..." The latter concept is still embedded in VWSA today and the consumers associate this concept of quality with the VW brand. VWSA have always managed to supply a product that is mass-produced, yet retained its fine quality of build. This appears to be one of the major contributing factors to the success of VWSA. The
messages of quality and safety are communicated in most of their sales promotion strategies.

**Table 3.18.1: The analysis of VWSA’s critical success factors of sales promotion for trade promotions**

| SALES PROMOTION | • Cheese and wine cocktail parties are financed and hosted by VWSA, attended by top dignatories, building relationships with dealer principles and sales executives in an effort to gain credibility and confidence in the trade market, thereby enhancing the demand for products.  
• Volume based rebates offered to dealers. |

As can be seen in table 3.18.1 relationship management is a well-known method of improving the potential of increased dealing with individuals or other firms. Forging of strategic alliances or ‘partnership sourcing’, is a concept often used in business. The establishment of principles by which two parties abide in pursuit of a common goal is clearly As can be seen in table 3.1 defined by Todd (1995: 70) "The Statement of Principle should be included in any major partnership approach….in an open and trusting style in partnership deliberately to create a business relationship which is ethical and progressive, delivering a tangible, measurable benefit to both partners over a long period."

The latter statement sums up the reason why VWSA sponsors and hosts cheese and wine evenings. This is done in pursuit of enhancing relationships for the benefit of both
themselves and the vendors of their quality products and services due to increased profits through successful sales during sales promotions. Makro will now be discussed.

**Makro**

**Table 3.19: The analysis of Makro’s critical success factors of sales promotion for consumer promotions**

<table>
<thead>
<tr>
<th>SALES PROMOTION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Competitively priced goods.</td>
</tr>
<tr>
<td></td>
<td>• Bulk buying of popular and new products driving up the demand for these goods, reducing stock availability in the market place. This tactic forces the consumer to shop at Makro and, in so doing, promote sales.</td>
</tr>
<tr>
<td></td>
<td>• Marking certain items below, or at, cost and, thereby increasing the demand for these products (creating a loss-leader product), which increases traffic flow into Makro sites. This exposes consumers to other Makro goods, and promotes future visits and purchases from the encounter.</td>
</tr>
</tbody>
</table>

As can be seen in table 3.19 according to Monroe (1979: 4), "The basic problem of an economic society is to allocate resources among the members of the society so as to maximize the welfare of the society". The latter statement points to the importance of price and, thus, the vital role it could play in promotions. Monroe, further states, "…Prices affect incomes and spending behaviour."

There are many variables that affect the price of products, however, for the purposes of table 3.19 the point is made that Makro have consciously driven up the demand of specific lines by altering (dropping) the price of products. This appears to have impacted
positively on the success of their sales promotions efforts. Monroe’s principal of maximizing the welfare to society is honoured, and based on the enhanced sales growth for sales promotional periods at Makro, Monroe’s second statement about prices affecting spending behaviours does in fact occur. This in Makro’s case is a positive spending behaviour.

**Table 3.19.1: The analysis of Makro’s critical success factors of sales promotion for trade promotions**

| SALES PROMOTION | • Traders calling at a Makro site are able to scan products on-shelf through the provision of mobile scanners programmed to show the trader his/her unique deal price. |

As can be seen in table 3.19.1 Makro have utilized a computer scanning system that enables traders to shop amongst regular consumers, however, these traders enjoy lower pricing benefits. Makro differentiate the traders from the regular consumer in this manner. This differentiation encourages increased numbers of traders to shop at Makro.

Sales promotions can thus be launched "in private", yet Makro still benefit from increased gross profit from the regular shoppers. Makro have used technology to benefit from Sales Promotions of this nature. According to Wietz, Stephen, Castleberry and Tanner (1992: 30), "These new technologies offer sales people more time to work with customers rather than spending it on processing paperwork". The latter statement supports Makro’s above practice. The following firm to be discussed is Engen.
Engen

**Table 3.20: The analysis of Engen’s critical success factors of sales promotion for consumer promotions**

| SALES PROMOTION | • Seasonal promotions such as summer madness, Easter carnival, the sweet fare in winter, and so on, are some of the focal ways in which Engen promotes its products, brand and services to its consumers. Promotions within promotions are also hosted by Engen. For example, within the overall Easter promotions of chocolates the Town of the Year competition is hosted.

|                             | • Customer incentive prizes are used to attract the travelers and shoppers to the Engen sites.

|                             | • Sporting events are used as a way of attracting customers to the sites. Customers are offered free caps and other paraphernalia with the sporting events names or logos embossed or printed onto the free gift. For example, the sports hero of the year competition, rugby hero collection coupons and collection albums.

As can be seen in table 3.20 Engen have been innovative with their "promotions within promotions concept". New products are advertised as the ‘main’ attraction, which entices the "early adopter" category of purchasers into visiting the stores to buy the latest products. Within these promotions, the laggard category of purchasers are also catered for, as older well-known stock items are also on offer at reduced prices. The latter allows a process of diffusion to expose new products to the impulsive "early adopters" and at the same time exposing the new products to those less impulsive consumers called "laggards".
Kernan, Dommermuth, & Sommers (1979: 131), defines this **diffusion process** as, "...the way in which the acceptance of an innovation spreads among people in the market". **Engen appear to have mastered this diffusion process** as suggested by their successful sales promotions. An example of this is within the Sweet fare promotion, the new Fast Forward snack bar is heavily advertised, however, the older lines like Jelly Tots and Smarties are also advertised at special prices. As explained earlier, customer prizes and Engen’s alliance with sporting icons encourage consumers to visit Engen sites and be identified with the Engen brand.

**Table 3.20.1: The analysis of Engen’s critical success factors of sales promotion for trade promotions**

| SALES PROMOTION | • In-store display incentives, sales performance incentives, discounted product cost prices, free give-away prizes, extra stock and overseas holidays are the types of tactics used by Engen to promote the sales of their products and services. |

As can be seen in table 3.20.1 according to Kleppners (1983: 288) 64.8% of all purchase decisions are made in store. **This points to the importance of in-store displays.** Engen place much emphasis on merchandising and displays and encourage dealers to maintain high standards in this regard. Incentives have been analysed earlier in this chapter (See point 3.18.1).
SABCO

Table 3.21: The analysis of SABCO’s critical success factors of sales promotion for consumer promotions

| SALES PROMOTION | • Consumers are encouraged to purchase products by enticing them with lucky draw prizes.  
|                 | • Discounting selling prices |

As can be seen in table 3.21 these points have all been analysed and discussed earlier in this chapter.

Table 3.21.1 The analysis of SABCO’s critical success factors of sales promotion for trade promotions

| SALES PROMOTION | • In-store display props are supplied free of charge.  
|                 | • Prizes are offered to outlets that best display the products.  
|                 | • Shop owners are offered discounts on purchases if the quantity ordered is within a specific quantity band.  
|                 | • Shop owners are offered prizes if sales targets are achieved.  
|                 | • Free stock is handed to shop owners that order sufficient stock.  
|                 | • Payment terms are made attractive to dealers. |

As can be seen in table 3.21.1 the presentation of goods has been analysed previously in this chapter. Rewarding traders and sales staff has been analysed previously in this
chapter. Macdonald, Rogers and Woodburn (2000: 510) state the following: "Two milestones in relationship development can be identified, Trust and Mutual dependency" Through SABCO supporting its traders in the supply of free stock and discounted lines, the traders are given the idea that SABCO is supportive of them. This helps to build trust and mutual dependency. It now becomes apparent that there have been similarities that exist between some or most of the firms critical success factors.

In an attempt to derive a set of critical success factors that will be considered when developing the proposed sales promotion model later in chapter seven, a table listing those factors that appear to be responsible for the success of promotions of the selected firms and are present in some, or all, of the selected successful promoting firms will be now be devised. See tables 3.22 below (Consumer sales promotions) and table 3.22.1 overleaf (Trade sales promotions).

3.4 A SUMMARY OF THE CRITICAL SUCCESS FACTORS

All of the critical success factors that have been identified will now be tabulated into a general critical success table. (See table 3.22 below).
Table 3.22: Consumer sales promotions

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERSONAL SELLING</td>
<td>&quot;Train the sales team to understand and use the stages of the decision cycle and the selling cycle.&quot; Jolles (1998: 347).</td>
</tr>
<tr>
<td>ADVERTISING</td>
<td>&quot;Ensure that the six-step effects sequence and the six steps from the managers viewpoint are considered when embarking upon advertising.&quot; Rossiter, &amp; Percy (1997: 11). The following types of advertisements can be considered, although, the list could be endless: television commercials, radio commercials, print, consumer and general business magazines, industrial magazines, Yellow Pages, directory displays, and outdoor posters, and so on.</td>
</tr>
<tr>
<td>PUBLICITY</td>
<td>Ensure that you devise a structured plan suited to the environment and circumstance in which the sales promotion will be executed. Robert Konikow the former Public Relations Council, Trade Show Bureau suggests the following methods of making public the promotional message: Demonstrations, fairs, expositions, special interest shows, and participation in public shows.</td>
</tr>
<tr>
<td>SALES PROMOTIONS</td>
<td>• Product or service sampling</td>
</tr>
<tr>
<td></td>
<td>• Price off techniques (refunds, rebates, bonus packs, direct price offs, warranties)</td>
</tr>
<tr>
<td></td>
<td>• Premiums (give aways, for example, free samples, coupons, and so on).</td>
</tr>
<tr>
<td></td>
<td>• Coupons (vouchers or certificates entitling a buyer to a price reduction).</td>
</tr>
</tbody>
</table>

There are many more innovative promotional topics or ideas, however, the latter broadly categorises the generic types of promotions one can host.
Table 3.22.1: Trade sales promotions

| PERSONAL SELLING | • Sales representatives call on outlets to take orders and to promote existing and new products.  
|                  | • Line managers checking up that company initiatives and benefits are communicated and motivated; the financial and economic benefits of purchasing the products and services from a firm are communicated via word of mouth, brochures, workshops and presentations.  
|                  | • Dealer principles'/managers/owners/ workshop technicians and sales staff are all educated on the features, advantages and benefits of the firms products at training workshops, presentations, and so on.  
|                  | • Sales staff are offered incentives for good sales. |
| PUBLICITY        | • Sponsorship of major events and supplying advertising materials, for such events. They associate themselves with a public personality. According to Turner (1987: 101) "The competition for sponsorship is so intense that whether you are an individual or a large group, you must get organized." The latter statement highlights the importance of sponsorship. This activity is apparently very successful should an organization seek publicity.  
|                  | • Brochures are made available to the wholesale public through the postal system, hand delivery or fax.  
|                  | • The advertising of varied products in the media. |
| ADVERTISING      | • In-store advertising, pamphlets, dealer financial support, provision of company logos and captions on all advertising materials.  
|                  | • Printed billboards, in-store props and bunting, cost books, word of mouth, e-mails, intranet, extranet.  
|                  | • Initiatives that like the Citiwise programme give a message to a broad yet selective market that potentially yields good sales. |
‘Knock and drop’ advertising pamphlets, newspaper adverts, in-store advertising on the public address system, television and websites.

