



**PROMOTIONAL STRATEGIES AND SALES PERFORMANCE OF PRIVATE
PHARMACEUTICAL DISTRIBUTORS IN UGANDA:
A CASE OF SURGIPHARM (U) LTD**

BY

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DECLARATION

I, Daisy Nanteza declare that this dissertation is work originally done by me and that it has never been submitted to any institution for any academic award before. Where works of others was used, it has been duly acknowledged.

Signature..... Date/...../.....

APPROVAL

This study was conducted under my supervision and the dissertation has been submitted for examination with my approval as the candidate's supervisor.

Sign..... Date...../...../.....

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(UMI Supervisor)

DEDICATION

This work is dedicated to my dear parents Mr. and Mrs. Paul Kisitu for having laid my education foundation and to my lovely son, Tyrone Kabonero for having been a true inspiration through it all.

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A number of people contributed and supported in various ways towards the completion of this work. It is my pleasant task to use this space to acknowledge the contributions of some people without whom this research would have been much more difficult to accomplish. First and foremost, I wish to gratefully thank my supervisors Dr. Micheal Kiwanuka and Mr. Benedict Mugerwa, for their unwavering endeavors in providing me with conceptual and analytical skills and advise throughout this research work. . Both supervisors have made a big mark on me and have left me with two of the best models to emulate in the academia. In the same way, I would like to also appreciate all the facilitators and administrators in Uganda Management Institute for having given me the conducive environment to pursue and complete a study of this magnitude.

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LIST OF ACRONYMS

AIDA	Attention, Interest, Desire, Action.
CME	Continuing Medical Education
ISO	International Standards Organisation Organization
KAM	Key Account Manager
KCD	Kampala Central Division
KFF	Kaiser Family Foundation
MR	Medical Representative
OCM	Oxford College of Marketing
OTC	Over The Counter
PSR	Pharmaceutical Sales Representative
UMI	Uganda Management Institute
WHO	World Health Organization

ABSTRACT

Promotion activities are essential for the long term survival of business organizations. Accordingly, promotion practices are important for pharmaceutical distributors to enable them sell higher volumes of their products and hence make more profits. The study was to examine the influence of promotional strategies on the sales performance of private pharmaceutical distributors in Uganda, taking a case of Surgipharm (U) Ltd. Specifically, the study examined the influence of personal selling; sales promotion; and direct marketing on the sales performance of Surgipharm (U) Ltd. The study was a cross sectional survey that adopted both quantitative and qualitative approaches. Purposive sampling and Simple random sampling techniques were used to select a sample 128 respondents. Data was collected using questionnaire survey, interviews and documentary reviews as data collection methods. Quantitative data was analyzed using descriptive statistics and Pearson correlation and multiple linear regression to test the relationship between promotional strategies and Sales performance. Qualitative data on the other hand was analyzed using content analysis and categorized by the themes and presented as quotes. The study revealed that promotional strategies positively influence Sales performance of Pharmaceutical distributors. Similarly the study concluded that Direct Marketing, Personal Selling and Sales promotions significantly influence the sales performance of Surgipharm (U) Ltd. Additionally, Direct Marketing was found to have the greatest influence on the sales performance of Surgipharm. The study recommended that pharmaceutical distributors should invest in Personal Selling, Sales Promotions and Direct Marketing as promotional strategies in order to increase their sales performance.

CHAPTER ONE

INTRODUCTION

1.1 Introduction

Promotion is one of the voices through which corporations send out their brand messages in a loud and clear tone for them to capture their targeted markets (Mishra, 2015). Although the contribution of pharmaceutical industry in society is valuable and legitimate, it is a business entity which like any other business organizations, thrives and survives on sales volumes and the resultant profits. This study examined the influence of promotional strategies on the sales performance of private pharmaceutical distributors in Uganda taking a case of Surgipharm (U) Ltd. This chapter presents the introduction, background to the study, statement of the problem, purpose, objectives and research questions. The chapter also presents the research hypotheses, scope, significance and the study justification.

1.2 Background to the Study

The study background is in turn presented in four perspectives including the historical, theoretical, conceptual and contextual perspective.

1.2.1 Historical Background

The art of getting the public's attention through marketing to create sales has been tremendously evolving over the recent centuries; from as early as (1741) when the first magazine was published in America and the 19th century when the first billboards were made (Kathleen ,2013). Around then, marketing was first described as a set of factors that a marketer had to put into consideration before carrying out selling or promotional activities by Bartels (1976). In comparison to production and operations, economics, accounting and other areas in business, the present notion of marketing is a relatively newer discipline that emerged in the early 20th Century (Known, 2017). Before this

time most aspects that are now commonly associated with marketing were presumed to fall within basic concepts of economics. Price setting for example was viewed as a simple supply/demand issue. Indeed, businesses promoting their goods and services prior to the mid-20th century focused little of their attention on the individual behavior of their customers. Much more of their attention instead focused on mass promotion. The little endeavors on marketing involved impersonal campaigns that aggressively tried to convince consumers to make purchases but with minimal focus on customer satisfaction (Husson University, 2016). In the 1950s, most companies emphasized selling and ignored the need for creating relationships between them and their customers. It is not surprising therefore that dividends from such a business strategy were short-lived and the tactics ultimately proved ineffective. However, with time, for a company to make money, they needed to have more than just a good product. This gave rise to modern marketing that emanated from the intense competition that ensued in the market then (Lin, 2016). After the 1940's, major scholars in the field of marketing saw the need to deeply understand the relationships between sellers and their customers and hence the development of promotion. (Southerton, 2011)

Overtime, there have been drastic changes in marketing and promotion mostly because of the rise in technology. Marketing and promotions have become incredibly social because people are now constantly connected to the internet and each other. Marketing today is not limited to electronic and print but has permeated socio-economic circles of life with multiple implications for organizations. For example, with the increase in popularity of electronic devices such as smart phones and tablets, brands will have to learn to make use of this technology to improve their marketing (Belmont, 2013). Thus modern marketers have to evolve with the new era of technology and design their promotion messages in such a way as to keep the customers updated in real time. (Benady, 2014).

This kind of history denotes promotion as an important aspect of marketing in present day business where the pharmaceutical industry in Uganda is no exception.

1.2.2 Theoretical Background

This study adopted the AIDA Model of selling as advanced by Elmo Lewis in 1898. According to this model, a consumer goes through various steps from when their attention towards a product is first piqued to when they try the product or make a purchase decision. The model explains this process as a set of stair-step stages forming a linear hierarchy that is Attention, Interest, Desire and Action. According to Bhasin (2016), a product must first attract attention which can be done by advertising. It is then necessary that a customer is kept interested in the product that aroused their attention. The next step is for the consumers to desire the product and it's the seller's task to persuade the customer to own this product. Lastly, as soon as the desire is aroused, this must /should translate into action which is the actual purchase of the product.

The study chose to adopt this Model in that, pharmaceutical distributors use attractive print such as branded pens, note pads, product catalogues, calendars, diaries and many more promotional tools so as to attract the attention of their potential customers (direct marketing). They then keep their customers interested and desire their brand using a technically efficient sales force to give detailed information about their products. Sales promotions such as discounts will also serve this purpose. These prior steps will then lead the customers into buying and ultimately contributing to the sales volume.

