IMPACT OF CONSUMER SALES PROMOTION ON CONSUMER PATRONAGE OF PHARMACEUTICAL PRODUCTS IN NIGERIA

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Abstract
This study investigated the effect of consumer sales promotion on the patronage of pharmaceutical products in Nigeria. The purpose of the study was to examine the effectiveness of consumer sales promotion (discount, rebates, premiums, and demonstration) on consumer patronage of over-the-counter (OTC) drugs. The methodology used was based on a descriptive research design using multistage sampling techniques. The sample size was four hundred (400) respondents, which was further analyzed using regression analysis. The findings revealed that there is a significant effect of consumer sales promotion in terms of premiums, discounts and rebates used in marketing and sales of pharmaceutical products to drive customer patronage as a consumer sales response. The study however found that consumers’ sales response towards demonstrations as a consumer sales promotion was insignificant. In light of the findings, the study recommended that pharmaceutical organizations should engage in more sales promotional strategies like customer loyalty programs and the electronic and online variants of consumer sales promotion, which tends to be more creative to consumers who are now more technology-driven.

Keywords: consumer patronage; consumer sales promotion; demonstration; discount; premium; rebates

JEL Classification: M31

1. INTRODUCTION

Today’s intense competitive environment has put pharmaceutical companies on their toes to always look for ways of staying ahead of competition through several promotional strategies targeted at improving customer patronage. There are quite a number of major pharmaceutical companies that have already succeeded in entering the Nigeria’s pharmaceutical market (Ugbam & Okoro, 2017). This rewarding market has called the attention of other multinational pharmaceutical companies to also join the league, worsening the already congested and competitive market (Ezenyilimba, Mbah, & Eze, 2019).

Therefore, firms seek to adopt strategies through effective promotional efforts and tools to enable their customer base increase, gain more profit and expand their market share.

Effective use of sales promotion has generated a great deal of importance on how it affects customer patronage (Owomoyela, Ola & Oyeniyi, 2013; Oyedapo, Akinlabi, & Sufian, 2012). Hence, there is no doubt using sales promotions in the pharmaceutical industry have become a vital tool for marketers in Nigeria.

According to Westbrook & Oliver (1991) sales promotion is a value proposition of marketing activity that is behind getting more for less of a product for a particular limited time frame and capable of stimulating consumer purchases effectively. There are three dimensions to sales promotion in this era of global competition that influences consumer behaviour and increase sales, and these dimensions are consumer sales promotion, trade sales promotion and sales force (Ezenyilimba et al., 2019).

Much attention has been drawn by researchers to the effect of sales promotion on consumer buying behaviour with little effort on substantial evidence of consumer sales promotion for over the counter (OTC) drugs in developing economies. But for the purpose of this study, consumer sales promotion is the major focus as it is aimed at influencing trial purchase behaviour and it is a promotional effort offered by manufacturers directly to the consumers (Ezenyilimba et al., 2019; Blattberg & Neslin, 2009).

According to Kennedy (1996) over the counter (OTC) drugs are usually available and given to consumers without prescription because the therapeutic index is high, thus the margin between the safe dosage and lethal...
dosage is wide. These drugs are usually promoted through the manufacturer, wholesaler, and retailer to the consumer using various forms of sales promotional tools. However, the availability of these drugs varies upon policies adopted by different countries. Some countries adopt the policy of making the drugs available only through the pharmacy, whereas some countries enforce the policy of selling over the counter drugs in general retail outlets but most pharmacist play advisory roles of personally advice consumers of over-the-counter drugs.

The study of Mbaga (2016) noted that consumer sales promotion has huge effect on consumer patronage and can withstand any competition. Besides, past studies indicated that consumer profiles with different market segment reacts inversely towards sales promotion (Ezenyilimba et al., 2019). Esfahani and Jafarzadeh (2012) found out in their studies that there is a significant relationship between psychological variables and sales promotion.

Amusat, Adejumo and Ajiboye (2013) reported that firms devote large sum of their budgets for consumer sale promotion. This is aimed at making the merchandise more valuable and attractive. Amusat et al. (2013) further reviewed that just forty (40) percent out of the sales promotion’s activities are effective but success or improvement has not been recorded. Reviews from other studies propose that sales promotions don’t actually have a sustained effect on the sales volume of an organisation which tend to reduce or remain at the initial stage it was before the sales promotion is being offered (Ashraf, Rizwan & Khan, 2014). To oppose this, a study carried by Malik and Sachdeva, (2015) discovered that consumer sales promotion motivates the consumers to make instant purchases and also impacts the volume of consumption positively.