Free display props and advertising materials supplied to firms and encouraging traders through rewards of any nature offered to the traders displaying of such material.

Trade discounts, free stock or improved settlement terms offered to firms for buying set volumes of products from the supplier. "The more you buy the more we reward" principle. According to Shaw (1991: 173)

"Trade deals can be effective in ‘fire fighting’ situations, such as when competition has become more aggressive." The latter statement highlights the importance of this aspect of sales promotional activities.

Traders rewarded on achievement of set sales objectives.

Payment terms are made attractive to dealers that purchase sufficient quantities.

Social gatherings arranged to consolidate relationships.

Now that the factors that contributed to the success of these firms sales promotions have been identified, a table listing these critical success factors will be designed (See table 3.23 below). This table will be used in later chapters when the proposed model is developed.
Table 3.23: A table of critical success factors

<table>
<thead>
<tr>
<th>PERSONAL SELLING</th>
<th>ADVERTISING</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consumer Trade</strong></td>
<td><strong>Consumer Trade</strong></td>
</tr>
<tr>
<td>1.) Product / service <strong>brochures</strong> 1.) Product/ service <strong>brochures</strong></td>
<td>1.) <strong>Match</strong> advertising medium 1.) <strong>Provide buyers</strong> with sales to target market. promotional catalogue</td>
</tr>
<tr>
<td>2.) New/ existing sales staff 2.) Product / service training training program (On-going) workshops</td>
<td>2.) <strong>Link</strong> media advertising to 2.) <strong>Differentiate</strong> products /ser- designated shops via instore and vice through innovation . exterior advertising materials</td>
</tr>
<tr>
<td>3.) <strong>Incentivise</strong> staff involved 3.) <strong>Incentivise</strong> staff involved</td>
<td>3.) <strong>Use technology</strong> to commu- 3.) <strong>Differentiate</strong> products /ser- nicate. vice through innovation . 4.) <strong>Identify traders needs</strong> in 4.) <strong>Technology</strong> to communicate the product/service, advertise</td>
</tr>
<tr>
<td>4.) <strong>Demonstrate</strong> features 4.) <strong>Representatives</strong> call on advantages and benefits of trade. product or service.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PUBLICITY</th>
<th>SALES PROMOTION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consumer Trade</strong></td>
<td><strong>Consumer Trade</strong></td>
</tr>
<tr>
<td>1.) <strong>Associate</strong> product/ serv- 1.) Encourage loyalty ice with a popular <strong>celebr</strong>- through sponsorship, ity</td>
<td>1.) Base promotion around : 1.) <strong>Base promotion</strong> around : <strong>Price discounts, Displays, Rewards, Cost discounts , Retail advertising, demon</strong>-Volumn based benefits scale, strations /Sampling, Fairs/ Subsidisation based on sales- Shows, Contests, Coupone- volumm. ning, Direct marketing, Co- 2.) Ethically based mputer based. 3.) <strong>Differentiate</strong> promotions</td>
</tr>
<tr>
<td>2.) <strong>Supply the State</strong> with 2.) <strong>Associate</strong> the products/services, they act product/service/firm with as ambassadors. the <strong>trader</strong>, they act as</td>
<td>2.) <strong>Differentiate</strong> promotions 3.) Ethically based</td>
</tr>
<tr>
<td>3.) <strong>Target</strong> to associate <strong>poe</strong>- ambassadors, itive <strong>land mark events</strong> with the product/service.</td>
<td></td>
</tr>
</tbody>
</table>

The above table will be consulted later in chapter six when developing the proposed sales promotional model. The establishment of an empirical study that would assist the researcher by providing information that could benefit users of such a model if incorporated into the design is an essential part of such research. This leads to the next chapter which is the design of the empirical study.
CHAPTER 4
THE DESIGN OF THE EMPIRICAL STUDY

4.1 INTRODUCTION

This chapter will describe the research method to be utilized to gather information that could assist in the development of the ideal sales promotional model. Allison, O’ Sullivan, Owen, Rice, Rothwell, and Saunders, (1996: 4) state that research is a systematic enquiry that is reported in a form that allows the method of research results to be known to others. This technique will enable the researcher to resolve the main and some or all the sub-problems.

Once the characteristics of an ideal sales promotional model have been identified, then the researcher will set about developing a model which retail practitioners could use as a guideline when planning sales promotions. This would resolve the main problem, namely:

• What is an ideal model of business promotion that will assist organizations to achieve turnover growth and maintain a strategic advantage and increase profits?

In order to resolve this main problem the following sub problem should be resolved.

• What do practicing managers believe the ideal model of business promotion is?

It would be reasonable to assume that the methods and procedures followed by the practicing managers that will be surveyed, are deemed by these managers to be “ideal”. The research methodology will be planned in such a manner that the methods being
utilized by practicing managers are analysed and compared to the theoretical methods of sales promotions. **Charts, tables and statistical data gathered from: Questionnaires, interviews** and **secondary sources** will be used to provide the researcher with data which will enable a gap analysis to be performed, noting the areas of difference between practice, theoretical and the ideal method of planning a sales promotion.

The intention of the proposed research is to seek and resolve the sub problems via facts derived from a scientific method of data collection and to provide meaningful data that will assist in the derivation of an ideal sales promotion model in chapter seven. The following subject to be discussed is research methodology.

2. **RESEARCH METHODOLOGY**

There are various research methodologies available to researchers. For the purposes of this document the descriptive survey method or "normative" survey method will be used in conjunction with personal and telephonic interviews.

A questionnaire utilising effective questioning techniques that should interrogate and probe aspects of the sales promotional business activities of the selected practicing managers and general staff should provide important data. Personal and telephonic interviews will be performed to further probe and clarify any areas of uncertainty.

According to Kotler, (2000: 109), "Surveys are best suited for descriptive research." This latter quote supports the researcher’s confidence in choosing a descriptive survey to interrogate the sample of firms.
3. **DESCRIPTIVE SURVEY**

Information is chiefly gained through monitoring organizations sales promotional strategies. This will allow the researcher to identify the organizational sales promotional strategies used. In certain instances it may not be practical for the researcher to physically observe organizational practices and norms. In circumstances such as these the questionnaire is a useful instrument available to a researcher. The information gathered should be:

- Presented in a simple and structured manner.
- The questioning style should be clear and concise, removing opportunity for bias.

As explained earlier, the principal means of data collection will be via the monitoring of organizational practices, and the capturing thereof. The population of the study should be carefully selected and delimited. The characteristics of the descriptive survey have now been highlighted. The questionnaire will now be discussed.

3. **QUESTIONNAIRE**

A questionnaire is the ideal way to extract data from an organization without having an overbearing and invasive physical presence. Very often it is difficult, if not impossible, to obtain the information from many organizations due to time constraints and work commitments. According to Leedy, (1997: 101) "… a questionnaire is a common instrument for observing data beyond the physical reach of the researcher". The way in which language will be used in the survey will now be discussed.
1. **Use of language**

The following basic principles will be followed when constructing the questionnaire.

According to Bell, (1993: 77),

- The more structured the question, the easier it will be to analyse.

- Question wording should be clear and concise to avoid ambiguity and imprecision; assumption should be avoided.

- Simplicity in sentence construction and meaning is vital.

The use of language has now been discussed. The following aspect of the survey to be discussed is the goal of the exercise.

1. **The goals of the exercise**

According to Welman, Kruger, (1997: 3), "…the natural scientific approach strives to formulate laws that apply to populations". The researcher aims to obtain data from people that should point to the hypothesis that:

- there currently is a need in business for a sales promotional model that could be used as a guideline when planning sales promotions. The research methodology should produce results that, when analysed, should focus on and highlight this need.

1. **Questioning technique**

Thomas, (1996: 121) states that the researcher should not design questions that lead the respondent. The questions should focus on general problems versus personal
matters. The questions should be simple and concise. There should be a consistent style of questioning technique.

The researcher will mostly use a closed questions. This type of questioning technique ensures that the respondent replies in as concise and focused a manner as possible. The way in which the survey is presented to the respondents is of great importance. This leads to the next point.

2. **Covering letter**

The letter should be concise and focus on a brief explanation of the fact that the researcher is completing a thesis towards an MBA, and of what the aim of the questionnaire is. The respondents should be assured that the information will be kept in the strictest of confidence and that the information would be used to the benefit of retail practitioners in general and would not compromise their competitiveness or strategic advantage in any way.

The respondents should be reassured that the time taken to complete the questionnaire would be a maximum of 15 minutes. Reference to the return postage stamp and envelope should be made. A final date of return mail should be communicated and the respondent should be thanked in advance for his/her time and assistance. The manner and rate of the response is an important aspect of a survey. Should the response rate and validity of the responses be high and accurate respectively, the accuracy and credibility of the researcher’s survey will be enhanced. Research response will now be discussed.
3. Research response

The researcher ensured that all questionnaires were answered in his presence, and was thus able to maximize the research response. This ensured that the lead-time, from physically handing out the questionnaire to the tabulation of the results in chapter five, was kept to a minimum. This also ensured that the results were not stale, optimizing the accuracy of the outcomes. Any doubt as to the interpretation of the questionnaire was also dealt with immediately and this too expedited the process.

The general response to the questionnaire was that the questions were unambiguous and the respondents were able to be supply the necessary information required. Many of the respondents remarked that their organizations did not comply with many of the aspects of the sales promotion al planning asked in the questionnaire. These aspects will become apparent in the following chapter.

4. Administering the questionnaire prior to interview and after receipt from the respondent.

There will be no ambiguity in the document. Counter questioning will be built into the questionnaire as a preventative measure, ensuring that the respondents’ answers are consistent.

The questionnaire will be designed to comprehensively interrogate the respondents, yielding sufficient data to resolve the main and sub-problems. However, the document will be as brief and concise as possible. Once the questionnaire and the survey analysis has been completed the respondents will be mailed the outcome. Prior
to the mailing of the questionnaire it is advisable to execute a trial run of the questionnaire. This leads to the next point.

5. **Pilot study**

According to Thomas, (1996: 122), the pilot study aids the success and accuracy of the final study and offers the researcher the opportunity to fine-tune the document. Very often the respondents do not in any way wish to be inconvenienced by the questionnaire, either personally or financially.

Prior to the execution of the survey a practice session was held. This enabled the researcher to ensure that the respondent’s reactions to questions asked could be observed and appropriate guidance techniques could be developed by the researcher. This would ensure an effective and efficient execution of the survey prior to the actual execution of the research. This leads to the next point.

6. **Delivery and return of the survey**

For the purposes of this document the questionnaires shall be hand delivered or the respondents will be interrogated in a telephonic interview by the researcher. The type and number of respondents to whom the questionnaire will be handed is important. The results of such factors will be tabulated in the following chapter. This leads to the next point.

