

# A case study of nigerian bottling company

[Business](#), [Company](#)



## **ABSTRACT**

Product planning distribution and management are very vital in the production and distribution of very manufacturing organization. Before ever a manufacturing company should come out with a good quality product, it must undergo many processes, from planning for either short range or long, fore casting doing market research and consumer survey, protesting the product and introducing the product to the market through different channels of distribution.

The aim of this study is to describe how the Nigeria bottling company plc, Enugu is really involved in the process of product planning, distribution and management. This is done by gathering information from certain problems usually associated with product planning, and proposing remedial measures after revealing areas of problem. The question in the questionnaire were based on the research question s developed for this purpose while analysis were made using the chi-square ( $\chi^2$ ) test and percentage from here a discussion of the findings, recommendation and conclusion were made by the researcher.

It is hoped that this will aid managers in planning, distribution and managing the their products by taking effective and efficient decisions in these important decision areas. For examples the company should recruit highly staff and give them adequate training.

## **PREFACE**

This work is deemed to high light on problems involved in product distribution and management. These tasks are undertaken by management to ensure product growth and increase market share.

My reason for selecting the Nigeria bottling company Plc, Enugu is due to the wide range of produce in the market needed to be evaluated against the back ground of produce planning distribution and management. For the continued existence of companies products must be produced and sold profiatably. New product must have to be introduced and told and unprofitable products must have to be deleted.

## **CHAPTER ONE INTRODUCTION**

### **BACKGROUND OF THE STUDY**

A product has been defined by the American marketing association as any thing that can be officered to a market for attention, acquisition or consumption including physical objects, services, personalities, organization and desires. A product as defined by stanchion in fundamentals of marketing. A product is a set of tangible and intangible attributes that leads to customer satisfaction. roduct planning embraces all the activities that enables a company to determine what product t will market. Management deals with all those who have supervisoryresponsibilityranging from the chief executive down to the first line supervisor, in this case, management is regarded to as box, that is those who direct the work of others and their own through their own offers and efforts of others thus, product planning and management, comprises all the activities that enables a company to

determine what it will market of product so as to satisfy customers wants and need respectively.

This involves the process of effectively planning and regulating the operations of that part of enterprises which is responsible of that part of enterprises which is responsible for the actual transformation of materials into finished products. This includes all the activities required. In storage and distribution of the company's goods. This addresses the questions of. a. Which type of channels a seller should select for his product. b. Which particular middlemen include in each channel type and. c. How to management distribution n system for effective performance.

The company or firm should know the degree of channel control desired, by controlling the channel, the producer attempts to ensure that this product will receive the necessary sales push as well as any other essential elements needed to present the product properly and satisfy and customers. The company of firm should make necessary effort to control the quality of the product. Product quality-the quality level to be built into the product is a conscious decision to be made by the manufacture. A higher quality product normally is more costly to product than a lower quality one and so commands a higher price on the market.

The quality level decision therefore should be related to the price range that will be attractive to the mainstreams of potential buyers, quality is multifaceted. It relates to, or depends on. Such factors as the quality of raw materials used the production process itself, quality controls during production packaging or dressing of the product, price of the product, the environment in which the product is displayed for buys, the durability of

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the product is used and the buyers, expectation and appreciation in general, product quality tends to be high to the extent that any of the above factors is good or high as the case may be.

The quality produced has be in line with demand at a particular point in time so as to fight against out of stock and over stock. The company has to be watchful at any point in time so as to know what type of product to be produced, when to produce. How to produce, whom to produce for the (target market) and cloy such a product is required. According to Charles a Scheve and Reuben M Smith. The basic goal of product management is to ensure that a product matches the wants and needs of consumers in its market.

Then many markets make the mistake of thinking that consumers feel and act as they do and share their wants" invalid assumptions on the part of marketers. Results to marketing failures previously, about one hundred years ago, there were few producers. The sellers oriented type of market was prevailing consumers out weighted the number of producers and little or no regards was paid to consumers welfares. Production concept of marketingphilosophywas prevalent. What ever was produced had to be consumed. This goes to mean that the total produce concept is the entire set of benefits the products provides to the consumers.

No attention was paid to product packaging, branding product quality and other important physical attributes of a product. As time went on, more and more producers come into the market. This gave rise to conception among the available producers consumption was based on good packaging brand image, product quality convenient. This is known as product concept in <https://assignbuster.com/a-case-study-of-nigerian-bottling-company/>

marketing philosophy. It is this situation that forced manufactures to spend time in product packaging, labeling, branding etc. Now due to advancement in both technology and communication as well as production equipment introduced into the circulation makes the market more complicated.

This is the era that brought about marketing concept. Here manufactures and producers first of all is out to find really the needs and wants of consumers, then the most admirable type colour, package design, branding and labeling that all best suit the desire of the potential and actual consumers of the product. Product planners must try to match the firms resources lie what it is capable of producing with the men, money, machines and materials it has with the needs of consumers satisfaction and highest company profits can be achieved with the limited resources available.

Because of the sophisticated nature of today's business, many tactics are being applied by different companies to fight back competitions and to stand firmly in the market. Many new products are constantly being introduced into the market. Innovators are seriously doing their job; old and profitable products are modernized while some are deleted out of the market. Companies use specific and admirable packaging design, good branding and beautiful types of labeling to distinguish their products from many in circulation. Similar products in the market.

### **STATEMENT OF PROBLEM**

In most business operations today the task of planning and managing a product is not an easy one. Emphasis is laid on the problems associated with product planning distribution and management in NBC PLC Enugu. The company is having problems in procuring raw materials. The reason is that.