1.2.3 Conceptual Background

The key concepts in this study were promotion strategies and sales performance. Promotion is one of the seven P's of the marketing mix frequently used in marketing. It refers to the art of increasing

customer knowledge of a product or brand, as well as generating sales, and creating customer brand loyalty (McCarthy & Jerome, 1964). Promotion was defined by Achumba (2002) as those activities that stimulate consumer purchasing and dealer effectiveness. In marketing, promotion specifically involves passing on information about a company or its products to specific customers. Promotion is responsible for creating customer awareness and attraction to your brand and keeping them interested in buying, which makes it a key component of the broader marketing system (Kokemuller, 2016). Promotion is the marketing mix element that embodies all the endeavors organizations of companies put in place to inflame the demand for their product in the market. Personal selling, advertising, sales promotion, direct marketing, and publicity are the key elements that constitute the promotional mix. The promotions mix is the set of promotion tools specifically blended by companies in their efforts to persuade customers into seeing their value and cement relationships with them. (Kotler et al, 2010). The greater the volume of medicines sold the greater the revenue and profits. World Health Organization (WHO, 1988) defines pharmaceutical promotion as “all information and persuasive activities by manufacturers and distributors, the effect of which is to induce the prescription, supply, purchase and/ or use of medicinal drugs”. The promotional mix is broadly used by pharmaceutical distributors to create awareness of their products and increase sales. Pharmaceutical Distributors are blending all the five elements of the promotional mix including advertising, personal selling, sales promotion, direct marketing, and publicity in efforts to satisfy their customers and keep their loyalty. In this study, promotion strategies were measured by personal selling, sales promotions and direct marketing.

According to Webster dictionary (2017), a sale is made when a good or service is exchanged for money as its price. Sales therefore is activity related to selling or the amount of goods or services sold in a given time period. Jobber and Ellis-Chadwick (2016) mention and that sales performance

is one of the determinants of marketing performance and that sale volumes, sales revenue and sales revenue against target are the typical sales performance metrics. Sales performance according to Kazmi and Batra (2008) is quantitative and qualitative measure of attaining sales objectives. Good sales performance can be realized quantitatively through, achieving set targets and periodic growth in sales revenue. However, good sales performance can also be realized qualitatively through things like reduced or no customer complaints which are outside the scope of this research.

1.2.4 Contextual perspective

Over the years Surgipharm, a certified international standard organization (ISO) in Uganda has grown its business into different segments including but not limited to, Branded and Generic medicines, Over The Counter (OTC) drugs, fast moving consumer goods, surgical procedures, Diagnostic and medical systems and Hospital consumables. Surgipharm works with a wide range of customers, including but not limited to, Non-Governmental Organizations, faith based organizations, government and private hospitals, as well as small and large wholesalers and retailers and has thus established herself as one of East Africa's leading medicines and medical supplies distributor. Surgipharm Uganda limited is a distributor for multinational pharmaceutical companies including but not limited to GlaxoSmithKline, Bayer Pharmaceuticals, Sanofi Aventis, Roche Pharma, and Novartis and others. Surgipharm competes for the same market with other fairly large and small distributors to distribute branded medicines on behalf of the multinational pharmaceutical manufacturers. To stay relevant in an era of intense competition, Surgipharm has adopted personal selling strategies such as expansion of the sales and marketing team and employing of Pharmaceutical Sales Representatives (PSRs), referred to as medical representatives. These are tasked with marketing drugs to prescribing physicians, pharmacists and pharmacy dispensers. They are also tasked with maintaining proper relationships with customers and

personal order booking. PSRs also use Continuing Medical Education meetings (CMEs) where they communicate the features and benefits of their brand to potential prescribers both at Doctor and pharmacy level. Surgipharm also recruits key account managers or relationship managers to particularly manage their most important customers. In addition to that Surgipharm occasionally carries out sales promotions in terms of offering free samples, bonus offers, price cuts, discounts. Furthermore, direct to customer marketing or advertising is done through offer of branded “gifts”, such as pens, mugs, note pads, key holders, car chargers, clinical coats and the like. Product catalogues and information in form of attractive diaries and many others are also given out. Despite all these efforts, Surgipharm general sales have been stagnant year to year with most of the business coming from Fast moving non-pharmaceutical products (Surgipharm Annual Sales Report, 2016). Sales of pharmaceutical products in Surgipharm most especially from the large multinationals have been on the decline for the last three years. According to Surgipharm Annual Sales Report (2016), sales performance declined by 16% in 2016 which was worse than the 13% decline the year before.

1.3 Statement of the Problem

Promotion practices are important for pharmaceutical distributors to enable them sell higher volumes of their products and hence make more profits. In an effort to increase sales, Surgipharm (U) Ltd has embarked on intense promotion strategies in the recent years such as enlarging the sales and market team and carrying out extended sales promotions intended to step up her sales performance.

Despite the above efforts, for three years in a row now since 2014, Surgipharm has experienced declining pharmaceutical sales performance. In 2016, for example, the big pharmaceutical company did not only fail to hit her annual sales target but even the sales performance declined by

16% which was worse than the 13% decline the year before (Surgipharm Annual Sales Report, 2016). If trend of declining sales performance continues, business survival may not be guaranteed and yet pharmaceutical companies like Surgipharm have a big significance in Uganda. It was therefore deemed important to conduct this study to establish what kind of influence promotional strategies have on the sales performance of Surgipharm and if Surgipharm is investing in the worthy promotions.

1.4 General objective of the study

The general objective of the study was to examine the influence of promotional strategies on the sales performance of Surgipharm (U) Ltd.

1.5 Specific objectives of the study

1. To examine the influence of personal selling on sales performance of Surgipharm (U) Ltd.
2. To determine the influence of sales promotion on sales performance of Surgipharm (U) Ltd.
3. To establish the influence of direct marketing on sales performance of Surgipharm (U) Ltd.

1.6 Research questions

1. What is the influence of personal selling on sales performance of Surgipharm (U) Ltd?
2. To what extent do sales promotions affect sales performance of Surgipharm (U) Ltd?
3. To what extent does direct marketing influence sales performance of Surgipharm (U) Ltd?

1.7 Hypotheses

1. Personal Selling significantly influences sales performance of Surgipharm (U) Ltd
2. Sales Promotions significantly influence sales performance of Surgipharm (U) Ltd
3. Direct Marketing significantly influences sales performance of Surgipharm (U) Ltd.