7. **Selection of the research sample**

According to Welman, and Kruger (1999: 49), "…the populations in which human behavioural scientists are interested are so large that from a practical point of view it
is simply impossible to conduct research on all of them." The researcher has selected a sample of firms that are relevant to the scope of the problem. A broad sample of firms operating in the Nelson Mandela Metropolitan Municipality in Port Elizabeth was selected. A total of 25 questionnaires were completed. (See annexure E).

Knowing who the respondents were in each questionnaire is of great importance in establishing who in each firm’s organisational structure was reached by the survey. It is important to obtain a broad sample of candidates within each firm as possible, as this should provide responses from all levels of staff. This is important, as sales promotional activities involves all levels of staff. This leads to the next point.

8. **Biographical detail**

In order for the questionnaire to cover a broad spectrum of retail practitioners, managers, supervisors, section heads and general sales staff were included in the mailing program. This was done to provide a realistic representation of organization’s. In the following chapter these representative ratios will be quantified in tables. The way the survey was measured in terms of the outcomes will be described in the following point.

9. **Measuring statistical data**

According to Stevens, (1993), measurement involves the assignment of numbers, in terms of fixed rules, to individuals (or objects) to reflect differences between them in some or other attribute or characteristic. When measuring constructs such as opinions or attitudes, it is more difficult to quantify the outcome. An example of this would be
categorizing an individual’s socio-economic status according to his/her income or level of education, and so on. The respondents’ outcomes will be categorized in most instances as a percentage of respondents replying correctly as when compared to the ideal or optimal response. This optimal response has been formulated based on information gathered from secondary studies, and also from the common critical success factors gleened from information gathered whilst analyzing the successful sales promoting organizations in chapter three.

10. Data collection synopsis

A spreadsheet that assists in the formatting of the data. (See annexure E)

All the relevant aspects of the survey have now been listed and discussed. The entire research process will now be concluded.

3. Conclusion

This chapter explained the derivation of the survey and the various techniques to be included in the questionnaire in order to further expand the database already derived from secondary studies and analysis of successful sales promoting organizations. The salient characteristics of the descriptive survey method were described and it was explained how this method would be applied in this study.

The information gained from the questionnaire will be considered in the following chapter, and ultimately further aid the researcher by adding information to the existing database which will be considered when developing
the model in chapter seven. This leads to the next chapter which considers the outcomes of the research.
CHAPTER 5
THE RESULTS OF THE EMPIRICAL STUDY

1. INTRODUCTION
This chapter describes the results yielded from the questionnaire. Where possible, results will be quantified in the following way:

- Responses will be quantified by values being assigned to the range of possible responses. In earlier chapters the success of sales promotions was attributed to the inclusion of specific critical success factors in the sales promotional strategy. The responses to the survey conducted in this chapter that are contrary to these critical success factors will be assigned lesser values. Therefore, questionnaires that result in high scores would indicate to the researcher that the firm being surveyed follows the identified ideal sales promotional strategies.

- The questionnaire was designed so that "Yes" responses would always be the response that conformed to the identified ideal sales promotional strategies. Thus, "Yes" responses will be assigned a higher value than "No" responses. The lower valued questionnaire results would indicate that the organization does not practice the ideal promotional strategies.

Each section of the questionnaire will be quantified by assigning values to the responses to the questions in that section. It should now be apparent that the higher the rating, the more the response complies to what has been proven to be an ideal response. Should there be a vast difference between the optimal highest score and the actual score this would indicate that the firm does not practice the ideal promotional strategies.
The critical success factors have already been identified in earlier chapters and it was concluded that they should be present in all sales promotional strategies.

The information obtained from the outcome of the surveys will further increase the researcher’s database which is to be used in the following chapter when developing the ideal sales promotional model.

It must be noted that the aim of this chapter is not to evaluate individual organizations, but to gain insight on how firms promote sales, further enhancing the researcher’s understanding of the actual marketplace with regard to sales promotional activities. The first section to be quantified will be the biographical details of the respondents.

5.2 BIOGRAPHICAL PROFILES OF THE RESPONDENTS

Section A required the respondent to furnish personal details. This information may further assist the researcher in developing an ideal sales promotional model as the results of this section could point to certain biographical factors being prevalent in successful firms’ sales promotional strategies. These factors could, thus, be considered when developing the sales promotional model in the next chapter.

5.2.1 Results of the biographical profiles

The greater majority of the respondents were either managers or supervisors that had been employed for less than six years. Graph 5.1 overleaf clearly indicates the job portfolio constitution of the respondents.
5. 2. 2 Job portfolio constitution

Graph 5.1: Job portfolio constitution

This graph shows that the majority of the sample of respondents were either at manager or supervisor level.

3. The period of employment of the respondents

Graph 5.1.1: The period of employment of the respondents
4. The education of the respondents

Graph 5.2 below highlights the percentage of the respondents that participated in the survey that were matriculated or had tertiary education.

Graph 5.2: The education of the respondents
5.2.5 The gender of the respondents

![Gender Distribution Chart]

Graph 5.3: The gender of the respondents

As indicated above, there were more male than females.

5.2.6 The nationality of the respondents

- 96% were SA citizens.

5.2.7 Summary

- The questionnaire reached a broad spectrum of job portfolios
- More than 60% of the sample were employed for a period of less than seven years
- There were more males than females
- The majority of the respondents were well educated
- Almost all of the respondents were SA citizens
- A large majority of the managers were males.

The information above indicates the profile of the sample. However, depending on the total result of the questionnaire it may point to certain facts about the organization’s attitude to its sales promotional planning. The relevance of this information will be referred to in statements made in the conclusion of this chapter. This leads to the next section of the questionnaire.
5.3 RESPONDENT'S PERSPECTIVES ON SELECTED ASPECTS OF SALES PROMOTIONS

In this section only those responses that have a "Yes" or a "No" response will be quantified. Each "ideal" response will be assigned a value. As explained earlier, by calibrating the response the researcher is able to establish whether or not the outcome is desirable or not. This will enable constructive discussion. The questionnaire can then be used as a tool of measure. This section identifies whether or not the individual agrees and is happy with the organizational attitudes and actions with regard to sales promotional planning. It is important to note that this section deals with the employees’ perceptions and does not necessarily reflect the actual circumstance of the organisation in which the respondent is employed.

The employees’ perspective is believed to be important as their attitudes and beliefs could impact on the overall success or failure of the sales promotion. Ideally, the individual should be positive and enthusiastic about their organization’s attitude and planning with regard to sales promotions. This satisfaction, as explained in earlier chapters, should be borne out of an organizational approach in which a democratic attitude towards sales promotions is exercised. The latter is apparent when all staff are included in the planning process.

Decisions and objectives are thus reached through the consensus of the greater majority. The latter type of management of the sales promotion develops enthusiastic and positive staff exhibiting characteristics of ownership and accountability towards sales promotional activities. The analysis of successful sales promoters in earlier chapters has pointed to the
fact that this type of attitude towards sales promotions is a critical success factor in sales promotion.

5. 3.1 The results of the respondents’ perspectives on selected aspects of their organization’s sales promotional planning.

**Question six establishes:**
- The extent of the respondents’ involvement in sales promotional activities.

**The outcome of this question reveals that:**
- 88% of the sample stated that they were totally or fairly involved in sales promotional activities.

**Comments:** It would be ideal that all staff be informed about all aspects of sales promotional activities in order to engender accountability for the promotion throughout the organization. Involving staff would make them feel important, equip them with vital information should they encounter customer queries and, finally, foster a spirit of teambuilding in the organization through increased communication amongst the various departments involved in the promotion. In order to establish which staff should be totally competent with regards to the detail of the sales promotion, it is vital to ask the question:

**Who will experience contact with a prospective customer?** According to Beckwith (1997: 50) "….study every point at which your company makes contact with a prospect."

This would ensure that the correct staff are equipped with the necessary information.

**Question seven establishes:**
- The respondents’ perspective on the involvement that they believe they should have in sales promotional activities.
The outcome of this question reveals that:

- 100% of the sample stated that they believed that they should be fairly to totally involved in sales promotional activities.

Comments: The staff are willing and enthusiastic with regard to the level of involvement in sales promotional activities. This opportunity, according to the outcome of this sample, is not being fully exploited by the firms concerned.

Question eight establishes:

- The respondents’ perspective on whether or not their firm utilizes the correct media for their advertising activities.

The outcome of this question reveals that:

- 28% of the sample stated that they believed that their firm did not utilize the correct advertising media.

Comments: Should the respondents’ views be correct, then there exists a further opportunity that is not being exploited. In addition, it is not ideal having staff that do not believe in the firm’s focus with regard to advertising media. This could point to the fact that these firms are not including their staff in the decision making processes that are vital in reaching general consensus to achieving a sales promotional strategy. Failure to involve staff in these processes could result in staff not being committed to the overall goals of the promotion.

One type of media advertising that is very popular, are exhibitions. According to Wilmshurst (1993: 342) "In 1986 the Incorporated Society of British Advertisers (ISBA)
published ‘The exhibition Survey 1985’. This showed that by 1985, companies were spending 192m pounds on taking space and constructing stands at exhibitions. This was 25% more than in 1983. …in 1989 this figure exceeded 300 m and was growing rapidly.”

The latter statement shows that there are many avenues of opportunity for media advertising. These may come to light if staff are involved in the process. Exhibitions are therefore a viable proposition.

- 

- 

**Question nine establishes:**

- Other possible advertising media that the respondents believe their firm could use.

**The outcome of this question reveals that:**

- The respondents are willing to be involved and suggest alternative options in the creative development of a sales promotions strategy even although this may not be part of their job description.

**Comments:** It was encouraging to see the enthusiasm that the respondents showed with regard to suggesting ideas on what has traditionally been the domain of only the creative departments. The involvement of all employees in the development of a sales promotional strategy should, ultimately, benefit the firm.

**Question ten establishes:**
That the respondents not only have suggestions with regard to advertising media, but also have a specific rationale as to why they believe the firm uses or should use certain advertising media.

The outcome of this question reveals that:

- The respondents have a specific perspective on the advertising media that is used or should be used. They can also substantiate the reasons for their perspective with a specific rationale.

Comments: It is encouraging to see the participative attitude which the respondents displayed when asked questions with regard to sales promotional activities. Their firms should take cognizance of their perspectives and comments by their inclusion in the development of a sales promotional strategy.

Question 11 establishes:

- Whether or not the correct market was targeted by the respondents’ firm.

The outcome of this question reveals that:

- 36% of the respondents believed that their firm did not target the correct market.

Comments: Should the above respondents’ views be correct, then there exists an opportunity that is not being exploited. In addition, it is unsatisfactory to have staff that do not believe in their firms’ focus with regard to advertising media. This could indicate that these firms are not including their staff in the decision making processes that are vital in reaching general consensus in achieving a sales promotional strategy. Failure to
involve staff in these processes could result in staff not being committed to the overall goals of the sales promotion.

**Question 12 establishes:**

- The justification for question 11, should the respondent have answered that their firm targeted the incorrect market.

**The outcome of this question reveals that:**

- The respondents have a specific perspective on the targeting of core markets. They can also substantiate the reasons for their perspective with a specific rationale.