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a. The Federal Government banned the importation of the base material-what? b. Local supplier do not always have enough to give the company. c. The local inputs have to be refined to bring them to the standard record by the company. d.

Transporting the raw materials is a problem since the company does not have enough f town trucks. e. The raw materials are usually bulky. The company is also having problems in product planning and development. The reason being that the company exists in an economy strangled by hyperinflation and insecurity. Consumers are now being very careful on what to spend for or consumer. Another problems that the company encounters is that of increased competitions from companies like 7 up bottling PLC. The company's competitors are having a high quality of product often not much different from the NBC.

Even where NBC gain in terms of quality and diversification, other gain by more liquid content, as 7 up against sprite and cheaper prices. In the area of distribution and product management, the company has insufficient number of trucks and experiences bottle breakages and pilfrages.

### **OBJECTIVE OF THE STUDY**

This study is purely on product planning, distribution and management. It aims at describing how NBC PLC is really involved in these task. To do this the study is armed with information gathered from extensive literature review as a base.

The main and primary objectives of this study is to define certain problems usually associated with product planning distribution and management in

NBC PLC which require a proposal of remedial measure after reveal areas of the problems. The study will investigate on the areas of the company's procurement of raw materials use. How the company plans for its products. How this product is developed. How the management and workers take decision, what channel of distribution is used, and how are the products managed from production to consumption.

It is also important to mention that this research work is very vital in partial fulfillment of the award of ordinary national diploma (OND) in the polytechnic IMT Enugu state.

### **RESEARCH QUESTIONS**

For the purpose of this study the following research question have been proposed by the researcher.

1. Do you have problems in procuring raw materials used by your company.
2. Do you plan for your product before production.
3. Do you encounter certain problems in planning and managing your products.
4. Do you normally meet up with demand during peak period.
5. How do distribution cope with the distribution system of your company.
6. Do your products meet a real need of consumers or do they complain of poor quality.

### **COPE OF THE STUDY**

This study covers the Nigerian Bottling company PLC Enugu the producer of i. Coca-cola ii. Sprite iii. Fantat (Quinine and Orange) iv. Krest v. Tonic water vi. Chapman vii. Club soda The researcher basing my write up-on coca-cola

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which is the first product of the company when it state production in 1963. For NBC PLC, Enugu this study is structured to consider product planning distribution and management only.

### **LIMITATION AND PROBLEMS**

Initially the scope of this study was designed to cover all the plants in the Eastern region including Makurdi) of Nigerian but due to time and finance constraints, only the Enuygu plants was studies, this plant however covers most of the old Eastern region, minus Aba and Port-Harcourt. Makurdi is considered a part of Enugu. In carrying out this product work, the researcher faced some problems which ranged from financial constraints, time constraints, to the problems of data collection.

The researcher faced some financial problems in carrying out this research arising from frequent traveling to all depots for data collection with the unsteady high transportation cost. There is also high cost of writing sheets and high secretarial charges in the typing and binding of the research work. Another major constraint is that of time factor. This is imminent as the researcher was exposed to two strongly opposing alternative choices to chose from. That is choice between attending lectures and that of traveling to depots for data collection in which the opinions have to be met within weeks posses as an.

Data collection also posses as an obstacle in the task accomplishment in that the data so sought were not readily available and the researcher had to make repeated visits on several occasions before obtaining th required data. In the face of all these problems the researcher forged ahead by overcoming these problems and making the researcher work successful.

## **SIGNIFICANCE OF THE STUDY**

This write up is likely to be beneficial to three parties particularly. The student (Writer). The subject matter (Nigerian Bottling company PLC Enugu) and the Institute of management and technology (IMT) and probably the country in general.

It is beneficial to the write in the sense that it gives him opportunity to review personally almost all that it exposed the writer to a very wide area of business most especially during the course of research and widened his knowledge. Also with the opportunity provided by the research study, the writer having obtained facts from research carried out will be privileged to express higher opinion based on personal judgment on the subject matter (Nigeria Bottling Company PLC Enugu) when the suggestions and recommendations provided by this study are implemented this is it fault will reality the weaknesses identified during the course of study.

Also the exposure and awareness which this project will create about (Nigerian Bottling Company PLC Enugu) could help in attracting different categories of individuals and groups to come and invest in (Nigeria n Bottling Company PLC Enugu as required by the Authority. Finally, since it is generally believed that examination alone does provides the true test of one's ability or knowledge the polytechnic could use this project work to measure the performance and seriousness of the student or writer.

## **DEFINITION OF TERM**

Because of the misconception of product and the mis-positioning of products there is need to explain some production know how which few has been explained above.

**ORGANIZATION OF BRANDING** Organizing of the product branding is a variable product attribute. Branding considered as one aspect of product policy. It seemed also to be a phase of promotional policy since it is an and to communication. Brand policy issue center ground the question of whether to brand in the first place and their whether to use individual product brand of a family or blanket brand. The same brand for all the product in the line in there exist a problems of whether to sell price brands.

**PRODUCT POSITIONING** Management ability to position a product appropriately in the market is a major determinant of company profit. According to William Stanton. A product position in the image that product prefers is relations to competitive products by the company in question William Stanton goes on saying that the more to product positioning is an attempt by business.

**PHYSICAL DISTRIBUTION** This is the part of marketing that addresses how product are moved and stored. A physical distribution channel include intermediates often not considered to be part marketing channel, such as transportation companies public ware house and insurance companies that participates and the movement and a towage of products. These agent who do not take thrift to actually own the goods they handle are referred functions is to facilities the movement of goods.