1.8 Conceptual Framework

Independent Variables

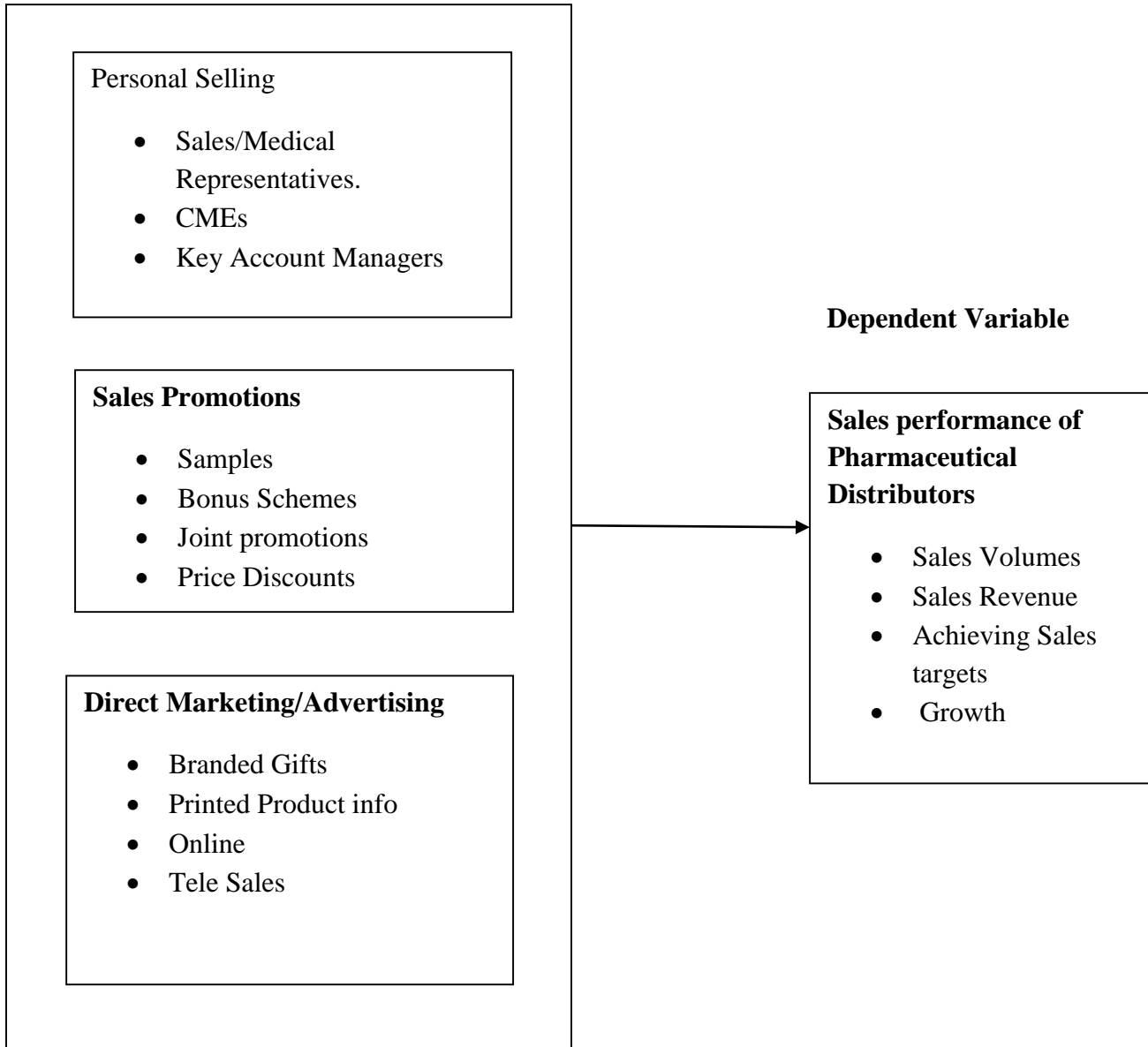


Figure 1.1: Conceptual framework showing relationship between promotional strategies and sales performance of Surgipharm (U) Ltd.

The independent Variables were the elements of the promotional mix which included Personal selling, Sales Promotion and Direct Marketing. Personal selling included Pharmaceutical Sales

Representatives (PSRs), Continuing Medical Education Meetings (CMEs) and Relationship selling using Key account Managers (KAM). Sales promotions include Samples, Bonus schemes, Joint promotions and Price discounts while Direct Marketing included Branded promotional items/gifts, product information print, online(email, social media), and Tele sales . Sales performance was conceptualized as increased sales volumes, sales revenue, periodic sales growth and achievement of set targets.

1.9 Significance of the study

The results from this study may benefit the following;

The study findings may be used by Surgipharm Uganda limited to help them align their promotion strategies with sales performance. Findings may enable them understand the likely impact of the promotional activities the sales of their products and to understand which ones are worthy investing in.

The study results will also contribute to the academia by enriching the existing body of knowledge on promotion strategies with sales performance.

1.10 Justification of the study

The pharmaceutical industry in Uganda is a justifiably large business sector. The survival of the distributors' business lies largely on sales and profits. However the industry has to first understand what the customers want and how promotional strategies influence their decisions in choosing a supplier. Considering that there was hardly any research on this topic in Uganda, this study results will guide pharmaceutical distributors such as Surgipharm (U) Ltd in their bid to increase sales as they satisfy their customers.

1.11 Scope of the study

1.11.1 Content

This study content was limited to promotional strategies and sales performance in private pharmaceutical distributing companies in Uganda. Promotional strategies were observed under personal selling, sales promotion and direct marketing and their influence on the sales performance of (U) Ltd. Sales performance on the other hand, was observed by sales volume, sales revenue, achieving Sales targets and year to year growth.

1.11.2 Geographical Scope

The study was carried out among pharmacies (Surgipharm customers) in Kampala Central Division. Kampala Central Division was chosen as it's the busiest and would give a representative picture.

1.11.3 Time

This time scope for the study covered the period of 2010 to 2016. This was because the pharmaceutical business had increased in size over these years with new young players entering the market. This is also the period when Surgipharm engaged in intense promotional activities in order to stay competitive. Additionally a 5 year period was deemed generally acceptable to observe trends.

1.12 Operational definitions

In this study;

Promotion meant any kind of activity a pharmaceutical distributor does to make the customer aware that they exist and are able to offer the product the customer is looking for, as well as activities done to entice the customer to buy from them and not from competition.

Personal selling meant personal interaction by the pharmaceutical distributor's sales team with customers for the purpose of generating sales and building relationships.

Sales promotion meant any extra offer or incentive given to a customer on a product with the primary objective of inducing them to make an immediate purchase.

Direct Marketing meant non-personal but direct communication with specific individual customers to create relationship and generate sales.

Sales meant quantity of goods sold in a specified time period.

Sales Performance meant the quantitative measure of performance objectives conceptualized as increased sales volumes, sales revenue, sales growth and sales target achievement

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The study examined the influence of promotional strategies on the sales performance of private pharmaceutical Distributors in Uganda taking a case of Surgipharm (U) Ltd. This chapter comprises the theoretical and related review of existing literature relevant to the study. Sources of literature included journals, internet, books, and relevant studies done previously by other scholars among others. In particular, the chapter presents the theoretical and related literature review as well as a summary of literature review.