Despite the few studies generated on consumer sales promotion, much was conducted in western region and for developed economies; limited studies from African perspectives and developing economies exist on consumer sales promotion. Therefore, this recent study seeks to seal the above gap by studying the impact of consumer sales promotion on patronage of over the counter (OTC) pharmaceutical products in Nigeria.

Objectives of the Study
The aim of this study is to investigate the impact of consumer sales promotion on patronage of over the counter (OTC) pharmaceutical products in Nigeria. The precise objectives include to:

- Determine the relationship between discounts and consumer patronage of pharmaceutical products in Nigeria.
- Examine the relationship between rebates and consumer patronage of pharmaceutical products in Nigeria.
- Identify the relationship between premium and consumer patronage of pharmaceutical products in Nigeria.
- Investigate the relationship between demonstrations and consumer patronage of pharmaceutical products in Nigeria.

Research Questions

- What is the relationship between discounts and consumer patronage of pharmaceutical products in Nigeria?
- What is the relationship between rebates and consumer patronage of pharmaceutical products in Nigeria?
- What is the relationship between premium and consumer patronage of pharmaceutical products in Nigeria?
- What is the relationship between demonstrations and consumer patronage of pharmaceutical products in Nigeria?

Research Hypotheses

H1: There is no significant relationship between discounts and consumer patronage of pharmaceutical products in Nigeria.
H2: There is no significant relationship between rebates and consumer patronage of pharmaceutical products in Nigeria.
H3: There is no significant relationship between premium and consumer patronage of pharmaceutical products in Nigeria.
H4: There is no significant relationship between demonstrations and consumer patronage of pharmaceutical products in Nigeria.

II. LITERATURE REVIEW

Conceptual Model

The conceptual model for this research work is based on investigation of the impact of consumer sales
promotion on patronage of pharmaceutical products in Nigeria. The independent variable is consumer sales promotion and dependent variable is customer patronage. According to Kotler and Armstrong (2012) consumer sales promotion is defined as a marketing practice that is been used to attract customers to purchase products like contests, free gifts, coupons, premiums, point of purchase (p.o.p) displays, product samples, rebates and prizes. Thus, the model is further illustrated in the diagram below (see Figure 1):

**Figure 1 – Conceptual model of the study**  
Source: Authors compilation

Sales promotion has been researched over the years and established in marketing literature. According to Kotler and Armstrong (2012) sales promotion is known to represent different tools and techniques that helps to stimulate the purchase of various products in an organization. Furthermore, sales promotion is also known as a very effective marketing tool that assists different organizations to wax stronger in a competitive global environment. Hence, sales promotions are defined as short-term incentive given to consumers to transact ‘now’ (Amusat et al. 2013).

When a sales promotions program is concentrated at the consumer, it is usually referred to as consumer sales promotions, sales promotion directed at sales staff are known as salesforce sales promotion; while sales promotions programs directed at wholesalers and retailers are called trade sales promotions (Abdulmajeed & Haseena, 2015; Kotler & Armstrong, 2012).

Santhosh, Raghavendra and Sambrama (2014) further stated that there are three (3) main categories of sales promotion. Consumer sales promotions which include gift, prizes, premiums, and competitions. While trade sales promotions are in form of free pens, diaries, point-of-sale materials, special terms, and competition prizes. Sales force sales promotions are in form of motivation scheme and incentive.

**Consumer Sales Promotion**

Consumer sales promotion is referred to as a short-term technique that is designed to attain a short-term objective, in order to arouse buying and develop anticipation for certain products or brands. Rizvi and Malik, (2011), defined consumer sales promotions as key ingredients in marketing campaigns to consumers; which are used to promote ideas, products or services. Consumer sales promotions consist of the related promotional activities that are necessary to supplement personal selling (Abdulmajeed & Haseena, 2015). Therefore, consumer sales promotions are in form of discounts rebates, premiums and demonstrations as key tools of sales promotions pertaining to influencing consumer patronage (Abdulmajeed & Haseena, 2015; Santhosh et al., 2014; Banabo & Koroye, 2011).