## **CHAPTER TWO LITERATURE REVIEW**

### **MEANING OF PRODUCT**

The attempt to undertake a study of product planning is beneficial by looking into the books of many intelligent personnel who had done some of work on this topic the following are the views of these learner human beings.

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A product has been defined by the American Marketing association as anything that can be offered to a market for attention, acquisition or consumption, including physical objects services, personalities, organization and desires” `Product is something that is viewed as being capable of satisfying a need or want.

A product is any thing than can be offered to a market for attention acquisition used of consumption that input satisfy a need. It includes physical objects, services, persons, places organization and ideas. It may also be a set of tangible and intangible manufacturing prestige and manufacturers accept as offering wants satisfaction product as defined by Stanton in fundamentals of marketing “ A product is a set of tangible attributes that leads to customer satisfaction”. Product according to Nonyelu G.

Nwokoye markets buyers and it is of central importance in the marketing effects “ A product may be defined as a bundle of physical and psychological satisfactions that a buyer receivers from a purchase. It includes not only the tangible object but also such supportive elements as packaging convenience of purchase, post-sale services and others that buyers value”. According to pride/feared: A product is everything (both favourable and unfavourable) that on receives in an exchange. It is a complex of tangible and intangible attributes including functional, social and psychological utilities or benefits.

A product can be idea, a services, a good or any combination of the three.

## **PRODUCT CLASSIFICATION**

“ One result of taking this broad view of product is that there are literally millions of products to be marketed. A new products are identified developed, discovered, invented or born every day. While each of this product demand a unique marketing mix” We have two broad types of product:

1. The consumer product and
2. Industrial product.

Consumer s products: In this type of products, not all consumers product are the same. Rather they can be subdivided on the basis of how people buy them.

Since the purpose of marketing is to satisfy wants and needs. It is only logical to classify products on the basis of consumer behaviour. Thus consumer product can be divided into four subgroups.

1. Convenience products.
2. Slopping products
3. Specially product and
4. Unsought products.

Industrial products: This type of product is make up of goods or services used in the production of other products. Industrial goods encompass suppliers, accessories, services and even plant and equipment. This many raw materials and subassemblies that go into a finished can are all industrial products.

They are market to automobile manufacturers, not to ultimate consumers. Buyers of industrial products are different from the buyers of consumer products. In terms of this write up, I do not have to go into detail of industrial products. My concern is on consumer product.

## TYPES OF CONSUMER PRODUCTS

**CONVENIENCE PRODUCTS** Are items that consumers want to buy with the least possible shopping effort. Their selection is characterized by routine buying behaviour. Through these products are bought often, consumers do not seek information about them. Examples are milk, eggs, cigarettes, chewing gum, etc.

There are three types of convenience products. a. Staples b. Impulse items and c. Emergency goods

**A. STAPLES-** Items are convenience products for which consumers usually do some planning. Food items are good examples. For instance though consumers don't seek such information about milk, they do buy it often and they plan to buy it when preparing to go to grocery store. Branding is an example of service that is staples with staple items, the brand or trademark can be very important in buyers' minds. And buyers want staples items to be located conveniently. B.

**IMPULSE ITEMS** Are not purchased because of planning, but because of strongly felt immediate needs. Thus distribution is an important factor in marketing impulse products. If they are not located conveniently exchange will not take place. That is why items like novelties, and expensive pens are placed near the cash register in many stores.

**EMERGENCY PRODUCTS**-Are items that are needed to solve an immediate crisis time and place utilities are the major ingredients of satisfaction, price and quality are less important, although the product obviously has to be of sufficient quality to meet to meet the emergency.

**SHOPPING PRODUCTS**-In shopping product, consumer visits several stores to compare price and quality before buying. Even before going into the store to buy or examine such products, consumer may study magazines like consumer reports or ask friends for their opinions about certain products or study, advertisement. In order words, before buying shopping products consumer seek information that will allow them to compare two or more brands or substitute products. Shopping products can thus be divided into two: a. Homogeneous product and b. Heterogeneous product.

**SPECIALTY PRODUCTS** Are items for which there are no acceptable substitutes in the consumers mind. Consumers are ready to s each long and hand until they find them.

4. **UNSOUGHT PRODUCTS** Are items that consumers do not readily realize they want or need. They are those products which the consumers do not readily realize they want or need.

## **PRODUCT PLANNING AND PRODUCT DEVELOPMENT**

According to Stanton- " product planning embraces all activities that enable a company to determine what product it will market. Product development encompasses the technical activities of product research, engineering and design.

More specifically the combined scope of product planning and product development includes making decisions in the areas named below.

### **DESIGN AREAS IN PRODUCT PLANNING**

1. Which product should the firm make?
2. Should the company market more or fewer products?
3. What new uses are there for each product.
4. What brand, package and label should be used for each product?
5. How should the product be styled and designed and in what sizes, colours and materials should it be produced.
6. In what quantities should each item be product.
7. How should the product be priced. According to Grolier in modern business (marketing)

“ The evolution of scientific product planning in business, designed to reduce the risk of failure and to avoid the enormous waste that failures cause, has led to the formalizing of the various activities involved in product planning.