2.2 Theoretical Review

The study was guided by the AIDA model by Elmo Lewis which postulates that before potential buyers make purchase decisions, they go through a string or chain of stair case steps. The model falls under a category of models which are hierarchical and sequential in nature and are linear in fashion. They are based on the presupposition that buyers move through a series of cognitive (thinking) and affective (feeling) stages crowing into in a behavioral (conative) stage (Vakratsas & Ambler, 1999). Lewis tabled the assumption that for sales promotion to be successful, the promotion messages have to attract attention, keep the customer interested, create desire, and end in action. Lewis made a presumption that the after a customer has gone through the first three stages, action would then come naturally as the last step. The model postulates that a promotional activity should be able to attract Attention, arouse the customer's Interest in the product, make them Desire to own or use it and then ultimately culminate into Action (Mackay, 2005). According to Brierley (2002), the model implies that promotion should inject memorable and believable

messages that will make costumers triggered to act in a certain way. Nonetheless some people have argued that purchase should not be the end stage. They say there is need for customer satisfaction so as to encourage repeat sales and achieve product referrals, (Barry & Howard, 1990) and hence the modification by Sheldon (1911) to AIDAS. Other modifications have sought to take into account changes in the external environment such as the rise of social media like the AISDALS Love model (Attention, Interest, Search, Desire, Action, Like/dislike, Share, and Love/hate whose variables are updated to respond to the latest paradigm shifts from marketing that is product-oriented to consumer/people oriented marketing (Wijaya, Bambang & Sukma, 2012). The AIDA model is similar to Lavidge and Steiner (1961) Hierarchy-of-Effects (HOE) model. According to the HOE model, buyers don't not pick interest and buy a product in one step but rather they go through a series of steps before they purchase a product. This model therefore supposes that an advertiser should be aware of the seven steps that customers pass through which are; Awareness, Knowledge, Liking, Preference, Conviction and Purchase. Just like with other hierarchical models, these seven steps must be completed in a linear way (Barry & Howard, 1990).

AIDA and other hierarchical models have been criticized in many ways including the claim that there is no evidence that customers behave in this rational, linear way. Those consumers may not strictly follow the stages in a linear fashion. Sometimes, they may not necessarily follow a logical or sequential pattern as the model suggests but may even skip some steps and jump directly from the first to the last (Howard & Barry, 1990). Another criticism that the model has met is that it represents only high-involvement purchases. According to AIDA customers always go through this rational process when buying products yet it is recognizable that purchases more often are spontaneous (Hackley, 2005). However, Lavidge and Steiner (1961) acknowledge the impulsive

purchases that customers can make, but they assert that for higher economical goods, these steps are essential for the advertiser to include.

Using a hierarchical system like the AIDA, helps a marketer to understand what goes on in the mind of their target customer and provides insights on which promotional messages will effectively yield great results at each stage (O'Shaughnessy,1992). Therefore AIDA model best explains the kind of insight pharmaceutical distributors should have before they carry out their promotional messages.

2.3 Related Literature review

In organizations, the sales and marketing department plays a center role in the growth of the business which is to create a link between the needs of the customer and the products/services that the organization provides that can satisfy those needs, (Oxford College of Marketing, 2014). The pharmaceutical industry is no exception. Marketing costs in the Pharmaceutical industry have been found to exceed research costs. In 2004, Pharma companies spent \$1.7 billion marketing drugs to doctors in Canada while in the United States; an estimated \$29.9 billion was supposedly spent on pharmaceutical marketing in 2005 (Sufrin & Ross, 2008).

Unlike in a few circumstances, it is generally acceptable to say that promotion has a positive influence on sales generated in any organization. In a study to examine the effect of promotion on the volume of sales of Royco in Onitsha Nigeria, it was found that sales promotion if done effectively lead to an increase in sales of Royco, which in turn induced greater demand of raw materials used in the production of Royco (Ifeyanyi-Obe & Lemchi et al, 2008). Similarly according to, Muwhezi (2013), promotion positively influences sales performance in the telecom industry. Promotional activities also have an effect on price elasticity. Narayanan, Desiraju, and

Chintagunta (2004) concluded that promotional strategies such as advertising and use of sales force in the pharmaceutical marketing increase demand by reducing price sensitivity. They added that because of the intense advertising that is done in the industry, drug consumers end up paying higher prices. What this could mean is that for a pharmaceutical distributor like Surgipharm who is selling quite expensive but profitable medicines, putting in place proper promotional strategies could help them sell more.

While some evidence shows that pharmaceutical marketing actions can have a negative impact in the health care industry (Landefeld & Steinman, 2009), many studies have linked Pharmaceutical promotion to increase in the volume of sales made by pharmaceutical manufacturers/ sellers. In a particular study, by Mbugua (2014) it was concluded that pharmaceutical promotion positively influences customer sales growth.

2.3.1 Personal Selling and Sales Performance

Personal selling can be defined as the process of person-to-person communication between a salesperson and a prospective customer, in which the former learns about the customer's needs and seeks to satisfy those needs by offering the customer the opportunity to buy something of value, such as a good or service. The term may also be used to describe a situation where a company uses a sales-force as one of the main ways it communicates with customers (Cant & Heerden, 2004). However they mention that because of the high cost of hiring and maintain sales peoples, they should only be used where there is a genuine return on investment. Kotler and Armstrong (2008) describe personal selling as personal presentation by the firms' sales force for the purpose of making a sale and building customer relationship. In the beginning, sales people may focus on building relationships with the potential buyer, but in the long run the ultimate intention is to close a sale.

Personal selling is an important promotion tool in that it can lead to a better relationship between the buyer and the seller. The intention behind personal selling is improve customer retention and preventing loss of sales due to switching customers. It is argued that personal selling is the most essential communication activity for most businesses and every day that goes by, Salespersons are with no doubt continuously being recognized as a crucial aspect of any company's success (Klauss & Bass, 1982). According to Boone and Kurtz (1992), sales people are a paramount promotion tool as they are the faces of organizations and they exist to persuade the consumers into buying. According to some arguments, pharmaceutical drug representatives are the most important and most expensive of the promotional methods (Bastick, 2017), (Narayanan, Desiraju, & Chintagunta, 2004). It is reported that in the United States pharmaceutical manufacturers spend approximately \$5 billion annually on sales representatives (Fugh-Berman & Ahari, 2007).

Despite the negative views from the ethical angle, it's not easy to ignore the enormous impact PSRs exert on the volumes of sales generated in the industry due to their powerful influence on the prescription practices of physicians. According to Biswas and Ferdousy (2016) and Narendran and Narendranathan (2013), pharmaceutical promotions greatly impact the prescription patterns of physicians making them prescribe particular brands that are being promoted which automatically increases sales volumes of those brands. On a lighter note according to Reidy (2004), a more accurate description of a pharmaceutical sales rep's job would be to Change the prescribing habits of physicians. Hawes, Rao and Baker (1993) mentioned that every day that goes by; consumers are taking sales people to be a reliable source of information. Physicians find Drug Reps to be a convenient and reliable source of information in their practice (Millenson, 2003).

According to Kaiser Family Foundation (KFF, 2006) there is need for the physician to repay the representatives through increased prescription of their product. Salespersons also have the

responsibility to persuade the consumers into believing the premium priced products are in possession of attributes that make them worth of their expensive prices (Fam & Merrilees, 1998). Larkin et al (2017) showed that when pharmaceutical sales representatives are barred from meeting and promoting their drugs to physicians, there is significant drop in the prescription rate of those brands.