Dixon-Ogbechi (2003) mentioned that sales promotions are tactics in marketing that are used by organizations to communicate change in price/value of products and/or services perceived by the target group of a brand, thereby generating instant sales and changing the value of long-term brand. This definition highlights two salient points, first is a sales promotion persuades a buyer to buy products or goods immediately, either by reducing prices or by adding value. Secondly is that sales promotions focus on a direct behavioral level instead of a conscious one. Consequently, this definition emphasizes the concept of a target audience. It means that sales promotions should always be directed at a specific group of customers instead of an entire population. According to Dixon-Ogbechi (2015), there are two categories of sales promotion techniques that can be used as sales promotion strategies: Special communication methods which are sales promotion efforts targeted at intermediaries- Point of Purchase displays, Point of Purchase demonstrations, Samples, Exhibitions and Training programmes for intermediaries. Secondly Special offers which are sales promotional efforts targeted at customers /customers which may emerge as a result of dilemma between value and price. These are Coupons, Refunds and rebates, Premiums Sweepstakes, Discounts (Dixon-Ogbechi, 2003; Kotler, 2010). Discounts often impacts the way consumers behave and think when they are shopping.

**Discounts:** are in form of percentage cut in the price of an item in a store, or could be in form reducing price of large number of products purchased. According to Alowii and Kani (2018) discounts are a kind of savings and where it is been offered can affect the way those products are perceived by consumers and how their purchase decision is been affected. The two (2) widely accepted discounts methods are bonus packs i.e on “bulk items” and price discounts i.e on “sale items”. In addition, Santini, Sampai, Perin and Vieira (2015) described...
discounts as a way of reducing price of product and services to enhance customer purchasing decision.

**Rebates:** Is another form of consumer sales promotion program. According to Karthikeyan and Panchanatham (2013) rebate is defined as a technique in sales promotion whereby a seller returns a certain part of the amount used to purchase a product to the buyer. It is usually given for a short period of time on the purchase of a certain quantity or value of product. Rebates are usually referred to be amounts paid by way of refund or reduction on what is already paid for or returned. Marketers use this type of consumer sales promotion program as supplement or incentives to product sales. Rebate forms/receipts are usually handled by the cash register at point of purchase and/or available online for downloads. Most rebates programs offer different payout platform to consumers, such as a prepaid card that can be spent immediately without a trip to the bank, paper check, or even PayPal payout (Karthikeyan & Panchanatham, 2013).

**Premiums:** These are consumer sales promotional items such as souvenirs, collectables, toys, and household products (Kotler & Armstrong 2012; Nochai & Nochai, 2011). Premiums are occasionally referred to as prizes. Predominantly, Premiums are categorized into three: self-liquidating premiums, free premiums, and in-or on-package premiums. Self-liquidating premiums are premiums where consumers are expected to pay a minimum designated amount on a gift item; Free premiums are consumer sales promotions program that allows consumers to receive a free gift on the purchase of a product; and in-or out-package premium is where gifts are already packaged along with the product purchased (Nochai & Nochai, 2011).

**Product demonstration:** These are promotion tools where products are demonstrated to potential customers (Kotler, 2010). In a study by Ezenyilimba, Mbah and Eze (2019) the reason behind demonstration is to familiarize customers with the product to encourage buying. Majorly, products offered as samples during demonstrations are new products i.e existing products that have been improved upon or products that are just currently introduced to a new market.

**Consumer Sales Response.** There is a direct positive relationship between customer satisfaction and their repurchase intention leading to patronage (Shamout, 2016). According to Malik and Sachdeva (2015) consumers’ sales response is a crucial guide to foresee the behavior of consumers as a subjective attachment to the product.

Literature has shown that conceptual definition and measures of patronage is complex. However, some scholars have mentioned that actual usage and attitude are measures and dimensions of consumer patronage (Ogwo & Igwe 2012).

The customer is seen to be old just like the business itself and the primary aim of every enterprise is to create more customers. Drucker, (1973) as cited in Ogwo and Igwe (2012) are of the opinion that achieving customer satisfaction is the only economic and social justification of any business existence.