### **THE FUNCTION OF PRODUCT PLANNING**

Can be summarized in general in the following ten points. a. Evaluation of the idea-Does the product belong in our line? Is the time right for it now? Does this seem like a good idea for us to make this item? Evaluation of the potential market: Does the consumer want or need this product. Is the market big enough to warrant our investing the necessary time, manpower and money to make it what influences consumer buying of this type of product? c. Evaluating the product: Is the new idea sufficiently different and superior to existing products competitive product gives the consumer substantially more for his money? d. Evaluating company resources: Is our



company set up to make this new product? What additional equipment of manpower will we need to make and market it?

Can we make and sell it economically against the price the consumer is willing to pay? How long will it take our company with its present or potential resources to recoup investment and start making a profit from its operation. Approximately where is the break-even point? (The point at which marginal revenue equals marginal cost, at this point there is not profit or loss). e. Preparing customer specifications-If preliminary evaluation is favorable just what is it that the consumer would like in a product of this kind what could the consumer not like?

What assurance do we have that a product meeting those specifications will find a ready market? What should our new product be like? What should it do to meet customer specifications? f. Developing the product-Armed with this information, which marketing research has developed for us, we can turn to the engineering or laboratory department for the development of a [product which meets those specifications as nearly as possible. g. Pre-testing the product-The sample model product, as designed and enveloped by engineering has to be tested in the market against competition.

If there is nothing like it on the market now. It must be tested against consumer apathy or resistance. Generally at this stage some modifications are indicated as consumer lasted change, or as our model fails to meet customer specifications. h. Producing the product: Once we have tested the model and have confirmed customer desire to buy. We can return it to engineering for last minute modifications and then turn it over to manufacturing for production for the market. Careful sales, advertising and <https://assignbuster.com/a-case-study-of-nigerian-bottling-company/>

promotion department to prepare their programmes for proper market coverage and market introduction. . Marketing the product-If all necessary planning and programming have been accomplished, marketing the product should begin as soon as production has turned out enough unit to meet the initial plan. It is important that dealers and distribution as well as the company's own sales force, shall have full knowledge before hand. j. Control and evaluation-After new product has been introduced into the market, it has to be controlled and continuously evaluated. Does it meet a real need? Is there sufficient repeat business to keep it in the line?

Does it carry its own weight (Volume of sales, volume of profit addition to company prestige etc)

## **NEW PRODUCT**

What is a " New" product? Must an inter be totally new in concept before we can class it as a new product? Each marketing category may requires quite different marketing programme to ensure a reasonable probability of market success. Three recognizable categories of new products are as following. 1. Products that are really innovative- Truly unique. Example would be a hair-restorer or a cancer cure-products for which there is a real need but for which no existing substitutes are considered satisfactory.

In this category we can also include products but satisfy the same needs. Thus television to a great extent replaced radio and movies. 2. Replacement for existing products that are significantly different from he existing foods. Instant coffee replaced ground coffee and coffee bean in many markets, then freeze dried inkstand replaced instant coffee. Annual model changes in autos and new fashions in clothing belongs to this category. 3. Initiative product

that are new to a particular company but not new to the market. The company simply wants to capture part of an existing market with a new product.

Perhaps the key criterion as to whether a given product is new is how the intended market perceives it. If buyers perceive that a given item is significantly different (from competitive goods being replaced) in some characteristic appearance, performance) then it is a new product.

### **PLANNING FOR NEW PRODUCTS**

It is now clear that modern business takes the matter of new product very seriously. The well known management consultant, Peter Drucker, refers to it as the management of innovation. Basically, business considers that new products pose three major challenges to management . a.

The uncertainty of new-product results the rate of failure, even with better organizations, is great until recently eighty to ninety percent of all new products failed. In some companies now, the rate of failure is down as low as 25 percent. But in industry as a whole, a new product has no more than a 50-50 chance of success. b. Shortage of the technically-trained technically trained personnel, capable of taking charge of new product development are scarce. As new products multiply, the burden on the technically trained grows. Further more, as technology progresses, the technological proficiency of the individual has to increase.

This is often a slow process of education and experience gained on the job and it cannot be developed overnight. c. Difficulty of organizing and controlling the new-product development process. We have seen how

companies are all emptying to meet the problems of organizing and controlling the new product development process. It is largely a human rather than a technical problem involving such decision as how we use the skills available, where to place the product manager, to whom he should report. And what functions will be assigned to him.

Before ever emphasis, is to be laid on functions of product manager, first of all I have to emphasis on management. Management and administration are interchangeable. Management defined broadly as getting things done through other people. This include lower strata and top management. Management deals with " All those who have supervisory responsibility ranging from the chief executive down to the first line. Supervisor in this case management is regarded to as a Box and that is those who direct the work of others and their work through their own efforts and effort of others.

Management generally has three basic task. 1. To set up a general plan or strategy for the business. 2. To direct the execution of this plan 3. To evaluate , analysis, and control the plan in actual operation. Management is usually defined in term of function performed management is what management does. This means that management is both the executive personnel (boss) and a body of knowledge, a practice a discipline or a process. A widely accepted listing of management functions includes. 1. Planning 2. Organizing 3. Directing 4. Coordinating and 5. Controlling

### **THE EXPANDING DUTIES OF THE PRODUCT MANAGER**

There is a growing need of a product manager, a single individual in the product division who coordinates the developments of new products. The product manager because, in effect a product specialist who meets the

special problems posed by the rapidly growing number of products, the growing importance of new product. The product manager has the responsibility of making sure that each new product has the necessary effort behind it to make it a success. He is more than a mere coordinator. Typically he is charge with the following duties and functions. a. He recommend additions to the line (base on research reports of market needs). . He forecasts sales (based on sales potentials established by research). c. He supervises the preparations of sales promotion to achieve salesgoals. d. He determines new product specification based on reports fromn the research department. e. He participates in the preparation sales programmes f. He assists in selling big accounts. g. He councils and advises regional and distribute sales managers. h. He participates in the preparation of advertising plans and programs. i. He prepares product-development budgets (including the budgets for marketing the product). j. He makes pricing recommendations. k.