Another form of personal selling in the pharmaceutical industry is relationship marketing which is in respect with Key Account Managers. Organizations concentrate more on improving loyalty of clients and enhancing relationships with them, considering that "the cost of attracting a new customer is estimated to be five times the cost of keeping a current customer happy" (Kotler, 1997). Reichheld and Sasser (1990) illustrated that significant improvements in profits can be generated from relatively minor improvements in customer defections. However, Drummond, et al, (2001) advise that not all customers deserve the extra effort of developing relationships with them for example impulse buys or one off purchases do not require or offer scope to develop relationships. Additionally, continuing Medical Education meetings (CMEs) are another form of personal selling that is employed by the pharmaceutical industry in promotion of their drugs. They are a convenient way of communicating brand messages to many potential customers at the same time or call it hitting many birds with the same stone. They are both informative and persuasive. One particular research concluded that generally prescription rates of the presented generic drug increased after CMEs but the Pharma Company that sponsors the CME meetings benefits the most from increased prescriptions of its brand (Bowman & Pearle, 1988). Additionally, Steinman and Baron (2007) also argue that for the kind of resources injected into CMEs (approximately \$1 billion per year in the United States), there must be justifiable returns on that investment.

2.3.2 Sales promotions and Sales performance

Sales promotion is a complex blend of communications techniques providing value to customers, most often for trial to stimulate immediate sales. (Drummond, Ensor et al, 2001). Kotler and Armstrong (2008) describe sales promotions as limited incentives to motivate customers into purchasing of a product or service. Sales promotion is intended to achieve exposure for the promoted product and offering the target audience an incentive to respond actively (Crosier, 1994). Providing incentives to customers or to the distribution channel serves to stimulate demand for a product

Samples are an indispensable sales promotional tool in pharmaceutical marketing. According to Cegedim Strategic Data (2012), Samples came only second to pharmaceutical sales reps with a budget of \$5.7 billion. The purpose of supplying drug samples is to get physicians into the habit of prescribing the targeted drugs. Physicians appreciate samples, which can be used to start therapy immediately, test tolerance to a new drug, or reduce the total cost of a prescription. Though not intended to be seen this way, samples also serve as gifts to potential prescribers and their staff and create the convenience of an in-house pharmacy which increases loyalty to both the reps and the drugs they represent (Fugh-Berman & Ahari, 2007). Empirical studies consistently have been adducing evidence to suggest that samples influence prescribing choices (Chew et al, 2000; Groves, Sketris & Tett, 2003). In self-reports, physicians were led to prescribe and subsequently dispense medicines that diverged from their favored choice because of the drug samples available to them. (Chew et al, 2000).

According to available literature and evidences, there seems to be no dispute that discounts increase sales volume. According to Bailey and Woodall (2010), sales promotions have a big

leverage on sales volumes. Indeed arguably, it is mentioned that due to the steepest discounts Japanese automaker Toyota offered to consumers last year in the US, they managed to achieve a seven-month sales in March 2010. A 41 percent surge in sales volumes is what Toyota Motor Corp achieved despite a number of setbacks that the company had suffered that tarnished its reputation, and presumably its brand.

Sales promotions are reportedly very key in retaining customers and to avoid loss of sales due to switching customers. In Nigeria, there was evidence to show that customers were likely to leave their telecom providers and switch to another that offered more exciting sales promotions. (Ofoegbu, Ikenna et al, 2013). Quarshie (2010) also held the same view by submitting that most customers remain loyal to their telecom network providers because their frequent and mouthwatering sales promotional activities

However, although sales promotions usually lead to a surge in sales volumes, they usually do not build brand identity and loyalty and therefore for continuity of businesses, it is crucial that a right mix of the promotional elements is exercised. Furthermore Sales promotions such as discounting and bonus offers could even decrease the profitability of a firm and are only a good strategies if they don't impair long term profitability (Bix, 2010) . Firms also have to be aware that sales promotion activities may just be a waste of time. Gupta and Cooper(1992) and Alvarez and Casielles (2005) sounded worry of a promotion saturation point above which any discounts will hardly change the purchasing decisions of a customer. It is further realised that excessive promotions can have a negative effect on sales (by probably triggering the customer into thinking that the quality of prodcut has reduced (Galetzka & Bialkova, 2013; Yi & Yoo, 2011).

2.3.3 Direct Marketing and sales performance

Direct marketing is a fast growing communication tool embracing many ways of requesting a direct response from customers. It consists of direct communication with carefully targeted individual customer to both obtain an immediate response and cultivate lasting customer relationship such as via a mail shot, telemarketing or a fax message (Kotler & Armstrong, 2008). Today, direct marketing includes traditional print and broadcast advertising, packaging, digital options like fax, email and internet. Direct mail of brochures, catalogs and statement inserts is a major category (Drummond, et al, 2001).

In light of the fact that branded gifts as a form of direct marketing create both expectation and obligation, the importance of developing loyalty through gifting cannot be overstated (Oldani, 2004). Pharmaceutical gifting, however, involves carefully calculated generosity. To ensure that a targeted drug's name stays uppermost in a physician's subconscious mind, many prescribers receive branded pens, notepads, coffee mugs and diaries (Berman & Ahari, 2007). Accordingly, Belay et al (2016) illustrated that prescribers who received promotional gifts from PSRs were six times more likely to be influenced into prescribing the promoted brands than their counterparts who don't receive gifts.

Furthermore, digital channels like the email, mobile phones and the Internet also offer new insights as how to build relationships with customers and work towards increasing sales (Merisavo, 2016).

All in all, in the wake of stiff competition, Pharma companies need to be more innovative to not only maintain but grow their customer base in order to increase volume of sales. To survive they will have to be more innovative in their marketing strategies (Karamehic, Ridic, et al, 2013). The way promotional strategies are utilized can make or break pharmaceutical distributors. It is

therefore imperative that Surgipharm understands how best to manipulate these strategies in their favor.

2.4 Summary of literature review.

Various scholars have studied the influence of promotion on sales performances in the pharmaceutical industry and it is clear from the above literature review that promotion influences sales performance. However majority of studies that make up the literature have concentrated on the physician (primary prescriber of medicines). The pharmacists/dispensers and procurement officers have been ignored yet they are a key focus for the pharmaceutical distributors and their contribution to sales performance cannot be ignored. Majority of studies have also been done outside Uganda. Therefore this study was intended to paint the other side of the picture by examining the influence of promotion strategies on sales performance from the angle of pharmacy customers and supplement the body of information in the Ugandan industry.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

The study examined the influence of promotional strategies on the sales performance of private pharmaceutical Distributors in Uganda taking a case of Surgipharm (U) Ltd. This chapter provides an in depth account of methods used by the study. The methods include the research design, study population, sample size determination, sampling techniques, data collection methods and instruments. The chapter also presents the data collection procedures, data analysis and measurement of variables.

3.2 Research design

The study was a cross sectional survey design. This design was chosen because it enabled the researcher to undertake a one-time investigation of the study (Amin, 2005). The research took on both qualitative and quantitative approaches. The qualitative approach sought a deeper understanding of information that could not be quantified while the quantitative approach helped the researcher to solicit for quantifiable information to test hypotheses. Combining both approaches complemented the weakness and bias from each other and helped the study to augment the interpretation of findings (Creswell, 2013; Mugenda & Mugenda, 1999).

3.3 Study population

The study population included Surgipharm's customers who were the purchasing officers of pharmacies in Kampala Central Division in Uganda, and employees of Surgipharm in the sales and marketing department. There are 175 Pharmacies in Kampala Central Division (Surgipharm customer data base, 2017) and hence one respondent from each pharmacy was involved in the

study. Eight employees from the sales and marketing department of Surgipharm were chosen to participate in the study. This population was chosen because they all play a role in the sales performance of Surgipharm both as buyers and sellers.