### III. Theoretical Framework

**The theory of Push and Pull Promotional Mix**

The push promotional strategy focuses on the distributional activity of the firm. In other words, the theory postulates that the firm uses sales team to push promotional efforts through the intermediaries such as the wholesaler, retailer, distributor and agent to the consumers. That is, the firm pushes the product to the wholesaler, who in turn relate the promotional effort to the retailer network, which then make the product available to the consumer on the shelf. Whereas, the pull promotional strategy concentrates heavily on the marketing communication such as advertising media in order to create awareness and desire so as to pull consumers into the store for purchases.

There are strength and weakness to this theory, and ideally a combination of both approaches can be used to stimulate demand. Therefore, this theory is relevant to this study because the theory will not only create demand but persuade consumers to patronize pharmaceutical products.

**Behavioural Learning Theory**

Several studies on sales promotion are classified as consumer behaviour studies or consumer research. Critical emphasis has been on recognition of regular or infrequent promotion users (Chandon, 1995 as cited in Adeniran, Egwuonwu & Egwuonwu, 2016). The theory-oriented research has used the attribution theory, economic theory, perceived risk theory and psychographics as the base theories for identifying the possible reasons that supports the rate at which promotions are used. The anticipated research applies theoretical concepts from behaviour learning theory in an exertion to explain the purchase behaviour in relation to customer patronage.

The word behaviourism is deep-rooted in various fields like biology, psychology and philosophy. According to behaviourists school of thought, learning is defined as a permanent change in behaviour as a result of practice or experience. that is; learning is the outcome of application of consequences (Rizvi & Malik, 2011).
Behaviourism offers a wide range of learning and thereby explains certain behaviour. One of its essential ideas is because people are seen as biological organisms and like others, they are naturally responding to the environment they are living (Adeniran et al., 2016; Kotler & Armstrong, 2012).

Behaviourism comprises majorly of three (3) elements; they are stimuli, response, and reinforcement. Stimulus is a quality which influences a response or an action. Reinforcement is referred to as a way of making the connection between stimuli and the response conditioned. Extinction occurs when the conditioned behaviour is no longer reinforced (Pavlov, 1927 as cited Adeniran et al., 2016).

**Empirical Review**

Ezenyilimba et al (2019) explored the effect of sales promotion on customer patronage of alcoholic beverages. The findings revealed price, pack, contest and coupons had significant effect on customer patronage. AbdulMajeed & Hasena (2015) investigated the issue of sales promotions that is directed at the consumer which could be carried out either by the manufacturers or retailers. The study found that the use of consumer sales promotion would not make consumers loyal to a particular brand that offers little or no value. Nevertheless, promotional effort can create awareness for end-users on a specific brand by promoting the products benefits and features.

Santini et al (2015) investigated discount as a major sales promotion technique which seeks to increase the sales of products. The study concluded that consumer behavior can be influenced by offering discounts, analyzing positive/negative relationships that could elucidate that kind of behavior and also assessing the effect of perceived attractiveness.

Santhosh, et al (2014) examined how sales promotion is being used in industries that deals with non-alcoholic beverage to generate higher sales, increase rates of profits and achieve greater market share. The findings revealed that beverage drinks industry often engage in sales promotions. Though, the use of sales promotion strategies has a great influence on the success of beverage drink industry. However, it has been concluded that marketing managers engage often in the use of more promotional mix tools, and also try to show customers how creative they are which would further enhance and increase the sales revenue of their industry.

**IV. METHODOLOGY**

**Research Design**

The research design simply gives an overview of all the activities that are required to carry out the study (Saunders, Lewis, & Thornhill, 2014). The descriptive research design method would be used in this study. Principally data was collected through two major sources of evidence, primary and secondary sources.

**Population of the Study**

The research population clearly involves the object or the group of people researchers want to use as their study. Population is defined as total number of people living or residing in a particular geographical area (Asika, 2012). The population of this study consists of consumers in Lagos Mainland area in Lagos state amounting to 2,425,354 according to Lagos state government website (Lagos state.gov.ng, 2017) and the National bureau of statistics 2017 (Nigerianstat.gov.ng, 2017). However, the sample used for the study was selected from pharmaceutical distributors and consumers in Surulere Local government area because the researcher may not be able to cover the total population due to constraints of time and cost.