He coordinates the development of new product from idea through commercial marketing. It is important to be aware that the situation with regard to the product manager is in most cases, quite fluid and it is constantly changing. Some companies have used a production manager for years. While many others have adopted the system only recently. The position of product manager, is in neither standard nor settled. In general, there are three main types of product manager set ups emerging in business. One type of product manager places the emphasis on product, another on sals service and the third on decentralization. .

**PRODUCT ATTRIBUTES.**

“ A firm might elect to product a product based on specific attributes. But these attributes can never be catalogued. The alternatives of product form are infinite. In fact, this great range in alternatives is the reason product development is such a challenging management problem, while we can look at all of the potential features of products, we can look at all of the potential features of products, we can look at certain attributes that historically have command considerable management attention.

PRODUCT DIFFERENCIATIO. A firm seeks the maximum degree of product differentiation, since this large profits. The demand curve for such a product is more elastic, and the firm more nearly approximates a monopoly position. But every product differentiation is subject to coping by competitors, and a firms competitive advantage is gradually erodes. The goal of product differentiation is universal, there are occasions when it is loss important as objective.

In some situations, it can readily be accomplished. Further more, there is always a large segment of industry that tasks a product follower” Position seeking to duplicate the offerings of product leaders.

PATENTABILITY For many firms, an essential feature of product development and product competition is the degree of which a candidate product can be protected through patents (or literary work). A tight patent which perpetuates a product is a comparative advantage. And for most firm this potential is deemed essential if they are to invest large sums in product research.

But caution should be urged when it comes to relying heavily on patent protection. Even the best of patents can be circumvented by developing new materials and processes.

**PRODUCT KNOW-HOW** Equally as significant as palatability is production know-how in seeking competitive product advantages. Companies with high research and development investments, substantial capital vested in production facilities, or a skilled work-force may be able to distinguish their offerings in the marketplace through lower cost or product improvement.

**QUALITY** The level of product quality requires management action.

A decision on a candidate product is frequently made on the basis of the company's ability to make the product and maintain its reputation for quality. Lack of materials, inadequate labour skills or the stage of the product development may be compelling reasons for concluding that the product cannot be made commensurate with past quality standards. **STYLE** We think of style as a distinctive artistic expression in a product. As such it is a permanent thing. This is in contrast to a fashion—a style currently popular. Thousands of styles are created.

A fashion, in contrast to a style, is considered to be short-lived and less predictable as to interpolation. **COLOUR** Problems of colour selection for a product are allied in those of style selection. For they, too, encompass artistic expression. Colour as a variable product feature would seem to warrant special comment, however, for it has become such a significant form of product competition in the consumer goods field. Colour consciousness has compounded production and inventory control problems but correct

prediction of consumer colour preferences has again led to competitive advantage.

**SIZE** For some products, a decision is not necessary on product size. But for most of industry size is a product variable. It may take the form of varying the size of the product or the amount of the product sold in particular package. Regardless of its form, varying product size calls for a careful analysis of such factors as family size rates of consumption and storage facilities. **PACKAGING** Packaging is also a product attribute of considerable importance to some firms. Its advantages are quite numerous.

Packaging the product facilities protecting it from it from spoilage, evaporation and spilling it protects the product from changes in the weather and from damage from handling by the customer package products are also easier for both consumer and the retail dealer to handle. Consumers find correct packaging an aid to taking products home, in storing them and dispensing the contents dealers' find that well-packaged product are easier to display, easier to handle at check-out counters and more adaptable to inventory control.

A major function of packaging is to aid in product identification, both for dealer and consumer. Well displayed package products represent a principal means of communicating to consumer buyers at a critical stage in the buying process. The point of purchase, in recent years products like beer soft drinks etc. has appeared in forms of multiple package. This increases the quality bought by the consumer as a product quality. **BRANDING** A brand name is a variable product attribute. It is part of the product and part of what consumer buys.



Brand name it is seemed also to be a phase of promotional policy since it is an aid to communication. Brand policy issues center around the question of whether to use individual product brands of a family” or “ blanket” brand. The same brand for all the product in the line. There exist a problem of whether to sell private brand. A

**ADVANTAGES OF BRAND IDENTIFICATION** “ It enables the sellers o build a consumer following and identify a diven level of quality with a product. It facilities differentiating a product from competitions.

It expedites the process of communicating to buyers not at the point of purchase nut through the medium of advertising and occasionally through the publicity. Finally, brand may enable the firm to communicate psychological as well as material values. These psychological values and developed through promotional efforts and they hinge on the connotations that can be associated with the brand name. In some firms there exist a product director often such a product director is called a brand manager.

The purpose of a brand manager is to ensure adequate attention and push behind each product. “ A brand manager is responsible for drawing up complete promotional (advertising) programs for him product or a single brand.

## **PRODUCT POSITIONING**

Management ability to position a product appropriately in the market is a major determinant of company profit. In according to William J. Stanton. A product position is the image that product projects is relations to competitive products and to other products marketer by the company in question.

William Stanton goes on saying that the more to product positioning is an attempt by business to increase its creditability, build a reputation for reliabilities and generally satisfy a boarder market spectrum over the long run. Again E. Jerome Mc Cathy said product positioning should where proposed and/ on present brands are located in a market it requires some formal market research.