3.4 Determination of sample size

The Krejcie and Morgan (1970) statistical tables were used to determine the study sample size of 131. The sampling procedures are presented in table 3.1 below.

Table 3.1: Population and Sample

Category	Study Population	Sample Size	Sampling techniques
Procurement officers of pharmacies in KCD	175	123	Simple random sampling
Senior Sales and Marketing Managers	3	3	Purposive sampling
Senior Pharmaceutical sales representatives (PSRs)	3	3	Purposive Sampling
Tele sales	2	2	Purposive
Total	183	131	

Sources: Surgipharm HRM Manual 2017, Surgipharm Customer data base 2017

3.5 Sampling Techniques and Procedure

Simple random sampling was used to select the 123 pharmacy procurement officers to take part in the study. This sampling technique was used because it enabled elimination of bias by giving all respondents an equal chance of being selected (Amin, 2005)

Purposive sampling was used to select members for the Surgipharm employee category. This technique was preferred because respondents in this population category were assumed to have

varying levels of information relevant to the study. The researcher therefore used her judgment to handpick those who were deemed most equipped to give their experiences and responsibilities (Mugenda & Mugenda, 1999).

3.6 Data collection methods

The study employed both Primary and Secondary data collection methods. In particular, questionnaire surveys and face to face interviews were used to collect primary data while documentary reviews was the technique for collecting secondary data.

3.6.1 Questionnaire Surveys

Questionnaire surveys were used to collect quantitative data from Surgipharm customers. The researcher prepared a set of questions which were mostly structured with some open ended ones in order to generate both quantitative and qualitative data (Amin, 2005). The Questionnaire was used because it was cheap to administer to the respondents that were scattered over a large area within a short period of time. A questionnaire also allowed respondents to feel free to give information and answer the questions at their own time in a non-compromised environment. As suggested by Amin (2005) Questionnaire surveys were chosen in this case so as to collect data from many respondents within a short time.

3.6.2 Face to face Interviews

Face to face interviews were used to collect qualitative data from key informants. The technique enabled the researcher interact with the respondents using pre-determined open ended questions to which they responded to on a one by one basis. The interview method enabled generating detailed and first-hand information on the topic. The interviews allowed for probing and clarification of ambiguous questions.

3.6.3 Documentary Review

This method aimed at collecting information from the already existing sources both published and unpublished. Secondary data was obtained from Surgipharm records such as financial reports, memos, and minutes of meetings. Documentary reviews enabled the study generate comprehensive and historical information and have critical analysis of both private and public recorded information related to the study. The documents and reports helped to supplement and substantiate data obtained from the primary data collection methods (Amin 2005).

3.7 Data collection instruments

The instruments used in primary data collection were questionnaires and interview guides while documentary review checklist was used for secondary data.

3.7.1. Questionnaires

The questionnaire instrument was designed with closed ended questions. The questions were designed based on a five item Likert scale namely (5) for strongly agree, (4) for agree, (3) for not sure while (2) was for disagree and (1) for strongly disagree. The questionnaire was also designed with one open ended question to collect the respondents' free views

3.7.2 Interview guides

An interview guide was used to interview the respondents and seek their views on promotional strategies and sales performance. The interview guide was semi structured with open –ended questions to explore and probe further into broader issues of the study at Surgipharm. Open ended questions were used to capture valuable information that emerged from dialogue between interviewer and interviewee (Amin, 2005).

3.7.3 Documentary review checklist

The documentary review checklist consisted of a list of documents particularly concerning the topic of interest (Sekaran, 2003). The document review checklist was structured in such a way that it captured all the relevant attributes in the study. The instrument allowed the researcher to read a number of documents related to promotional strategies and sales performance. Documents reviewed included, Human Resource Manual to understand the composition of the sales and marketing Team, Marketing Plans, past sales records following sales promotions memos such as bonus schemes, Minutes from Sales meetings and general sales reports

3.8 Validity and reliability

3.8.1 Validity

Validity is defined as the extent to which a data collection instrument solicits the intended information (Amin, 2005). Sekaran (2003) recommends item assessment to check for validity.

In order to test and improve the validity of the questionnaire, the researcher availed the instruments to two raters to check on language clarity, relevancy and comprehensiveness of content and length of the questionnaire. The raters looked at all the items and gave their recommendations which were incorporated in the instruments. Content Validity Indices (CVI) were computed as follows:

$$CVI = \frac{\text{Total number of items rated relevant by raters}}{\text{Total number of rated items}}$$

Content Validity results for the Instruments

Table 3.2: Content validity Index Results

Content Validity Index for Questionnaires	
<i>Variables</i>	<i>Content Validity Index</i>
Personal selling	0.705
Sales promotion	0.821
Direct Marketing	0.855
Sales performance	0.756

Source: Primary Data

The results above were all above 0.7 indicating that the questions in the instruments were valid.

Amin (2005) suggests a minimum CVI of 0.7 for survey studies.

3.8.2 Reliability

The Dependability of the research tools was put into concern using reliability analysis of questionnaires. Reliability investigation was done on all questions under the ten variables as illustrated in the table 3.3, using Cronbach Alpha Coefficient. Results of the Analysis hereunder

Table 3.3: Reliability results

Variable	Cronbach's Alpha
Pharmaceutical Sales Reps (PSRs)/Medical Reps(MRs)	.868
CMEs (Continuing Medical Education meetings)	.875
Key account managers	.882
Samples	.884
Bonus schemes	.885
Price discounts	.875
Joint promotions	.877
Branded Items e.g. pens, note pads, key holders	.870
Printed Drug information (PDI) e.g. Dosage cards	.870
Online	.899

Source: Primary data

The results above were all above 0.7 indicating that the questionnaires were considered reliable for collecting data (Amin, 2005).

3.9 Procedure of data collection

Upon receiving authenticating letter from UMI, the researcher sought Surgipharm (U) Ltd approval to obtain data from various Pharmacies where the research was conducted and from the employees. Using the lists of the study population the researcher came up with, the researcher distributed and administered the questionnaires to the respective respondents with help of research assistants who all received copies of introductory letter. The self-administered questionnaires were then collected within minutes to 3 days after distribution. Completeness of the questionnaires was checked and they were coded and set for data entry. Concurrently, the researcher reviewed documents and carried out interviews.

3.10 Data analysis

Data was analyzed as discussed below;

3.10.1 Quantitative Data Analysis

Both Descriptive data analysis and inferential statistics were applied in analyzing quantitative data. In descriptive statistics, measures of central tendency and percentages were determined. The researcher processed data through editing, coding and entry and then presented it in comprehensive graphs and or tables which showed the participants' responses on each category of variables including the demographic categorizations. Inferential statistics on the other hand included correlation analysis using Pearson correlation coefficient and Predictive Modeling (Regression analysis) using a regression coefficient done in a way to give answers to the research questions. Sekaran (2003) asserts that, correlations are most appropriately conducted in the natural environment setting with the least interference by the researcher and no biases. Since the study involved determining correlations or describing the relationship between two variables, computation of a correlation coefficient was required (Oso & Onen, 2008).