**Comments:** It is encouraging to see the participative attitude which the respondents display when asked questions with regard to sales promotional activities. Their firms should pay attention to these individuals’ perspectives and comments by including them in the development of a sales promotional strategy.

**Question 13 establishes:**

- Whether or not the respondents were made aware of the objectives of the sales promotions.

**The outcome of this question reveals that:**

- 32% of the respondents did not have the sales promotional objectives communicated to them.
Comments: The outcome of this question reveals that a large percentage of firms’ employees do not have a common goal or objective on which to focus in achieving company objectives. It is vital that the employees are made aware of the creative objectives of the organization, so that through the adherence to the strategic plan, control is exercised over the attainment of organizational goals. According to Taylor (1994: 72), "visionary companies combine tough ideological control with radical operating autonomy". This statement refers to the fact that employees should be managed in a creative yet firm environment. Clear goals and an autonomic system lead to success.

Question 14 establishes:

- Whether or not the respondents were given incentives in any way to achieve sales targets.

The outcome of this question reveals that:

- Only 56% of respondents were given incentives to achieve the sales targets.

Comments: The benefits of giving staff incentives, listed as one of the critical success factors, were discussed in previous chapters. Only 56% of the respondents in this sample were given incentives, despite the fact that secondary reference sources suggest that incentives enhance overall performance. It is vital to keep up the morale of the employees. Simply by complimenting them on what they have done well, management can achieve this goal. According to Shaw (1990: 90), "When sales personnel either individually or collectively fail to achieve their targets, management should create additional motivation by verbal encouragement and organizing problem solving and brain
storming sessions." The latter statement reinforces the concept of maintaining good morale amongst the staff. This leads to the next question.

**Question 15 establishes:**

- Whether or not the respondents have been trained on how to sell.

**The outcome of this question reveals that:**

- Only 28% of the respondents had attended a sales training course.

**Comments:** It is noted that 100% of the sales target is expected, yet only 28% of the sample were equipped with the tools to achieve that target. According to Martin, (1994: 176 ), " Investing in people is all about training and developing employees so that they can do their jobs, and also the next job up, more effectively than previously…" The latter statement supports the notion that training is vital to organizations should they want to achieve their goals.

**Question 15 establishes:**

- Whether or not the respondents knew about the basic selling principles required to close a sale.

**The outcome of this question reveals that:**

- Only 36% of the respondents believed that they knew the basic principles of selling.

**Comments:** 80% of the respondents were either sales staff, managers or supervisors. These individuals would be expected to perform the function of selling, yet 64% of the
sample did not know the basic principles of overcoming objections, telling customers about the features, advantages and benefits of the products and services promoted in their firm, multiple selling, selling up or how to close a sale. This outcome highlights one of the reasons why firms do not achieve sales promotional success. According to Barlow and Maul (2000:143) the following five aspects of building strong bonds with customers are vital for sales staff to understand: The five C’s of Intimacy theory

- Communication
- Caring
- Commitment
- Comfort
- Conflict resolution.

All staff should understand these concepts, and how to ensure that the customers experience them during their selling technique. Barlow is the president and owner of TMI, a partner with Denmark based multinational training and consulting group. Diana Maul is senior consultant for TMI, also one of the founding directors of Horizon Airlines.

**Question 16 establishes:**

- Whether or not the respondents received feedback once their firm’s sales promotion had ended.

**The outcome of this question reveals that:**

- Only 52% of the respondents received feedback.
Comments: Performance evaluation establishes whether or not the objective has been achieved. Improved plans for the following sales promotion, based on the knowledge gained from the feedback of previous sales promotions, can then be developed. It is imperative to the success of current and future sales promotions that the communication between organization, employee and the customer is excellent.

According to Boyd and Levy (967: 20) "...the promotion process essentially involves communication and for it to be effective it must take into account the basic principles of communication." The periodic examination of sales promotional success and the feedback to the staff is vital. According to Kotler, (1984: 765), "a comprehensive, independent, and periodic examination" is seldom undertaken. This problem will be addressed later in this document. (See chapter six).

Question 17 establishes:

- Whether or not the respondents believe that their firm maximizes the opportunity to optimize sales promotional sales.

The outcome of this question reveals that:

- Only 40% of the respondents believed that their firm maximized the opportunity to make sales during sales promotions.

Comments: Should the respondents perspectives be correct, then there are lost opportunities which are compromising the optimal sales performances of the firms surveyed.
**Question 18 establishes:**

- Whether or not the respondents are willing to involve themselves to a greater extent in sales promotional activities. This question also validates the response from a question posed in an earlier section.

**The outcome of this question reveals that:**

- 100% of the respondents stated that they were willing to involve themselves more in sales promotional activities.

**Comments:** It is apparent from the outcome of this question that the respondents are keen to play a greater role in sales promotional activities.

**Question 19 establishes:**

- Whether or not giving incentives to the respondents would alter their decision made in the previous question should they not wish to involve themselves in sales promotional activities.

**The outcome of this question reveals that:**

- All the respondents answered "Yes" in the previous question and, thus, this question can now be ignored.

**Comments:** The response is encouraging as this points to the fact that staff are willing and keen to assist in driving up the sales in sales promotions.
Question 20 establishes:

- Whether or not the respondents saw the benefits of successful sales promotions and whether or not they, thus, understood the positive aspects of performing in the sales promotions run by their firms.

The outcome of this question reveals that:

- All of the respondents acknowledged that there were inherent benefits in the successful outcome of sales promotions.

Comments: It is apparent from the outcome of this question that staff see the merits of attaining success in sales promotional activities. It can, thus, be seen as an opportunity for management to use these inherent positive benefits to staff as a tool for giving incentives to them by including them in the wealth creation aspect of sales promotions.

Question 21 establishes:

- Whether or not the respondents understood the specific personal benefits that they could gain should their firm’s sales promotions be a success.

The outcome of this question reveals that:

- The respondents listed benefits that were relevant to sales promotional success, for example, salary bonuses, financial rewards and gifts, and so on.
Comments: It is apparent from the outcome to this question that the respondents see and understand the benefits of them assisting the firm to achieve sales promotional success. This leads to the next section.

5.4 ACTUAL CIRCUMSTANCES WITH REGARD TO THE ORGANISATION’S SALES PROMOTIONAL PLANNING

In this section the individuals’ perspectives are ignored and the actual circumstance as it was at the date of the survey being performed, are investigated. The questions are structured to ensure that the responses "Strongly Agree" and "Agree" are seen to be desirable. Thus, the higher the score for this section, the better the organization has performed.

In this section, if staff are not involved in the process of sales promotional planning, it will be assumed that the organization concerned has failed to comply with the suggested critical success factor of including all staff in the development of the strategic plan. The respondent will then be assigned the lowest possible score, indicating an undesirable outcome to the question.

1. The results of the respondents’ perspectives on actual circumstances of their organization’s sales promotional planning.
Question 22 (a-l) establishes:

- Whether or not the 12 critical success factors are included in the firm’s hosting of meetings.

The outcome of this question reveals that:

- Only 31% of the 12 suggested critical success factors for the hosting of the meeting at which the sales promotional strategy plan is developed, were followed.

Comments: Although the 12 critical success factors were only a guideline to ensure that the mandatory requirements to establish a satisfactory strategic plan were met, these factors are still seen to be vital. Only 31% of these factors are being adhered to, which suggests that the majority of the firms do not discuss the 12 mandatory aspects of a sales promotional strategy with their employees. Although these factors may have been discussed in some other forum, it excludes the respondents from the decision making process.

Meetings provide a forum for employee/organization interaction. The organization should take this opportunity to take advantage of the employee information available to them. According to Shaw (1991:42), "Most companies are wealthier than they know. Information is a hidden asset which, if managed effectively can help flagging sales performance."

At these meetings, critical information with regard to the customers can be gleened from employee interaction. This sort of information can in turn be used in various aspects of the business. According to Bachner and Khosla (1977: 99) "In most cases, developing a
brochure requires the input of more than one person. Since it is a product of your company, it represents it”. This statement reflects the importance and practical benefits of employee organization interaction at meetings.

Question 23 (a, b) establishes:

- Whether or not the respondents were advised of the annual and monthly sales promotional strategies.

The outcome of this question reveals that:

- Only 24% of the sample were advised of their firm’s sales promotional strategy. This question again highlights the importance of communication. According to Hayes and Dredge (1998: 43) “Communication is about the sharing of meaning”

Comments: The employees need to know the sales promotional strategy so that leave plans, etcetera. can be arranged.

Question 24 (a, b) establishes:

- Whether or not a comprehensive customer service training programme has been put in place prior to a sales promotion and whether or not this information is available in a training library.

The outcome of this question reveals that:

- Only 54% of the respondents’ firms conformed to these two aspects of a sales promotion.
Comments: The training and development of new and existing staff is an important aspect of sales promotions as it ensures that the staff are kept abreast of the latest trends of a sales promotion. The provision of sales promotional information in a library allows the staff to refresh their knowledge at their leisure and fosters a culture of learning in the firm.

Question 25 establishes:

• Which training courses are available to the respondents and which methods of communication were used.

The outcome of this question reveals that:

• Virtually none of the respondents were aware of any training available to them and they were not sure whether or not their firm had a library.

Comments: Training courses are most often available at firms. However, the training and development budgets are limited and these facilities are rarely communicated to the staff. Naturally, this is not the case in all firms. However, the respondents from this sample reveal that this is the case.

Question 26 establishes:

• Whether or not casuals that are employed to assist on the sales floor during sales promotions are given any training.

The outcome of this question reveals that:
• Only 48% of the respondents were aware of casu...sales promotions were provided with sales training.

Comments: It is always better to have staff that are skilled in selling techniques and understand the features, advantages and benefits of the products and services on offer when serving a customer.

Question 27 establishes:

• Whether or not existing staff are involved in a training program of any sort.

The outcome of this question reveals that:

• Only 28% of the respondents were aware of existing staff being trained.

Comments: In order to remain competitive and ensure that the permanent staff remain at the forefront of the latest developments in the market place it is advisable to involve them in on-going training and development programmes.

Question 28 (a, b) establishes:

• Whether or not the respondents’ firms used dedicated displays for the promotion and differentiation of products and services.

The outcome of this question reveals that:

• 80% of the respondents’ firms followed the above practice.

Comments: The use of displays dedicated to specific products and services being promoted is an ideal method of advertising and differentiating one product and service
from another. This effective practice should be a mandatory requirement of all sales promotions. According to Luick and Ziegler (1968:91) "The purpose of these displays, like all forms of sales promotion, is to increase the sale of products." The latter statement highlights this aspect of a sales promotion. This leads to the next question.

**Question 29 (a-f) establishes:**

- Whether or not the respondents’ firms practiced the six basic sales promotional techniques used to promote their products and services.

**The outcome of this question reveals that:**

- Only 39% of the six basic sales promotional techniques were used by the respondents’ firm to promote their products and services.