**Sample Size**

Targeted sample size for this study was calculated using the Yamane formula. The formula used is

\[
n = \frac{N}{1+N(e^2)}
\]

\(n = \text{sample size;}
\)
\(N = \text{total population;}
\)
\(e = \text{precision estimate;}
\)

Confidence level is 0.95% and + or – 0.05%.

To calculate consumers in selected areas of Lagos state =

\[
\left(\frac{2,425,354}{1+2,425,354 (0.05^2)}\right) = \left(\frac{2,425,354}{1+2,425,354 (0.0025)}\right) = \frac{2,425,354}{6064.385} = 399.99
\]

Approximately = 400 consumers were used in the study.
Sampling Technique

According to Asika (2012), sample is the only way to estimate population characteristics in these circumstances. Multistage sampling technique is to be used to select members of the population that will be involved in the study. First and for most, purposive sampling technique was used to select consumers and areas in Lagos state that were used for the study. Secondly, simple random sampling technique was used to select respondents.

Pilot of Instrument for Reliability and Validity

Reliability was confirmed by testing the instruments for the reliability of values (Alpha values) as recommended (Kothari, 2008). Thus, recommending analysis for Alpha values for the variables of consumer sales promotion (discounts, rebates, premiums and demonstrations) and consumer sales response in terms of customer patronage on under the research study. According to Kothari (2008) Alpha values for each variable under study should not be <0.7 to allow the statements in the instruments to be deemed reliable. Thus, the statements under each variable were reviewed, adopted from previous studies and were proven to be > 0.7.

A pilot survey was carried out on few respondents who have similar characteristics with those in the surveyed organization to ensure the reliability of the instrument. Cronbach alpha coefficient was used to validate items in the questionnaire after a draft was forwarded to the supervisor for editing and reviewing.

The pilot test research instrument was a simple survey questionnaire distributed among consumers and pharmaceutical distributors in the Surulere Local government area of Lagos state (see table 1).

<table>
<thead>
<tr>
<th>Table 1. Pilot survey study variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable/Sub construct</td>
</tr>
<tr>
<td>Discount</td>
</tr>
<tr>
<td>Rebate</td>
</tr>
<tr>
<td>Premium</td>
</tr>
<tr>
<td>Demonstrations</td>
</tr>
<tr>
<td>Consumer sales response</td>
</tr>
</tbody>
</table>

Source: Pilot Study, 2020

Procedure of Data Analysis

The data gathered from the field was analysed through descriptive and inferential statistics. Specifically, data was analysed in terms of simple percentages, frequency distributions, while regression analysis was used to test the hypotheses on the relationship between consumer sales promotion and customer patronage. Statistical software known as the Statistical Packages for the Social Sciences (SPSS) (version 20) was used to analyse the data.

V. DATA PRESENTATIONS AND ANALYSIS

Table 2 shows that 38.4% of the total respondents are male while 61.6% of the respondents are female. This indicates that most of the respondents are females. That the study is not gender-bias, it cuts across all gender. Also, Table 2 showed that 10.5% of the respondents were below 21 years, 27.2% of the total respondents fell within the age bracket of 21 – 30 years, 63.8% within 31 - 40 years, 5.4% within 41 - 50 years while 3.2% of the respondents fell within 51 years and above. It can therefore be inferred from the analysis that the majority of the respondents belong to the age bracket of 31 - 40 years being the modal age.

<table>
<thead>
<tr>
<th>Table 2. Frequency Distribution of Demographic Data of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responses</td>
</tr>
<tr>
<td>Respondent’s Gender</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Respondents Age</td>
</tr>
<tr>
<td>Below 21 years</td>
</tr>
<tr>
<td>21 – 30 years</td>
</tr>
<tr>
<td>31 – 40years</td>
</tr>
<tr>
<td>41 - 50years</td>
</tr>
<tr>
<td>51 years &amp; above</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>
In addition, the above Table shows that 10.8% of the respondents are O Level Certificate holders, 5.9% of the OND / NCE holders, 55.1% are B.sc /HND holders and 28.2% are M.Sc./ MA/ MBA holders. This shows that the most of the respondents are learned and quite educated to know the relevance and implication of the study.