### **PHYSICAL DISTRIBUTION**

Physical distribution is the part of marketing that addressed how products are moved and stored.

A physical distribution channel includes intermediate often not considered to be part of marketing channel, such as transportation companies, public ware houses and insurances companies that participates and the movement and a storage of products, these agents ho do not take title to (actually own) the goods they handle, are referred to as facilitators because their main function is to facilitate the movement of goods.

TWO VIEW OF PHYSICAL DISTRIBUTION Marketing mangers have different view on what physical distribution really is. Some see physical distribution only as the flow of furnished goods to he consumers, whereas others se it as including activities that occur earlier in the process, such as procuring and moving raw materials. A traditional marketing view of physical distributions looks at only the outward consideration and ignores the physical supply and processing or manufacturing activities. The view or typically referred to as simply distributors management. A more comprehensive term for all these physical movement and storage activities is business logistics, which

involves the coordination of movements of raw materials, parts, and finished goods to achieve a given service level while minimizing total cost.

The concept contains four elements and includes both physical supply and physical distribution that is both inbound and outbound activities, we shall concentrate on three important logistics problems: storage, inventory control and transportation. More recently, several developments have viewed physical distribution or logistics as getting goods to buyers, as a supportive subsidiary activity. Management's interest has now been awakened in the logistics problem. One alarming factor is the steady climb in the bill for physical distribution services as freight, warehousing, and inventory.

Freight warehousing bills are rising as a result of increased labour, energy and equipment costs. The inventory bill is rising because buyers are tending to place smaller orders more frequently, and manufacturers are tending to expand the width and depth of their product lines. According to Nonyelu G. Nwokoye, Physical distribution or logistics is concerned with the efficient movement of raw materials from supplier and finished goods from the end of the production line to the customers. Series of activities must be performed which are grouped under four main categories called physical distribution activities: namely, 1. Transport 2.

Inventory 3. Warehousing and 4. Communications. In the design of a physical distribution system starting point by the producer is to set customer service standard. This has a number of dimensions of which the most important is the time it takes to get the merchandise to the customer, that is delivery time. The decision that leads to cost reduction in one activity area such as transportation, may lead to a cost increase in another area like inventory.

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Therefore, an appropriate strategy in logistics design, is to arrange all the required activities so as to minimize the total cost of providing a desired level of customer service.

Now the physical distribution activity areas are to be taken one after the other.

1. TRANSPORT There is availability of wide range of transportation modes to move products to market rail, highway, water, pipeline, and air, each of this is having different cost and service (speed) characteristics. Decision must be made on the type of mode of transportation to use for each type of shipment, coordinates movement using more than one mode might be possible. In considering the activity area in transportation order processing is also inclusive. This include checking prices and shipping documents.

. INVENTORY Inventory is of central importance in physical distribution system design since actual demand (in the form of orders) is rarely exactly the same as forecast demand, inventories of goods must be established and maintained. There are other reasons for carrying inventories. a. To ensure against risks of various kind (strikes in the factory supplier failure). b. Accommodation of production runs before sales and. c. Seasonality of product and/or seasonality of demand, also need are raw material inventories to support production.

Inventory carrying cost is high and procedures for proper inventory management must be installed. Over stocking leads excessive inventory carrying cost, while under stocking leads to cost sale and poor customer service.

3. WAREHOUSING Warehousing (for depots) store inventories decision must be made on number of warehouses that are required where they should be located and what products should stocked in what quantities.

Storage may be emphasized in a warehouse for a long time that is the product remaining in one place for a long time.

Seasonal products of agriculture in processed from require long-term storage before sale, temporary storage and through out volume may however, be emphasized in which case the warehouse becomes a distribution center. A distribution center receives large loads of homogenous goods, which are mixed and consolidated into out bound shipment to end markets. The emphasis is on moving goods through the facility and not on storage per se material handling is the movement of goods within the plants and warehouses. In this case, suitable equipment must be available to permit economical handling of goods.

Unit loads refers to the possible economic to be gained by handling products as a unit load, unit load are form a train load of coal to a master carton containing the individual product units purchased by the final buyer. proper design of unit loads minimizes handling cost. 4. COMMUNICATION Information is vital for the effective management and control of physical distribution. , this information and related to action and performance within the areas of inventory, warehousing and unit. loading transportation, eg a good communication system should be able to make available on demand the present stock position of each item at each stock..

### **PHYSICAL DISTRIBUTION OBJECTIVE**

Many companies state their physical distribution objective as getting the right goods to the right places at the right time for the least cost. Unfortunately this provides little actual guidance. No physical distribution system can simultaneously maximize customer services and minimize

distribution cost maximum customer service implies such policies as large inventories premium transportation and many warehouses, all of which raise distribution cost. Minimum distribution cost implies such policies as slow and ship transportation, low stock, and few warehouses.

**LEVEL OF SERVICE (OUTPUT)** Basic output of a physical distribution system is the level of customer service. Customer services represents one of the key competitive benefits that a company can offer potential customers in order to attract their business. Philip Kotler view as regard to the level of service from the customers view point, customers service means several things. 1. The speed of filling and delivering normal orders. 2. The supplier's willingness to meet emergency merchandise needs of the customer. 3. The care with which merchandise is delivered do that it arrives in good condition. 4.

The supplier's readiness to take back defective goods and resupply quickly. 5. The availability of installation and repair service and parts from the supplier. 6. The number of options of shipment load and carries. 7. The supplier willingness to carry inventory for the customer. 8. The service charges, that it whether the services are free or separately prices.