**Comments:** The majority of successful promoters use the six basic sales promotional techniques to promote their products and services. The six basic techniques provide an effective method of advertising the promoted products and services and, therefore, it would be advisable to use these techniques.

**Question 30 (a-c) establishes:**

- Whether or not the respondents’ good performance was acknowledged either via a financial reward or verbally.
The outcome of this question reveals that:

- Only 67% of the respondents received acknowledgement in this regard.

Comments: Acknowledgement of good performance often results in the employee feeling as though their efforts are worthwhile.

Question 31 establishes:

- Whether or not the respondents are aware of a company ethics policy.

The outcome of this question reveals that:

- Only 16% of the respondents were aware of an ethics policy available in their firm.

Comments: It appears that the respondents’ firms have either not communicated the policy or do not have a policy. It is vital to know the boundaries of what is right and what is not. According to Simons (1995: 83) "..inspiration however needs to be tempered by clear boundaries of what is not allowed- boundary control." This statement highlights the need for a clear stance on ethics.

Question 32 establishes:

- Whether or not the respondents believed that the leaders in their firm led by example.
The outcome of this question reveals that:

- Only 88% of the leaders led by example.

Comments: This result reveals that there are a number of managers that do not lead by example and, as such, there could be many employees that practice poor work ethics. Failing to lead by example could have a negative impact on ethical behaviour.

Question 33 establishes:

- Whether or not the respondents believed that there were channels of communication to follow should they wish to confide in management.

The outcome of this question reveals that:

- 26% of the respondents believed that there was no channel of communication for them should the need arise for them to confide in management.

Comments: There may be instances relating to matters arising from sales promotional activities where the employees need to communicate their concerns to management. Irrespective of the matter, however, it is ideal to have open channels of communication with management.

Question 34 establishes:

- Whether or not the respondents’ firm has trained employees on good ethical practices.
The outcome of this question reveals that:

- 0% had ever experienced any training on good ethical practices.

**Comments:** The outcome to this question reveals a need for firms to address this point. This leads to the following and final section of the survey.

### 5.5 THE POINTS SCORE RATING OF THE QUESTIONNAIRE

Section A of the questionnaire dealt with the biographical details of the respondents. This section was excluded from the points rating. Section B of the questionnaire dealt with the respondents’ perspectives on selected aspects of promotions. Whilst gathering information and creating a database to assist the researcher to develop an ideal sales promotional model, an ideal method of executing a sales promotion was established.

With regard to the questionnaire, the ideal response was assigned a numerical value, higher than that of a less desirable response. Thus, the higher the rating for the questionnaire, the closer to the ideal is the response. With this in mind, the results of the points rating for the questionnaire follows.

#### 5.5.1 The results of section B

201 points scored out of a possible 300 points. This equates to a 67% compliance to the ideal response.

**Comments:** Should the proposed ideal be a standard format for the strategic sales promotional plan for all sales promotions, then the respondents’ firms plans were only 67% correct. In order to graphically illustrate the overall compliance to the optimal
response per question for section B of the survey, a graph has been produced. This graph charts the respondents rating as a percentage.

The optimal rating is 100%. The general performance of all the organizations can thus be noted at a glance. Questions 9, 10, 12, 19 and 21 were not related to the organizations compliance to one of the suggested optimal responses, and thus were excluded from the graphic results. (See table 5.6)
Graph 5.4: The results of section B, the respondents’ perspectives on selected aspects of their organisation’s sales promotions planning.

The graph above reveals that there was a fairly high compliance to the ideal circumstance for the range of questions asked in this section. The question detail is listed above in section 5.4.

Section C of the questionnaire dealt with the actual circumstances within the various firms.

5.5.2 The results of section C

348 points scored out of a possible 875 points. This equates to a 40% compliance to the ideal response.

Comments: The results of section C reveal that there is a greater decline in terms of compliance to the ideal responses than in Section B. In order to graphically illustrate the overall compliance to the optimal response for section C, a graph has been produced. This graph charts the respondents rating as a percentage. The optimal rating is 100%. The general performance of the organizations can thus be noted at a glance. See graph 5.5 below
Graph 5.5 The results of section C, the actual organisations circumstance on selected aspects of it’s sales promotions sales promotional planning

The graph above reveals relatively low scores achieved for Section C. This indicates a poor compliance to the suggested optimal responses. Many of the organizations that were included in this survey are thus are not adhering to the fundamental aspects of hosting sales promotional activities.

The secondary studies performed in this study revealed that experts on the subject of sales promotions such as Gonzalves and Govoni believed that the pillars of any successful sales promotional activities were:

- effective personal selling;
- effective advertising;
- effective publicity and,
• effective sales promotional activities.

This was not the case for all of the firms that participated in this survey.

5.6 SUMMARY

In this chapter a questionnaire was administered to 25 respondents. In order that the researcher be able to develop a sales promotional model, a set of critical success factors was established. These factors were derived from organisations that were successful at sales promoting. Information was derived via a questionnaire and secondary studies.

The outcome of the questionnaire has been explained above. The outcomes were assigned numerical values and compared to an ideal response. The ideal response was assigned a numerical value. A GAP analysis was performed, highlighting the disparity between the actual outcome and the ideal response. The researcher can now conclude:

• In section B of the questionnaire, when the respondents’ perspectives on selected aspects of sales promotions were compared to the suggested critical success factors, it was revealed that 33% of the sample had a negative perspective of their firm’s sales promotional planning. The outcome of this section revealed that the employees agreed with the critical success factors and believed that their firm was compromising sales promotional success when not complying with the factors.

The results of section C revealed that, in terms of the actual circumstances of the firm’s sales promotional planning, there was only a 40% compliance with the suggested critical success factors.
Finally, the outcome of the above questionnaire will be considered when the sales promotional model is developed in the next chapter. The information derived in this chapter can now be added to the existing body of knowledge being used as the researcher’s database. This leads to the next chapter.
CHAPTER 6

THE FORMULATION OF THE SALES PROMOTIONS MODEL

6.1 INTRODUCTION

In the previous chapters information has been gathered on sales promotions. This information was gathered from:

- Selected successful sales promoting firms in the Nelson Mandela Metropolitan Municipality of Port Elizabeth.

- Secondary literal sources obtained from studies of literature available at local libraries, internet sources, magazines, articles and newspapers.

- Finally, an empirical study was devised to further extract information that could possibly be used in resolving the main problem, namely:

What is an ideal model of business promotion that will assist organizations to achieve turnover growth and maintain a strategic advantage and increase profits?

In this chapter a model, based on the ideal sales promotional techniques that have already been identified and discussed in previous chapters whilst performing this study, will be developed. This model should assist organizations in optimising turnover growth and profitability and, in so doing, assist the organization in maintaining a strategic advantage over its competitors. This model is to be used as a guideline. The retail environment is a dynamic one, and thus sales promotional strategies should always be designed with this
guideline in mind, however, the plan should be customized to suit individual needs. The following statement reinforces the fact that retail is ever changing.

"The retailing industry is going through a particularly turbulent era in the 1990’s. Customer needs and demographics are changing, new retail formats are replacing older, traditional ones, new location opportunities are being exploited, new technologies are drastically affecting retail operations, and ownership of large retail chains is changing through a wave of mergers, acquisitions, and divestitures." Levy and Wait (1992: ix).

The model that will be developed will be in the form of a graphic illustration, allowing the use of any number of sales promotional techniques that successful sales promoters have adopted. The users of the model will be supplied with a brief and concise directive on how to use the sales promotional model. A brief explanation of the background to the various components of the model will be supplied, as well as a checklist ensuring that the users have included all of the components of the sales promotional model in their promotion. Finally, a troubleshooting checklist will be supplied that could assist users in identifying possible causes of identified problems as well as possible remedies by referring back to a particular section of the sales promotional model.

6.2 THE DEVELOPMENT OF THE GRAPHIC ILLUSTRATION FRAMEWORK

According to Futrell (1993: 52), "Promotion, as part of the marketing mix, is designed to increase company sales by communicating product information to
potential customers. The four basic parts of a firm’s promotional effort are **personal selling, advertising, publicity** and **sales promotion.**"

Using these basic parts, the proposed sales promotional model will use four quadrants. Each quadrant will represent one of the parts noted by Futrell as being part of the basic components of every sales promotion. See figure 6.1 overleaf.

**Figure 6.1: Four parts presenting Futrell’s four basic parts of a firm’s promotional effort**

<table>
<thead>
<tr>
<th>PERSONAL SELLING</th>
<th>ADVERTISING</th>
</tr>
</thead>
<tbody>
<tr>
<td>PUBLICITY</td>
<td>SALES PROMOTION</td>
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</table>

Each aspect of the model will be identified as a ‘step’. **There are eleven steps to follow.** Each step will be **clearly numbered.** The eleven steps should be followed in **ascending** order, starting off with step one. As an aid to step ten, monitoring of the sales promotion, a spreadsheet will be provided. This spreadsheet will be used to enter specific statistics that would assist the user in interpreting the sale promotion’s success. Further to this aid, the users will be provided with checklists that would further assist in the use of this sales promotional model. Critical success factors
will now be listed under each heading in each quadrant of table 6.1 overleaf. This leads to the next point.

6.2.1 Critical success factors

The critical success factors that have been selected have been analysed and discussed in previous chapters and were found to be prevalent in all or most of the successful sales promoters sales strategies. Secondary studies referred to in previous chapters also point to these factors as being critically necessary in a sales promotional plan in order to maximize the possibility of promotional success. These critical success factors will now be listed under each of the four headings that Futrell refers to as being the "basic parts" of a promotion.

6.2.2 Critical success factors, listed under each of the four headings, on which Futrell claims every sales promotion should be based

Table 6.1: Table of critical success factors

<table>
<thead>
<tr>
<th>PERSONAL SELLING</th>
<th>ADVERTISING</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consumer</strong></td>
<td><strong>Trade</strong></td>
</tr>
<tr>
<td>1.) Product / service <strong>brochures</strong> 1.) Product / service <strong>brochures</strong></td>
<td></td>
</tr>
<tr>
<td>2.) New/ existing sales staff 2.) Product / service <strong>training training program</strong> (On-going) <strong>workshops</strong></td>
<td></td>
</tr>
<tr>
<td>3.) <strong>Incentivise</strong> staff involved 3.) <strong>Incentivise</strong> staff involved.</td>
<td></td>
</tr>
<tr>
<td>4.) <strong>Demonstrate</strong> features 4.) <strong>Representatives</strong> call on advantages and benefits of trade, product or service.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>PUBLICITY</td>
<td>SALES PROMOTION</td>
</tr>
<tr>
<td><strong>Consumer</strong></td>
<td><strong>Trade</strong></td>
</tr>
<tr>
<td>1.) <strong>Associate</strong> product/ serv- 1.) Encourage loyalty.</td>
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<td></td>
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<tr>
<td><strong>Consumer</strong></td>
<td><strong>Trade</strong></td>
</tr>
<tr>
<td>1.) Base promotion around : 1.) Base promotion around: <strong>Price discounts</strong> <strong>Display</strong> <strong>Rewards</strong> <strong>Cost</strong></td>
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The four main categories of sales promotions activities which Futrell and Gonsalves refer to were identified and isolated figure 6.1. These four quadrants constitute the core of the proposed sales promotional model.