Finally, we can observe that the respondent’s level of income per month. 38.9% of respondents earn below N100,000 - 49.2% earn between N100,001 – N500,000 and 11.9% earn between N500,001 and above.

**Test of Hypotheses**

*H1*: There is no significant relationship between discounts and patronage of pharmaceutical products in Nigeria. Regression analysis is presented in Table 3.

### Table 3. Regression analysis for hypothesis 1

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R square</th>
<th>Adjusted R square</th>
<th>Std. Error of the estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.818</td>
<td>.662</td>
<td>.658</td>
<td>1.105</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), Discounts*

#### ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of squares</th>
<th>Df</th>
<th>Mean square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>6.551</td>
<td>1</td>
<td>6.551</td>
<td>7.644</td>
<td>.016</td>
</tr>
<tr>
<td>Residual</td>
<td>318.694</td>
<td>371</td>
<td>0.857</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>325.245</td>
<td>372</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*a. Dependent Variable: Consumer sales response*

#### Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized coefficients</th>
<th>Standardized coefficients</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>2.890</td>
<td>0.203</td>
<td>0.2003</td>
<td>14.265</td>
</tr>
<tr>
<td>Discounts</td>
<td>0.110</td>
<td>0.052</td>
<td>0.591</td>
<td>1.271</td>
</tr>
</tbody>
</table>

*a. Dependent Variable: Consumer sales response*  

Source: Author compilation based on SPSS, version 20

R square value = .622 where, the R square value shows that 82.2% of the dependent variable can be accounted for by the independent variable.

The regression table shows that F value is 7.644 at .016 significant level (p < 0.05) which indicates that the null hypothesis should be rejected and the alternative hypothesis should be accepted, thus there is statistically significant relationship between discounts and consumer sales response in pharmaceutical industry in Nigeria. The ANOVA table and coefficient table show that discounts significantly impact on patronage of pharmaceutical products in Nigeria.

*H2*: There is no significant relationship between rebates and patronage of pharmaceutical products in Nigeria. Regression analysis is presented in Table 4.

### Table 4. Regression analysis for hypothesis 2

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R square</th>
<th>Adjusted R square</th>
<th>Std. Error of the estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.675</td>
<td>.623</td>
<td>.616</td>
<td>1.220</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), Rebates*
ANOVA*

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of squares</th>
<th>Df</th>
<th>Mean square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>3.121</td>
<td>1</td>
<td>3.121</td>
<td>3.838</td>
<td>.011</td>
</tr>
<tr>
<td>Residual</td>
<td>302.694</td>
<td>371</td>
<td>.813</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>305.245</td>
<td>372</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Dependent Variable: Consumer sales response

Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized coefficients</th>
<th>Standardized coefficients</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>Regression</td>
<td>2.890</td>
<td>0.20</td>
<td>0.234</td>
<td>14.265</td>
</tr>
<tr>
<td></td>
<td>0.268</td>
<td>0.05</td>
<td>0.061</td>
<td>4.771</td>
</tr>
</tbody>
</table>

* Dependent Variable: Consumer sales response

Source: Author compilation based on SPSS, version 20

R square value = .623 where, the R square = value shows that 62.3% of the dependent variable can be accounted for by the independent variable.

The regression table shows F value is 3.838 at 0.11 significant level (p < 0.05) which indicates that the null hypothesis should be rejected and the alternative hypothesis should be accepted, thus there is statistically significant relationship between rebates and consumer sales response in pharmaceutical industry in Nigeria. The ANOVA table and coefficient table show that Rebates significantly impact on patronage of pharmaceutical products in Nigeria.

**H3**: There is no significant relationship between premium and patronage of pharmaceutical products in Nigeria. Regression analysis is presented in Table 5.