## **DISTRIBUTION CHANNELS**

Modern producers do not all their goods directly to the final users. There is a link between them and the final users such as the intermediaries, which are performing variety of functions and bearing a variety of charges.

Some intermediaries-such as wholesalers and retailers-buys, take title to and resell the merchandise. They are called merchant middleman. Others such

as brokers manufacturers representatives and sales agents search for customers, and may negotiate on behalf of the producer but do not take title to the goods. Skill others such as transportation companies, independents warehouses, banks and advertising agencies-assist in the performance of distribution but neither take title to goods non negotiate purchases of sales. They are called facilitators.

Buck lines definition of marketing channel. A channel of distribution shall be considered to comprise a set of institution, which performs all of the activities (functions) utilized to move a product and its title from production to consumption.

### **SELECTION CHANNELS OF DISTRIBUTION**

Distribution of consumer goods five channels are widely used in the marketing off consumer products. In each of the channels the manufacturers also has the alternative of using sales branches or sale office. According to William J. Stanton five channel of distribution are. 1.

Producer consumer this channel is the shorter simplest channel of distribution for consumer products is from the producer id from the producer to the consumer, with no middle men involves the producer may sell from house to house or by mail. 2. Producer retailer- consumer. May large retailer buy directly from manufacturers and agricultural producers. 3. Producer-wholesaler-retailer-consumer. If there is a traditional channel for consumer goods this is it. Small retailer. And small manufacturers by the thousands find this channel the only economically feasible choice. 4.

Producer-agent-retailer-consumer instead to use a manufacturers agent, a broker or some other agent middlemen to reach the retail market, especially large scale retailers. For example, a manufacturer or a glass clearer selected a food broker to reach the grocery store market, including the large chains. 5. Producer-agent-wholesaler-retailer-consumer. To reach small retailers the producers mentioned in the proceeding paragraph often used agent middlemen, who in turn call on the wholesaler who sell to small stores. Distribution of industrial goods, four types of channels is widely used in reaching industrial users".

Again a manufacturer may use a sales branch or a sales office to reach to next institution in the channel, or two levels of wholesalers may be used in some cases see 9fig. 2. 1). 1. Producer-industrial user. This direct channel accounts for a greater dollar volume of industrial products than any other distribution, such as locomotion generators, and beating plants usually sell directly to user. Figures 2. 1 Major marketing channels Available to producers. 2. PRODUCER-Industrial distributions-users: producers of operating suppliers and small accessory equipment frequently use industrial distributors to reach their markets.

Manufacturers of building materials and air: Conditioning equipment are only two example firms that make heavy use of the industrial distributor. 3. Producer-agent-user: Firms without their own marketing department find this a desirable channel,. Also a company that wants to introduce a new product or enter a new market may prefer to use agents rather than its own sales force. 4. producer-agent-industrial distribution-user: This channel is similar to



the preceding one, it is used when, for some reason it is not feasible to sell through agent directly to the industrial user.

The unit sale may be too small for direct selling or decentralized inventory may be needed to supply users rapidly, in which case the storage service of an industrial distributor are required.

## **CHAPTER THREE RESEARCH METHODOLOGY**

The purpose of this chapter is to identify and state the various method in which data are been collected. 3. 1RESEARCH DESIGN This research work was aimed at finding out the product planning, distribution and management (NBC, PLC, ENUGU DISTRIC). This end focus was on getting information from the entire staff of personnel, accounts sales and distribution from which the sample size was used.

Therefore, the researcher adopted survey research design for the work. This mean that questionnaires were administered as a means of collecting primary data.

### **METHOD OF DATA COLLECTION**

In collecting information for this study the researcher used both the primary and secondary source of data.

#### **PRIMARY DATA**

This includes all those materials or data which the researcher gathered at present because of the project understudy.

## **SECONDARY DATA**

Secondary data includes all past data, which can be found in the organizations records and in libraries. 1.

To obtain enough past data and all the libraries here in Enugu were made use of in eliciting information from various textbook, journals, and newspapers etc

## **POPULATION FOR THE STUDY**

The population of the study is the entire staff strength of NBC plc ENUGU DISTRICT which total up to about 500 staff. This population is made up of 130 senior staff and 370 junior staff.

## **SAMPLES AND SAMPLE SIZE DETERMINATION**

In order to obtain the sample size from the population the YARO YAMENI formula was used as a guide to arrive at the sample size  $n = 1 + N (E)^2$

Where  $n$  = sample size

$N$  = population  $e$  = error estimate the researcher used 15% error estimate and the entire population is 500 therefore  $N = 500$   $e = 0.15$   $n = 1 + N (E)^2$   
 $n = 1 + 500(0.15)^2 = 1 + 500(0.0225) = 1 + 11.25 = 12.25 \approx 12$  So the number of questionnaire distributed is 12

## **RESEARCH INSTRUMENTS**

For this research project to be successful the researcher made use of the following instruments: i. Oralinterviewii. Personalobservationiii. Questionnaire 3. 5. 1ORAL INTERVIEW This is method instrument, which was prepared and used to elicit information for certain contradicting issues.

This is imply face to face asking and answering question between the researcher and the staff of NBC PLC ENUGU DISTRICT.

### **PERSONAL OBSERVATION**

This simply means the general perceptive or over view of the aggregate performance of the company and analysis of data so far collected and thereby value judgment and interpretations made.