### 6.3 THE DEVELOPMENT OF THE PROCEDURE AND SEQUENCE OF EVENTS OF A SALES PROMOTIONAL PLAN

All of the sales promoters that were selected followed a procedure whilst planning their sales promotional strategy. These stages or steps will now be listed below.

#### 6.3.1 The sequential steps to follow when planning a sales promotion

- **Step One:** Establish why you need a promotion.
  - **Step Two:** Arrange a meeting with all managers to confirm the need for a sales promotion.

- **Step Three:** Execute a general meeting, outlining the general plan of such a sales promotion. *(Use a checklist to ensure that all aspects of such a plan are discussed).*

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<table>
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<th>loyalty with a popular celebrity through sponsorship. ity</th>
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<tbody>
<tr>
<td>2.) <strong>Supply the State</strong> with 2.) <strong>Associate</strong> the products/services, they act product/service/firm with as ambassadors. the <strong>trader</strong>, they act as</td>
</tr>
<tr>
<td>3.) <strong>Target</strong> to associate <strong>pos</strong>: ambassadors. <strong>itive landmark events</strong> with the product/service.</td>
</tr>
<tr>
<td>around: <strong>Price discounts</strong>, <strong>Displays</strong>, <strong>Rewards</strong>, <strong>Cost discounts</strong>, <strong>Retail advertising</strong>, <strong>demon-Volume based benefits scale</strong>, <strong>stratifications</strong>/<strong>Sampling</strong>, <strong>Fairs/Subsidisation based on sales</strong>- <strong>Shows</strong>, <strong>Contests</strong>, <strong>Coupono-volume</strong>, <strong>ning</strong>, <strong>Direct marketing</strong>, <strong>Co-</strong> 2.) Ethically based mpurer based. 3.) <strong>Differentiate promotions</strong></td>
</tr>
<tr>
<td>2.) <strong>Differentiate promotions</strong> 3.) Ethically based</td>
</tr>
</tbody>
</table>
The **detail** of the sales promotional plan should include the four basic parts to which Futrell refers as being the basic components of all sales promotions, namely:

- **Step Four:** The inclusion and consideration of the critical success factors of **personal selling** in the sales promotional plan. *(See table 6.2 above).*

- **Step Five:** The inclusion and consideration of critical success factors of **advertising** in the sales promotional plan. *(See table 6.2 above).*

- **Step Six:** The inclusion and consideration of the critical success factors of **publicity** in the sales promotional plan. *(See table 6.1 above).*

- **Step Seven:** The inclusion and consideration of the critical success factors of **sales promoting** in the sales promotional plan. *(See table 6.2 above).*

- **Step Eight:** Follow up on all duties and tasks allocated at the general meeting of step 3 above.

- **Step Nine:** Execute the Sales Promotional plan with the aid of a checklist annexure C.

- **Step Ten:** Monitor the sales promotion via the comparison of hourly or daily projected performances of:
  
  - Sales
  
  - Gross profit
• Expenses

• Net profit

(See sales promotional spreadsheet annexure B).

- **Step Eleven: Evaluate** the sales promotion once it has ended and use this information to enhance future sales promotional plans. (See annexure D, sales promotional evaluation checklist).

A graphic illustration of the proposed sales promotional model which includes the above considerations is illustrated in figure 6.2 on page 128.

### 6.3.2 The principle of the model

RED: indicates that the launch of the sales promotion may not commence. *(Steps one to three).*

AMBER: indicates that the launch of the sales promotion is nearing. *(Steps four to seven).*

GREEN: indicates that the sales promotion’s preparatory work has been completed and that the promotion may be launched. *(Steps eight to eleven).*

This model also provides the user with a spreadsheet that may assist the user whilst carrying out step ten. *(Monitoring the sales promotions’ success. (See spreadsheet annexure B).*

This spreadsheet makes use of the "*Poka-Yoke*" mistake-proofing principle, founded by a Japanese statistician and quality expert, "Taguchi". This system is explained in Todd,
(1995: 100), namely where the daily sales figures do not meet the projected figures decided upon in steps two and three, troubleshooting checklists are available to assist the user in resolving the anomalies.

Figure 6.2: A diagramatic illustration of the proposed Marques sales promotions model

<table>
<thead>
<tr>
<th>ESTABLISH</th>
<th>MEETING 1</th>
<th>MEETING 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.) <strong>Why</strong> do you need a</td>
<td>1.) Arrange meeting with managers</td>
<td>1.) Execute general meeting</td>
</tr>
</tbody>
</table>

### PERSONAL SELLING

**Consumer Trade**

1. Product / service **brochures**  |  1. Product / service **brochures**
2. New/ existing sales staff  |  Training / training programs (On-going) **workshops**.
3. **Incentivise** staff involved  |  3. **Incentivise** staff involved.
4. **Demonstrate** features  |  4. **Representatives** call on advantages and benefits of trade, product or service.

### ADVERTISING

**Consumer Trade**

1. **Match** advertising medium  |  1. **Provide buyers**-sales to target market, promotional catalogue.
2. **Provide** buyers  |  2. **Link** media advertising to.
3. **Differentiate** products designated shops via instore and service through innovation, exterior advertising materials.
4. **Use** technology to commu-  |  3. **Differentiate** products nicate./service through innovation.
5. **Identify consumer needs** in ses. the product/service, advertise these to trigger consumer purchase.

### PUBLICITY

**Consumer Trade**

1. **Associate** product/ service  |  1. **Encourage loyalty**
2. Supply the State with  |  2. **Encourage loyalty**
3. **Target** to associate pros., ambassadors, live land mark events with the product/service.

### SALES PROMOTION

**Consumer Trade**

1. Base promotion around  |  1. Base promotion around : **Price**
2. **Discounts, Displays, Rewards, Cost discounts, Retail advertising, demon**- Volum based benefits scale, strations.
3. **Sampling, Fairs/ Subsidisation based on sales, Shows, Contests, Coupons volume, Direct marketing, Co-**
   |  3. **Ethically based numerator based**
4. **Differentiate promotions**  |  3. **Ethically based promotions**
5. **Identify consumer needs** in ses. the product/service, advertise these to trigger consumer purchase.
6.4 CONCLUSION

The Marques 11 step promotional model illustrated overleaf is designed to be an easy to follow, practical, eleven step guide for a sales promotional plan. If followed correctly by the user the model will maximize the opportunity for promotional success. Studies by the researcher have revealed that there is no single model available that covers the entire spectrum of a sales promotional plan. This model thus fulfils that role, assisting organizations in achieving turnover growth and increasing the profitability via the utilization of the identified critical success factors and the eleven sequential steps in their sales promotional plans. This model thus resolves the main problem, namely:

What is an ideal model of business promotion that will assist organizations to achieve turnover growth and maintain a strategic advantage and increase profits?

Performance management is a further aspect of retail that benefits from such a tool, as the Marques Model can be used as a tool to measure performance and assist in the training and development of individuals or teams. It is vital to reach conclusions when developing models of this nature as it provides closure on problems that were noted in earlier chapters. This leads to the next chapter.
CHAPTER 7

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

1. INTRODUCTION

The use of sales promotions by organizations to increase sales and, ultimately, profitability in today’s business environment is widespread. The important role that sales promotional activities play in an organisation’s pursuit of these goals cannot be denied.

The challenge for organizations is to find an ideal methodology for sales promotional activities that can optimize the probability for success in this regard. There can be no doubt that the success of a sales promotion is dependant on the type of sales promotional strategic plan that has been developed. According to Greenley (1986: 66) " …organizational strategy links with mission". The mission should always be:

• to achieve the mission through customer satisfaction. This is usually achieved through the utilization of an effective sales promotions strategic plan.

Bearing the latter in mind, a study was developed in order to explore the opportunity to formulate a methodology for such organizations. The study is in many ways a departure from the traditional perspective of considering sales promotional activities. The methodology developed in the study does not view sales promotional activities from one specific aspect, but rather considers how to promote sales within organizations, encompassing all the components that play a role in a sales promotion.
This chapter will summarise the framework followed in formulating an ideal sales promotional model that organizations can use to optimize sales promotional growth and profitability. The results of the prior chapters of the study will be revisited. Conclusions and recommendations will be made based on the information gathered from the study. This leads to the next section.

7.2 THE SUMMARY OF THE RESEARCH RESULTS

The results of the empirical study revealed that the overall rating of the respondents’ replies from the returned questionnaires resulted in a points score of 549 out of a possible 1175 points, which equates to a percentage of 46.7%. The latter percentage indicates that when considering the 25 respondents’ compliance to the suggested ideal sales promotional strategy criteria, only 46.7% of the suggested critical success factors were included in the sales promotional strategies in the firms in which the respondents were employed.

Secondary studies revealed that certain fundamental aspects remain constant and should be considered when planning a sales promotional strategy, namely:

- **Personal selling**
- **Publicity**
- **Advertising**
- **Sales promotion**
These criteria were used as the cornerstones of the study and formed the fundamental base of the model that was developed. Throughout the study there was indisputable evidence of the importance of the above sales promotional activities. When considering the primary data collected through the application of a survey, sales promotional activities played a major role in the way in which organizations achieved increasing sales and profitability. The results from the survey indicated that no single approach or model was used when developing a sales promotional strategy.

In chapter three, firms in the Nelson Mandela Metropolitan Municipality that were statistically proven to be successful sales promoters and to be profitable were analysed. The basic activities that were practiced by these firms whilst developing their sales promotional strategies were considered. The results of the analysis pointed to certain factors being consistent in all of these firms’ sales promotional strategies. These factors were used to further develop the ideal sales promotional model. Despite some form of guidance system being available at most of the respondents’ firms only some of the firms consistently followed these set guidelines. This points to a management problem. It further highlights the fact that management does not understand the important role that sales promotions play in the attainment of sales growth and increased profitability. Should the latter assumption not be correct, then the non-compliance could reflect a complacency problem. This leads to the next section.
7.3 CONCLUSIONS AND RECOMMENDATIONS

The study performed in the latter chapters will be concluded in the following point.

7.3.1 Conclusions

The main aim of the study was to develop an ideal sales promotional model that could be used in the retail environment. Through the use of the model, organizations could optimize the potential to increase sales and profitability. Considering the latter the following conclusions can be drawn.

- Secondary studies reveal that there are four fundamental aspects that should underpin all sales promotions and should be considered when developing a sales promotional strategy, namely:
  - personal selling;
  - publicity;
  - advertising, and
  - sales promotion.

- The analysis of successful promoting organizations reveal that within the above four fundamental categories of sales promotional strategies there are additional critical success factors that are consistently associated with the fundamental aspects of a sales promotional strategy which have been listed in table 3.2.3 in chapter three.
• The survey results indicate that only a small percentage of organizations follow
the fundamental approaches suggested above.