Table 5. Regression analysis for hypothesis 3

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R square</th>
<th>Adjusted R square</th>
<th>Std. Error of the estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>.945</td>
<td>.906</td>
<td>.816</td>
<td>1.008</td>
</tr>
</tbody>
</table>

* Predictors: (Constant), Premium

ANOVA*

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of squares</th>
<th>Df</th>
<th>Mean square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>3.551</td>
<td>1</td>
<td>3.551</td>
<td>4.278</td>
<td>.033</td>
</tr>
<tr>
<td>Residual</td>
<td>308.693</td>
<td>371</td>
<td>.830</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>315.245</td>
<td>372</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Dependent Variable: Consumer sales response

Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized coefficients</th>
<th>Standardized coefficients</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>Regression</td>
<td>2.890</td>
<td>0.20</td>
<td>0.211</td>
<td>14.265</td>
</tr>
<tr>
<td>Premium</td>
<td>0.120</td>
<td>0.046</td>
<td>0.178</td>
<td>1.529</td>
</tr>
</tbody>
</table>

* Dependent Variable: Consumer sales response

Source: Author compilation based on SPSS, version 20

R square value = .906 where, the R square = value shows that 90.6% of the dependent variable can be accounted for by the independent variable.

The regression table shows F value is 4.278 at .033 significant level (p < 0.05) which indicates that the null hypothesis should be rejected and the alternative hypothesis should be accepted, thus there is statistically significant relationship between premium and consumer sales response in pharmaceutical industry in Nigeria. The ANOVA table and coefficient table show that premiums significantly impact on patronage of pharmaceutical products in Nigeria.
There is no significant relationship between demonstrations and patronage of pharmaceutical products in Nigeria. Regression analysis is presented in Table 6.

### Table 6. Regression analysis for hypothesis 4

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R square</th>
<th>Adjusted R square</th>
<th>Std. Error of the estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.432</td>
<td>.415</td>
<td>.406</td>
<td>1.265</td>
</tr>
</tbody>
</table>

*a Predictors: (Constant), Demonstrations

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of squares</th>
<th>Df</th>
<th>Mean square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>6.001</td>
<td>1</td>
<td>6.001</td>
<td>7.144</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>311.00</td>
<td>371</td>
<td>0.840</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>317.001</td>
<td>372</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*a Dependent Variable: Consumer sales response

**Coefficients**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized coefficients</th>
<th>Standardized coefficients</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>2.890</td>
<td>0.203</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Demonstrations</td>
<td>0.4020</td>
<td>0.052</td>
<td>0.055</td>
</tr>
</tbody>
</table>

*a Dependent Variable: Consumer sales response

Source: Author compilation based on SPSS, version 20

R square value = 0.415 where, the R square value shows that 41.5% of the dependent variable can be accounted for by the independent variable.

The above regression table shows F value is 7.144 at .055 significant level (p > 0.05) which indicates that the null hypothesis should be accepted and the alternative hypothesis should be rejected, thus there is statistically insignificant relationship between demonstrations and consumer sales response in pharmaceutical industry in Nigeria. The ANOVA table and coefficient table show that demonstrations do not significantly impact on patronage of pharmaceutical products in Nigeria.

**Regression Model**

Based on the various regression analysis of each of the variables the independent variable as expressed as:

\[ Y = a + b1X1 + b2X2 + b3X3 + b4X4 + e \]  

(3)

Where \( Y \) = Sales Response - dependent variable

The following are the beta standardized coefficients:

- \( b1 = 0.591 \)
- \( b2 = 0.061 \)
- \( b3 = 0.178 \)
- \( b4 = 0.111 \)

The proxies for the independent variables are as follows

- \( X1 \) = Discounts
- \( X2 \) = Rebates
- \( X3 \) = Premium
- \( X4 \) = Demonstrations

CSP = Consumer Sales Response

The regression model is therefore:

\[ Y = 2.890 + 0.591X1 + 0.061X2 + 0.178X3 + 0.111X4 \]  

(4)

Furthermore, overall \( R^2 = 0.872 \) indicates that 87.2% of the variation in the dependent variable (consumer sales response) is explained by the independent variable (discounts, rebates, premium and demonstrations) in the research.
VI. DISCUSSION OF FINDINGS

The study investigated the effect of consumer sales promotion on patronage of pharmaceutical products in Nigeria. The key variables looked at in terms of independent variables of consumers sales promotion are discount, rebates, premiums and demonstration while consumer patronage of pharmaceutical products was dependent variable. Based on the data analysis the following findings are discussed along with results of the test of hypotheses.