### **QUESTIONNAIRE**

The researcher used the structured or closed form of questionnaire where questions are asked and below it the expected responses to the answers are stated for the respondent to close any one that suit lim.

### **AREA OF STUDY**

The area of study of this research work is the product planning, distribution, and management in NBC PLC ENUGU DISTRICT.

### **VALIDITY OF INSTRUMENT**

The instrument used was constructed by the researcher on the directive of the supervisor who retted it and made necessary. Correction before it was finally type out and distributed as research instrument (the questionnaire)>

### **RELIABILITY OF THE INSTRUMENT**

The various instrument used in this research work are very reliable because the researcher made use of liable and reliable instrument like the questionnaire which is sample in it's approach and method of application.

### **METHODS OF DATA ANALYSIS**

the data collected using the research instrument were analyzed using simple percentage and descriptive methods. Some response to the question were

grouped and recorded so that frequencies and percentage could be computed.

## REFERENCES

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## CHAPTER FOUR

### PRESENTATIONS AND ANALYSIS OF DATA

This chapter will deal with analysis and interpretation of primary data which was collected by administering questionnaire to the sample size in accordance with the research methodology stated in chapter three. To make the analysis and interpretations meaningful some of the questions were grouped together table and descriptive method were used as shown below.

TABLE 4. 1 DISTRIBUTIONS OF RESPONDENTS BY DEPARTMENT | Department | Response | Percentages | | Administration | 13 | 31. | | Marketing | 7 | 17. 1 | | Account | 9 | 21. 9 | | Distribution | 5 | 12. 2 | | Computer | 7 | 17. | | Total | 41 | 100. 00 | Source: Survey data 2005 from the above table 13 of the

respondents that completed and returned the questionnaire were in administration department with 31. 7% were 7 of them are in marketing department with 17. 1%, 9 of them in accounts dept with 21. 9%, 5 in distribution with 12. 2 and the finally ones in computers dept is 7 with 17. 1%.

TABLE 4. 2 DISTRIBUTION OF RESPONDENTS BY CUSTOMERS, DEALERS AND STAFF Response | No of questionnaire | Percentages | | Customers | 15 | 36. 6 | | Dealer | 14 | 34. 2 | | Staff/mgt | 12 | 29. 2 | | Total | 41 | 100. 0 |

Source: Field survey 2005 The table above shows that 15 questionnaires were distributed to customer with 36. 6 why 14 were given to dealers with 34. 2%, and 12 to staff with 29. 2%. TABLE 4. 3 QUESTION: DOES NBC PLC ENUGU DISTRICT OPERATES A GOOD DISTRIBUTION SYSTEM | Response | No of questionnaire | Percentages | | Yes | 30 | 73. 7 | | No | 11 | 26. 83 | | Total | 41 | 100. 00 | SOURCE: survey data From the above table 30 respondents representing 73. 17% agreed that Nigerian Bottling company (NBC) PLC operates a good distribution system why 11 disagrees with 26. 83%. TABLE 4. 4

RESPONSE ON THE IMPACT OF DISTRIBUTION MANAGEMENT STRATEGY IN CREATING CUSTOMERS SATISFACTION. | Response | No of questionnaire | Percentages | | Very effective | 15 | 36. 6 | | Ineffective | 5 | 12. 2 | | Indifferences | 10 | 24. | | Effective | 11 | 26. 8 | | Total | 41 | 100. 00 |

Source: Survey data 2005 The above table shows that 15 respondents agreed that the impact of distribution/management strategy in creating customer satisfactions is very effective with 36. 6% while 5 disagrees, that if ineffective with 12. 2%, while 10 are indifference with 24. ^ and 11 agreed that it is effective. TABLE 4. 5 DOES ALL THE CUSTOMER AGREES ON THE PRICE OF THE COMPANY'S PRODUCT. | Response | No of questionnaire | Percentages | | Yes | 30 | 73. 17 | | No | 11 | 26. 83 | | Total | 41 | 100. 0 |

From the above table, it shows that 30 respondents agrees that all the customers are aware of the price of the company's products with 73. 17% while 11 disagrees that they are not aware with 26. 83%. TABLE 4. 6 DOES CUSTOMERS AGREES WITH THE QUALIFY OF THE COMPANY'S PRODUCT. | Response | No of questionnaire | Percentages | | Yes | 32 | 78. 5 | | No | 9 |

From the above table, it shows that 32 respondents agrees that all the customers are aware of the price of the company's products with 78. 5% while 9 disagrees that they are not aware with 21. 5%. TABLE 4. 7 DOES CUSTOMERS AGREES WITH THE QUALIFY OF THE COMPANY'S PRODUCT. | Response | No of questionnaire | Percentages | | Yes | 32 | 78. 5 | | No | 9 |

From the above table, it shows that 32 respondents agrees that all the customers are aware of the price of the company's products with 78. 5% while 9 disagrees that they are not aware with 21. 5%. TABLE 4. 8 DOES CUSTOMERS AGREES WITH THE QUALIFY OF THE COMPANY'S PRODUCT. | Response | No of questionnaire | Percentages | | Yes | 32 | 78. 5 | | No | 9 |

21. 95 | | Total | 41 | 100. 00 | Source: Survey data 2005 The above table shows that 32 respondents agreed that customers are satisfied with the quality of the company's product with 78. 05% while 9 disagrees with 21. 95%. TABLE 4. 7 ARE THERE FACTOR FOR IMPROVEMENT OF PRODUCT PLANNIN DISTRIBUTION AND MANAGEMENT. Response | No of questionnaire | Percentages | | Yes