• Management either do not see the benefits of following the suggested guidelines
explained above or they have other motivating reasons for their non-compliance,
for example:

• complacency;

• ignorance, and

• negligence.

This leads to the final section of the study.

7.3.2 Recommendations

The benefits of including and practicing the critical success factors in all sales
promotional strategies are evident throughout the primary and secondary studies
conducted in this document. It is thus recommended that:

• All organizations’ top management should reconsider their sales promotional
strategy plans. Top management should consider whether or not there exists
opportunities to enhance their strategies in order to cater for the dynamic retail
environment.

• Should areas of opportunity be identified, then the model that has been developed
in this study should be used as a guideline or metric tool for evaluation.
A programme to re-evaluate strategies should be established to ensure that the basic model be adapted to the dynamic retail environment. This would ensure that the strategies remain in line with current trends and enable the users of the model to maintain a strategic advantage in the sales promotional arena. As Kotler and Armstrong (1990: 592) expressed in their view of this dynamic environment, "Marketing programs and strategies can become obsolete rapidly". This statement points to the fact that strategies and guidelines as in the case of the "Marques Model" should be under constant review in order to ensure that it is a reflection of the latest trends.

To reiterate, Ulanoff, (1985:173), explains, "According to an old adage, seeing is believing…". This statement could be interpreted in the following manner. The analysis of successful sales promoting organizations that was performed in chapter three indicates that specific practices are responsible for sales promotional success. These practices have been incorporated into the design of the model developed in chapter six. The facts evidenced in this study point to organizations being successful sales promoters when certain criteria are met. The model developed in this document is comprised of the critical success factors that appear to be responsible for organizational sales promotional success.

Organisations that are unsuccessful sales promoters should attempt using such a model, as this action should result in success based on the evidence in this document. These unsuccessful sales promoters will need to be innovative and utilize entrepreneurial skills to right their poor performance. Suchard, H.T. (1983: 78) made the following statement, "there will be greater emphasis on innovative and entrepreneurial thinking". The latter statement points to the fact that organizations need to apply themselves in the creative
and entrepreneurial realm. The "Marques Model" is a realistic and now scientifically proven option for such organizations should a larger sample representative of retail globally point to the same outcome as the sample of 25 respondents.

They too may then agree with Ulanoff ‘s statement, as they should evidence the benefits of successful sales promotions through utilizing the "Marques Model". Should an organisation have previously been an unsuccessful sales promoter, then it would be worth attempting use of such a model.

**Based on the findings of this study, they should succeed!**

"…seeing is believing !"

**THE END.**
Reference list


Reference list (continued)


**Reference list (continued)**


**Reference list (continued)**


Reference list (continued)


Reference list (continued)


Annexure A: STRICTLY CONFIDENTIAL QUESTIONNAIRE

A SURVEY TO ESTABLISH FACTORS THAT COULD ASSIST IN THE ESTABLISHMENT OF A MODEL THAT COULD AID RETAIL PRACTITIONERS IN MAXIMISING TURNOVER GROWTH AND SALES PROMOTIONS PROFITABILITY WHEN PLANNING SALES PROMOTIONS.

RESEARCHER: K.H.D. MARQUES
DATE: 01 July 2002
AN EXPLANATORY NOTE ABOUT THIS QUESTIONNAIRE.

Promotional activities and factors that could affect the effectiveness and efficiency of sales promotions vary from one organization to the next. The researcher intends to develop a sales promotional model that could be used by retailers and this model would assist organizations to optimize turnover growth and profitability. Some of the information that will form the database from which this sales promotional model will be developed will be obtained via selected firms completing a questionnaire.

The outcome of this questionnaire will aid the researcher in developing a sales promotions model that organizations could use as a guideline in pursuit of effective sales promotions. Respondents’ names and identity will not be divulged. The purpose of this document is purely to assist the researcher in achieving a goal of developing a sales promotional model that could benefit retail practitioners. Once the respondent of this questionnaire has completed all relevant questions, please post the document back to the researcher by placing the questionnaire in the self-addressed envelope supplied.

Should there be any queries please do not hesitate to contact the researcher at the following address, telephone numbers or e-mail address.

P O Box 12430 5821036

Telephone  (W) 041 5821036

Centrahill

(H) 041 3662329

Central

(C) 0827384848

Port Elizabeth

E-mail mbal@501.co.za

6006
SECTION A

BIOGRAPHICAL DETAILS

1. Into which of the following categories does your job description fall? (Please mark the appropriate block with a cross. Only cross one block).
   a. Manager
   b. Supervisor
   c. Sales
   d. Administration
   e. Personnel

2. What period, in years, have you spent in this position? (Please mark the appropriate block with a cross).
   f. 0-3 yrs
   g. 3-5 yrs
   h. 5-10 yrs
   i. <10 yrs

3. Categorise your educational qualifications according to the following. (Please mark the appropriate block/s with a cross and fill in the space where required).
   j. Matric level not achieved
   k. Matric
   l. Tertiary education achieved (diploma). Please note the qualification and the period of the course in the space provided
      ........................................................................................................................................
   m. Tertiary education achieved (degree). Please note the qualification and the period of the study in the space provided
      below....................................................................................................................................

4. State whether you are male or female. (Please mark the appropriate block with a cross).
   Male
   Female
5. Please state what nationality you are in the space provided below.
........................................................................................................................................

SECTION B

RESPONDENT’S PERSPECTIVES ON SELECTED ASPECTS OF PROMOTIONS

6. Which of the following comments best describe your involvement in the planning of sales promotions? (Please mark the appropriate block with a cross).

a.) Totally involved.
b.) Fairly involved
c.) Not at all

7. Into which of the latter three categories do you believe you should fall.
   (Please fill in option a, b or c in the space below and provide a brief explanation as to why you have chosen this option).
   ........................................................................................................................................
   ........................................................................................................................................

8. Do you believe that your organization uses the correct advertising mediums? (Please mark the appropriate block with a cross).

   Yes
   No

9. Which other advertising mediums should be used? (Name a maximum of four mediums. Please write your choices of medium in order of priority in the space provided below).

a.).................................................................................................................................
b.).................................................................................................................................
c.).................................................................................................................................
d.).................................................................................................................................
10. Explain why you believe these advertising mediums should be used. (Use a maximum of 30 words and write your reason/s in the space provided below).

................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................

11. Do you believe that your organization sends its advertising messages to the correct market/s? (Please mark the appropriate block with a cross).

Yes
No

12. If your previous answer is No, briefly explain why in the space provided below. (Use a maximum of thirty words).

................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................

13. Are you told what the specific objective of each promotion is? (Please mark the appropriate block with a cross).

Yes
No
14. Are you rewarded in any way to achieve a target during sales promotions? (Please mark the appropriate block with a cross).
   
   Yes
   
   No

15a) Have you been trained on how to sell? (Please mark the appropriate block with a cross).
   
   Yes
   
   No

b) Have the principles of selling been explained to you? (Please mark the appropriate block with a cross).
   
   Yes
   
   No

16. Are you provided with feedback on the outcomes of sales promotions?
   
   (Please mark the appropriate block with a cross).
   
   Yes
   
   No

17. In your view, is your organization maximizing the potential of its ability to sell during sales promotions? (Please mark the appropriate block with a cross).
   
   Yes
   
   No

18. Are you willing to involve yourself more in sales promotions? (Please mark the appropriate block with a cross).
   
   Yes
   
   No

19. If your answer in the previous question is No, would an incentive of some form make you change your mind? (Please mark the appropriate block with a cross).
   
   Yes
   
   No
20. Do you believe that successful sales promotions will benefit yourself in anyway? (Please mark the appropriate block with a cross).

Yes
No

21. If your answer to the previous question is Yes, state five possible advantages to yourself of successful promotions.

a.) ........................................
b.) ........................................
c.) ........................................
d.) ........................................
e.) ........................................

SECTION C

VARIOUS ASPECTS OF SALES PROMOTIONS IN YOUR ORGANISATION WILL NOW BE SURVEYED

In certain parts of section C you will be required to answer to what extent you agree or disagree to a statement that is made. You will be required to mark with a cross the option that reflects your perspective of your organization’s positioning regarding a specific issue. The options that you may choose are as follows: (Once you have considered each statement please mark the appropriate block with a cross).

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SALE PROMOTIONAL MEETINGS

22. When your organization hosts sales promotional meetings are they are hosted in the following manner:

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a.) Invites are issued to meeting delegates, noting the date, time, place and agenda of the meeting.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.) Staff leave the meetings feeling motivated.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c.) Sales promotional budgets are always discussed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d.) All members invited to the meetings are representative of the sales force that is likely to, in some or other manner, be involved with the sales promotion.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e.) All of managements’ sales promotional objectives are communicated to the staff at these meetings.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f.) All final sales promotional objectives, budgets, targets and sales staff incentives are reached through a process of staff involvement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>g.) All staff are involved in some or other way and experience a feeling of ownership and accountability by management including them in the excitement and responsibilities of the sales promotions.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>h.) Follow up and deadline dates on delegated tasks and responsibilities are practiced in your organization whilst executing all aspects of sales promotions.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i.) A dedicated individual takes minutes of sales meetings.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>j.) A checklist is used as a guideline to ensure that all pertinent aspects of a sales promotion are executed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>k.) Estimation of potentials and forecasting sales is performed whilst planning and checking the viability of a sales promotion.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1.) A method of evaluation of the sales promotion is decided upon.
and these evaluations are completed after every promotion in an attempt to establish the pitfalls and successes of each sales promotion.

**ANNUAL SALES PROMOTIONAL CALENDAR**

23. When considering the concept of annual sales promotional events in calendar form, the following statements are applicable in your organization.

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a.) Your organization ensures that all staff are made aware of the annual national and local sales promotions at the start of each year.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.) At the beginning of each month all staff are made aware of forthcoming sales promotions and associated activities for that particular month.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SALES TRAINING AND SALES TRAINING AIDS**

24. In your organisation the following aspects of training and development are present.

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>Disagree</td>
<td>Strongly Agree</td>
</tr>
<tr>
<td>Agree</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a.) In your organization customer service is a major focus when planning and developing a sales promotional strategy. This aspect is included in the training and development of all staff to be associated with the forthcoming sales promotions.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.) Information about most aspects of sales promotions are available from some form of training library of information.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
25. In the space provided below note the training topic available as well as the medium in which this training aid is available. (For example, salesmanship/videos).

<table>
<thead>
<tr>
<th>TOPIC</th>
<th>Medium</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td></td>
</tr>
<tr>
<td>c)</td>
<td></td>
</tr>
<tr>
<td>d)</td>
<td></td>
</tr>
<tr>
<td>e)</td>
<td></td>
</tr>
<tr>
<td>f)</td>
<td></td>
</tr>
</tbody>
</table>

26. If casuals are employed to assist in a sales promotion. Are these individuals trained at dedicated training and development workshops in selling skills and are these individuals trained up on specific details of the products and or services on offer during the sales promotion prior to the sales promotion? (Please mark the appropriate block with a cross and comment in the space provided below using no more than 30 words).