3.10.2 Qualitative Data Analysis

Qualitative data mainly obtained from the interviews and documents was recorded in a notebook and later organized and edited before analyzing using content analysis technique. First, the responses were reviewed, selected, coded and categorized into thematic labels. This enabled the researcher to reduce the data into a manageable size and categorize it under themes for analysis. The data was then displayed in a logical arrangement that illustrated the respective responses categorized by the themes. Finally, data was organized and presented narratively in a way that made meaning.

3.11 Measurement of variables

The researcher employed the Likert scale to measure the variables under study. The Likert scale according to (Amin, 2005) rates responses by categorizing them into five; strongly agree, agree, neutral/not sure, disagree and strongly disagree or rate them on a scale of 1 to 5. The scale offers flexibility and can be constructed more easily than other types of attitude scales. Sex and education levels and marital status of respondents were measured at nominal scale with groups into a named category such as Male or female. Age group of respondents was measured at Nominal scale of equal ranges as suggested by (Mugenda & Mugenda, 1999).

3.12 Ethical Consideration

The study did ensure privacy of the subjects by informing them in advance that their names would not be required, and they had the right to leave questions unanswered for which they do not wish to offer the requisite information, and that the researcher would not put the respondent under pressure if this happens (Mugenda & Mugenda, 2003). Giving them assurance on their privacy was done to alley any ethical challenges which could bring their personal privacy into question.

To ensure confidentiality, the respondents were informed a head of time about the purpose of the study and how their responses will be treated to serve academic purposes and any data which is obtained but linked to private issues would be handled with absolute confidence (Amin, 2005).. The aspects of confidentiality and honesty was emphasized and the researcher assured the respondents of how their responses shall be kept confidential and treated for the purpose of this study

Consent of the respondents was also sought during this study and no respondent was coerced in any way to participate in the study process without his/her informed consent. The spirit of honesty in keeping time and responding to issues which may be raised by the respondents was maintained without raising their expectations in anyway.

The study secured authority letter from Surgipharm (U) Ltd administration office, introducing the researcher to the Pharmacies and all other parties within the study area. This helped to address legality issues and allayed fears that could have risen from the community members.

Respect for diversity in regard to religion, culture, sexuality and individual's values among others was critically observed in the process of this study which opened a room for free participation of respondents. Respondents' views were duly respected and a feeling of acceptance of the respondents by the researcher was demonstrated at all time during and after interactions in this study.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

The study examined the influence of promotional strategies on the sales performance of private pharmaceutical Distributors in Uganda taking a case of Surgipharm (U) Ltd. This chapter presents, analyzes and interprets the results according to the study objectives. In particular, the chapter presents the response rate, background findings, and the finally the empirical results are presented, analyzed and interpreted.

4.2 Response Rate

The response rate is presented in table 4.1 below

Table 4.1: Response Rate

Instrument	Target Response	Actual Response	Response Rate
Questionnaire	123	120	97.6%
Interview	8	8	100%
Total	131	128	97.7%

Source: Primary Data

From table 4.1 above, out of 123 questionnaires administered to the respondents, 120 were returned completed giving a response rate of 97.6%. All the 8 respondents scheduled for interviews were actually carried out implying a response rate of 100%. The overall response rate therefore was 97.7%. Such a response rate was assumed good enough to validate the study as it was over and above the 50% provided by Mugenda and Mugenda (2005).

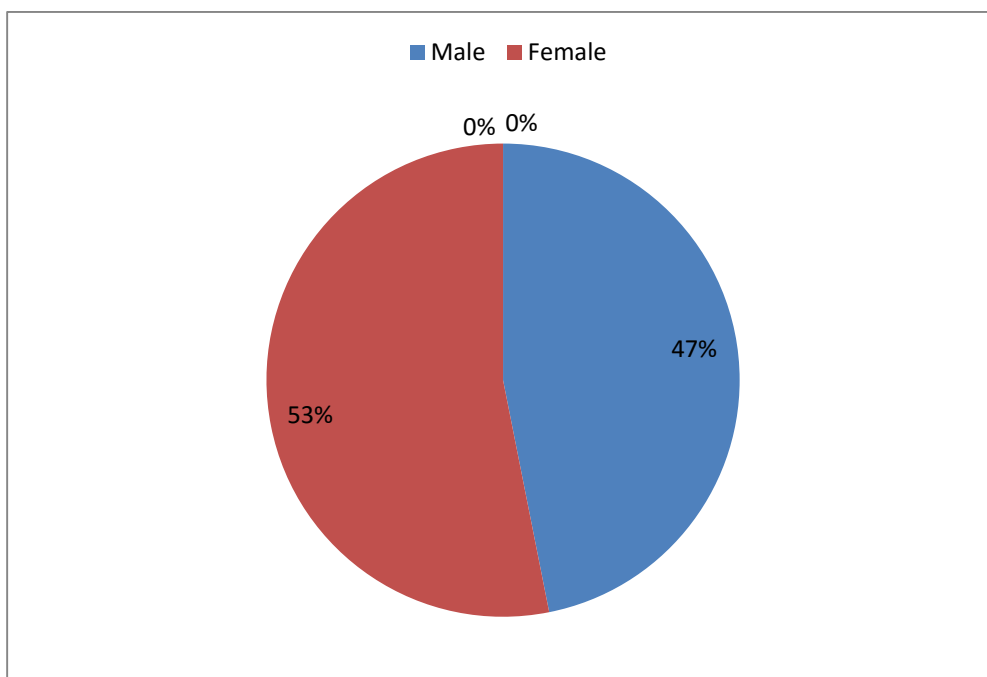
4.3 Demographic Findings

The study observed the demographic characteristics of the respondents such as Gender, Age group, Marital Status and Education. The demographic findings are presented in below:-

4.3.1 Gender Findings

The gender characteristics were observed in the study and findings are presented in figure 4.1 below