Firstly, the study findings show that there is significant relationship between discounts and consumers patronage for pharmaceutical products. The respondents identified that cash and trade discounts impact on the level of patronage for pharmaceutical products. The study findings were in line with previous studies of Abdulmajeed and Haseena (2015) based on the premise that a discount was one of the critical sales promotional techniques used by contemporary organizations. Also, the study findings agreed with Jean and Yazdanifard (2015) and Santini et al. (2015) asserting that discounts have a way of working on consumer perception to buy more products.

Furthermore, the study findings showed that there is also significant relationship between rebates and consumer patronage of pharmaceutical products. The respondents expressed that rebate was used to endear them to make purchase of pharmaceutical products. The findings agreed with previous studies of Karthikeyan and Panchanatham (2013) based on the fact that rebate was a critical sales promotion for unsought goods. The study findings also were in line with Jean and Yazdanifard (2015) stating that rebates as sales promotion changes the consumer’s perception and their purchasing behaviour of a product.

In addition, the study findings revealed that there is significant relationship between premiums and consumer patronage of pharmaceutical products. The respondents showed that premiums were major influencers for purchase of pharmaceutical products. This was in line with Nochai R. and Nochai T. (2011) based on the opinion that premiums are special promotional items that influence purchase decisions effectively. Also, the study findings agreed with Santhosh et al (2014) saying that premiums are the most effective kind of sales promotional tools. However, the findings disagreed with Parker and Pettijohn (2016) based on the idea pharmaceutical products are unsought and that consumers don’t go for them naturally only when in need therefore do not seek consumer sales promotions.

Finally, the study findings indicated that there is no relationship between demonstrations and consumers patronage of pharmaceutical products. The respondents found demonstrations to be helpful in providing pharmaceutical products information, but not necessarily influencing the level of patronage. The findings agreed with Parker and Pettijohn (2016) as regarding the special characteristics of pharmaceutical drug marketing strategies and tactics, which were more in line with the pharmaceutical products quality and pricing.

In general, the findings from the study show that in the pharmaceutical industry in Nigeria, the concept of consumer sales promotion is utilized relatively but has significant effect on the consumer patronage of pharmaceutical products. This is in line with the previous studies of Shamout (2016) and Alowi and Kani (2018) mentioning that promotion for pharmaceutical products is on the rise based on level of competition for customer patronage.

Implications of the Study

The study focused on consumer sales promotion and consumer patronage in pharmaceutical industry. The study findings have implication as regarding understanding marketing of drugs and medical products which are considered as regularly unsought. As such the understanding of the peculiar kinds of consumer sales promotion is critical. The study indicated majorly discounts, premiums and demonstrations to have significant effect on consumer sales response for pharmaceutical products. Thus, pharmaceuticals marketers should focus on this consumer sales promotion in driving consumer responses.

VII. CONCLUSION AND RECOMMENDATIONS

The study concludes that there is significant effect of consumer sales promotion in terms of premiums, discounts and rebates used in marketing and sales of pharmaceutical products to drive customer patronage as a consumer sales response. The study however found that consumers sales response towards demonstrations as a consumer sales promotion was insignificant.

The study examined the concept of consumer sales promotion as a strategic short-term tool of enhancing sales in critical times and to boost the performance of pharmaceutical products in the competitive market like Nigeria.

Recommendations

Based on the findings of this study, the following have been recommended:
i. Pharmaceutical organizations can engage in more sales promotional strategies like customer loyalty programs and also the electronic and online variants of consumer sales promotion which tends to be more creative to consumers who are now more technology driven.

ii. In addition, it is recommended that consumer sales promotions budget should always be adequate to meet up with desired objectives.

iii. Finally, there should be full integration of sales promotion activities with other marketing activities, this will improve the strategy for enhancing sales performance.

Suggestions for Further Studies
The study focused on consumer sales promotion and patronage of pharmaceutical products in Nigeria. However, the following areas for further research are suggested thus: Firstly, the study should consider other promotional efforts such as sponsorship program, exhibition and other non-pricing-based sales promotion tools that are allowed in the pharmaceutical industry in Nigeria.

This present study focused on responses from pharmaceutical distributors and consumers, it was suggested that further studies can focus on responses from distributors and consumers of other organizations and industries.

The study was based on quantitative research approach, as such other studies can use qualitative research approach or mixed research approach.

Finally, more literature and relevant materials that relates to the scope of this study should be reviewed for future research and academic purposes.

REFERENCES