Yes
No
27. Are competencies of existing sales staff developed through on-going training programmes? (Please mark the appropriate block with a cross).

Yes

No

STORE DISPLAYS AND MERCHANDISING

28. In the statements regarding store displays and merchandising that follow you will again be required to answer to what extent you agree or disagree with them. You will be required to mark with a ‘x’ the option that reflects your perspective of your organization’s stance with regards to a specific issue. The options that you may choose are as follows: (Once you have considered each statement please mark the appropriate block with a cross).

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree Disagree</td>
<td></td>
</tr>
</tbody>
</table>

a.) Your organization arranges dedicated in-store displays of the products or services being promoted.

b) Your organization differentiates one promotion from the other by using differing display materials and merchandising techniques.

SALES PROMOTION METHODS

In the statements regarding sales promotion methods that follow you will again be required to answer to what extent you agree or disagree. You will be required to mark with a ‘x’ the option that reflects your perspective of your organization’s stance with regard to a specific issue. The options that you may choose are as follows: (Once you have considered each statement please mark the appropriate block with a cross).
29. Your organization makes use of the following sales promotional techniques.

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.) Product and service demonstration shows are performed in and outside of the physical store.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.) Products and services are promoted at exhibition shows.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c.) Products and services are promoted at Trade shows and State fairs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d.) Products and services are promoted and sold via agents selling from catalogues and the use of web-based catalogues physically viewed by the consumer in the convenience of their own familiar surroundings via technology-based systems, for example, laptop computers, etcetera.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>e.) Products and services are sold and promoted via mail order selling.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>f.) Products and services are sold and promoted through wholesalers.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**MOTIVATION OF STAFF**

In the statements regarding motivation of staff that follow you will be required to answer to what extent you agree or disagree. You will be required to mark with a cross the option that reflects your perspective of your organization’s stance with regards to a specific issue. The options that you may choose are as follows: (Once you have considered each statement please mark the appropriate block with a cross).
30. The following statements apply to staff motivation in your organization.

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a.) Staff are frequently complemented verbally on the things that they do well during sales promotions.

b.) Staff are sometimes rewarded financially for good performance during or after a sales promotion.

c.) Management do not acknowledge good performance of employees at any stage of a sales promotion.

Should you have selected option c, please elaborate briefly in the space provided below.

...........................................................................................................................................................
...........................................................................................................................................................
...........................................................................................................................................................

SALES ETHICS

31. Is a sales ethics policy available in your organization and, if so, has this policy been made available to all staff? (Please mark the appropriate block with a cross).

   Yes

   No

32. Do the "bosses" adhere to this policy? (Please mark the appropriate block with a cross).

   Yes

   No

33. Are there channels available to sales staff should they seek advice on an ethical dilemma? (Please mark the appropriate block with a cross).

   Yes

   No
34. Are the staff trained on ethical issues? (Please mark the appropriate block with a cross).

Yes
No
The End

Your effort and time taken to complete this questionnaire is appreciated!

THANK YOU
Annexure B: **Sales promotions monitoring spreadsheet**

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
<th>Troubleshooter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>C.O.S (GP %)</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Expenses Totals</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>OK</td>
</tr>
<tr>
<td>In store display costs</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>OK</td>
</tr>
<tr>
<td>Advertising Costs</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Bank charges on cash used</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Monies used in Publicity</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Franchise fee (on added T/O)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Motor vehicle expense</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Postage &amp; stationary</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Security</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Casual wages</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Overtime</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Staff training</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Incentive monies</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Added telephone expenditure</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>OK</td>
</tr>
<tr>
<td>Net Profit</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>#DIV/0!</td>
</tr>
</tbody>
</table>
Annexure C: Sales promotions plan execution checklist

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Ensure that all staff have the necessary equipment and stationary required to perform sales transactions.</td>
</tr>
<tr>
<td>2.</td>
<td>Ensure that all staff are aware any incentive schemes related to the sales promotion. (Explanations of such a scheme to be placed up on to staff notice boards, sent via electronic mail and so on.)</td>
</tr>
<tr>
<td>3.</td>
<td>Ensure that all stores have received erected display materials that relate to the sales promotion.</td>
</tr>
<tr>
<td>4.</td>
<td>Ensure that the advertising planned reached the target customers on time, was communicated correctly, and very importantly explained to the customer when, where and what the offer was available.</td>
</tr>
<tr>
<td>5.</td>
<td>Ensure that all levels of the team are aware of what the objectives and targets are.</td>
</tr>
<tr>
<td>6.</td>
<td>Ensure that the selling environments are comfortable to the customers, for example, pleasant music, neat and tidy, clean, pleasant staff, good room temperature etcetera. Also ensure that there are methods at each participating store of retaining customer contact details for future reference.</td>
</tr>
<tr>
<td>7.</td>
<td>Ensure that there is sufficient stock of advertised items.</td>
</tr>
<tr>
<td>8.</td>
<td>Ensure that all staff have been trained on product knowledge and sell techniques.</td>
</tr>
<tr>
<td>9.</td>
<td>Ensure that all management, especially top management are involved in the sale promotional activities, and the general staff should be made aware of top managements involvement.</td>
</tr>
<tr>
<td>10.</td>
<td>Ensure that the sales promotions is launched with impact, and keep the motivation of staff buoyant.</td>
</tr>
</tbody>
</table>
Annexure D: **Sales promotions evaluation checklist**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Host staff meetings at all levels to obtain direct feedback from all staff and ask for constructive criticism, pitfalls and suggestions on how to improve sales promotions.</td>
</tr>
<tr>
<td>2.</td>
<td>Evaluate the statistical performance by reviewing the various sites at which the sales promotion was hosted. Anomalies should be investigated and corrective action taken where necessary.</td>
</tr>
<tr>
<td>3.</td>
<td>Contact customers where possible, and ask them for constructive criticism, pitfalls and suggestions on how to improve sales promotions. Thank them for their participation and notify them of the next planned sales promotion.</td>
</tr>
<tr>
<td>4.</td>
<td>Ensure that in-store display materials are removed immediately removed, so that there is a clear graphic display break period between different sales promotions. This will help to ensure that each sales promotions remains a separate and distinguishable unique entity.</td>
</tr>
<tr>
<td>5.</td>
<td>Ensure that all incentives are duly handed out to the winners as promised, for both staff and customers.</td>
</tr>
<tr>
<td>6.</td>
<td>Ensure that all winners, both staff and customers should there have been a prize for them are congratulated. This may be done via staff notice boards, electronic mail etcetera for staff, and through the media for consumers.</td>
</tr>
<tr>
<td>7.</td>
<td>Top management should be advised of all of the above, and a meeting should be established, where all management can digest the information and add it to the existing body of knowledge for future use.</td>
</tr>
<tr>
<td>8.</td>
<td>All staff should be congratulated and thanked by top management for their participation.</td>
</tr>
</tbody>
</table>
Annexure E: Data collection synopsis

<table>
<thead>
<tr>
<th>Date and to whom handed.</th>
<th>Number of questionnaires handed out</th>
<th>The number of questionnaires received back.</th>
<th>Response percentage.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date: 31/07/2002 Sales representative, Heidi Aljaar. (Finro’s Cash and Carry)</td>
<td>One</td>
<td>One</td>
<td>100% 1</td>
</tr>
<tr>
<td>Date: 31/07/2002 Cashier William Kitsana. (Engen Rink Street)</td>
<td>One</td>
<td>One</td>
<td>100% 2</td>
</tr>
<tr>
<td>Date: 03/08/2002 Receptionist Teresa Booysens. (Engen Rink Street)</td>
<td>One</td>
<td>One</td>
<td>100% 3</td>
</tr>
<tr>
<td>Date: 03/08/2002 Dealer Principal Dereck Marques (Engen Rink Street)</td>
<td>One</td>
<td>One</td>
<td>100% 4</td>
</tr>
<tr>
<td>Date: 31/07/2002 Stock Controller Andrea Griffin (Engen Rink Street)</td>
<td>One</td>
<td>One</td>
<td>100% 5</td>
</tr>
<tr>
<td>Date: 05/08/2002 Sales Manager Donna Hardacre (Salon Systems)</td>
<td>One</td>
<td>One</td>
<td>100% 6</td>
</tr>
<tr>
<td>Date: 05/08/2002</td>
<td>Sales Representative Tia Fourie (Makro)</td>
<td>One</td>
<td>One</td>
</tr>
<tr>
<td>----------------</td>
<td>----------------------------------------</td>
<td>-----</td>
<td>-----</td>
</tr>
<tr>
<td>Date: 05/08/2002</td>
<td>Sales Manager Keith Dominy (Makro)</td>
<td>One</td>
<td>One</td>
</tr>
<tr>
<td>Date: 05/08/2002</td>
<td>Sales Person Rochaan Michamp (Makro)</td>
<td>One</td>
<td>One</td>
</tr>
<tr>
<td>Date: 08/08/2002</td>
<td>Credit Manager Sharief Frost (Makro)</td>
<td>One</td>
<td>One</td>
</tr>
<tr>
<td>Date: 05/08/2002</td>
<td>Sales Director Craig Lindeque (Digital Dynamix)</td>
<td>One</td>
<td>One</td>
</tr>
<tr>
<td>Date: 05/08/2002</td>
<td>Sales Reresentative Debbie Lindeque (Digital Dynamix)</td>
<td>One</td>
<td>One</td>
</tr>
<tr>
<td>Date: 05/08/2002</td>
<td>Sales executive Serefeen Da Silva (Stannic)</td>
<td>One</td>
<td>One</td>
</tr>
</tbody>
</table>
| Date: 05/08/2002 | Sales Manager  
David Battaile  
(Henrose Plastics) | One | One | 100% 14 |
|---|---|---|---|---|
| Date: 05/08/2002 | Sales Director  
Charles Battaile  
(Henrose Plastics) | One | One | 100% 15 |
| Date: 05/08/2002 | Receptionist Felicia Steens  
(Henrose Plastics) | One | One | 100% 16 |
| Date: 05/08/2002 | Sales Director  
Theuns Botha  
Dealer Principal  
(Engen The Bridge) | One | One | 100% 17 |
| Date: 05/08/2002 | Receptionist  
Madelise Buccner  
(Engen East Cape Office) | One | One | 100% 18 |
| Date: 08/08/2002 | Saleslady Isabella Badenhorst  
(Bradlows) | One | One | 100% 19 |
| Date: 08/08/2002 | Sales representative  
Koos Grobbelaar  
(SABCO) | One | One | 100% 20 |
| Date: 08/08/2002 | Saleslady Joy Ndozini. (Joshua Doore) | One | One | 100% 21 |
| Date: 08/08/2002 | Salesman Giovani Joseph (Game) | One | One | 100% 22 |
| Date: 08/08/2002 | Salesman Mark Adams (Game) | One | One | 100% 23 |
| Date: 08/08/2002 | Salesman John Fwokke (Furniture City) | One | One | 100% 24 |
| Date: 08/08/2002 | Saleslady Frieda Arrief (Shoprite) | One | One | 100% 25 |