Figure 4.1: Gender characteristics of the Respondents



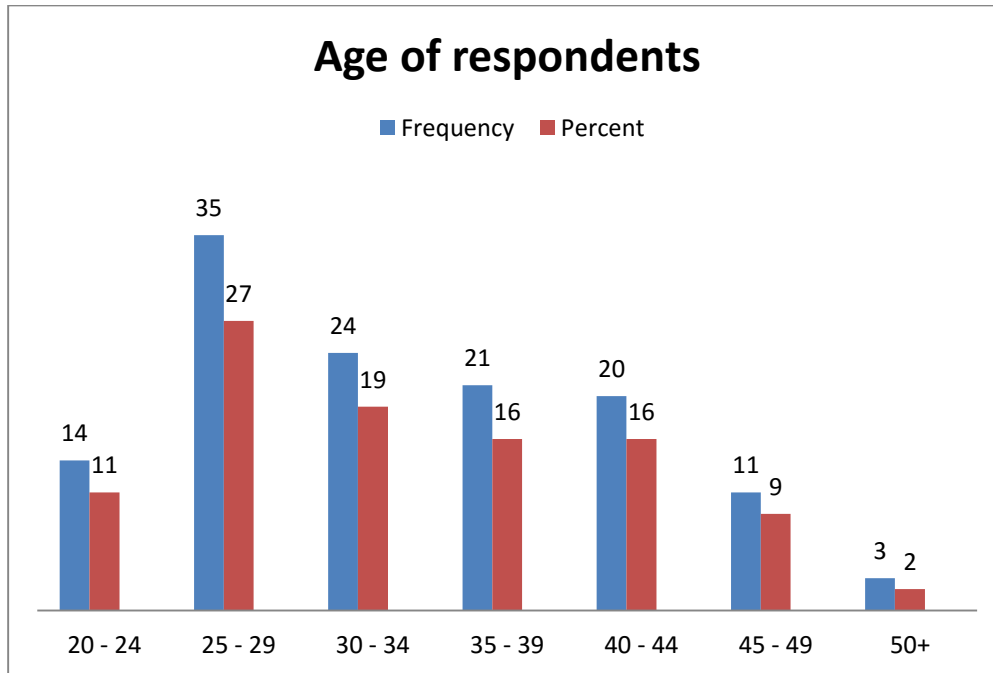
Source: Primary Data

The output from the Fig.4.1 above revealed that the majority of the respondents (53 %) were Females while the males were 47%. The implication from this finding is that although there were gender disparities among respondents in favour of females, the study was gender representative since both males and females were part of the study sample.

4.3.2 Age Group Findings

The age structure of respondents was observed and the results are in figure 4.2

Figure 4.2: Age group of the Respondents

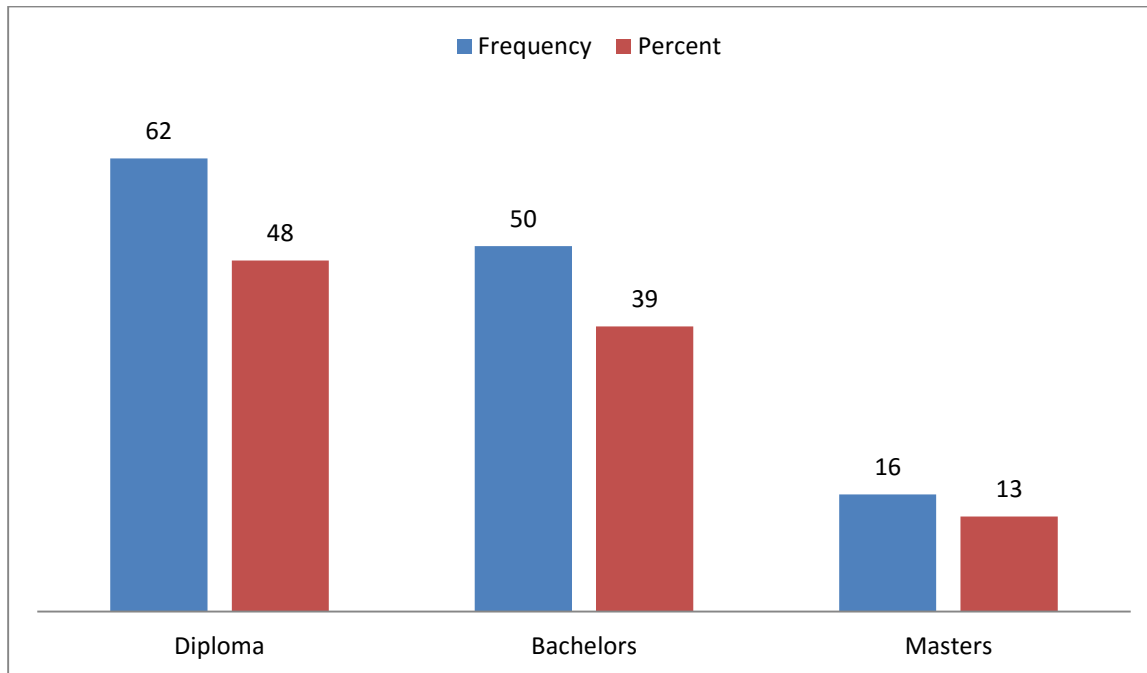


Source: Primary Data

Results from the Fig 4.2 above revealed that the majority of respondents (27%) were in the bracket 25 -29 years, those between 30-34 years represented 19% and those between 40-44 years (16%). The table also shows that those between 20-24 were 11% and the least captured age bracket being 50+ years at 2%. The finding implies that since a big majority of respondents (89%) were at least 25 years of age, they were mature enough to understand the study interest and were therefore, expected to accurately respond to the questions asked.

4.3.3 Education Level of Respondents

Figure 4.3: Education Level of Respondents

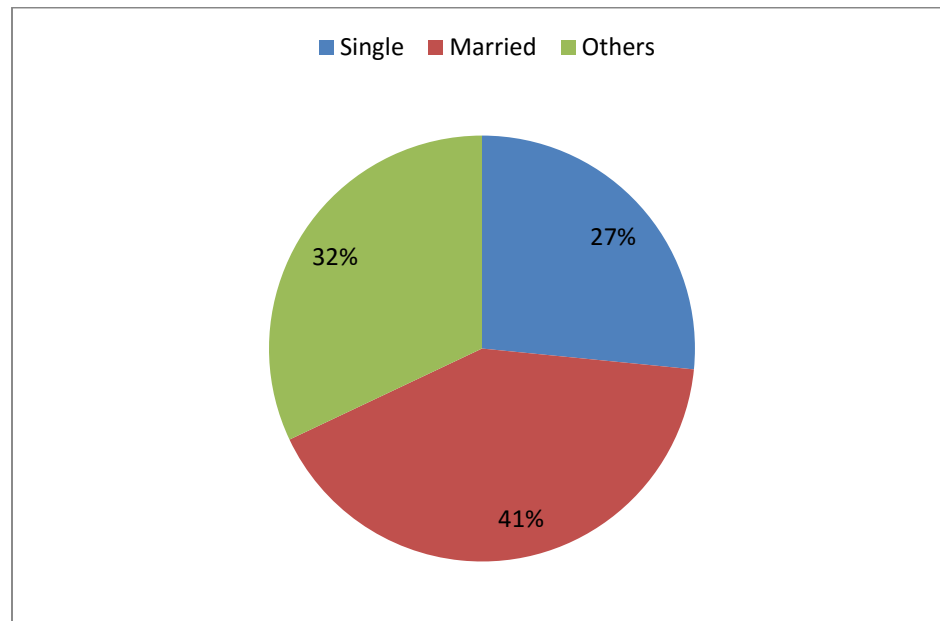


Source: Primary Data

From figure 4.3 above, results revealed that the majority of respondents held diplomas represented 48%, those with Bachelor's degree at 39%, and the respondents with master's degree at 13%. . The results imply that all respondents at least had a diploma making them educated enough to make good and informed decisions in relation to the research study.

4.3.4 Marital Status of Respondents

Figure 4.4: Marital Status



Source: Primary Data

Results from the Figure 4.4 above, revealed that the majority of respondents making 41% were married while those that were singles constituted 27%. The results therefore show that the study was representative as both married and un-married respondents were considered in sample.

4.4 Empirical Findings

This section presents the empirical findings of the study according to the objectives. The empirical findings are analysed using descriptive statistics, qualitative analysis and testing hypotheses for the respective findings

4.4.1 Personal selling on sales performance

The first objective of the study was to examine the influence of personal selling on sales performance of Surgipharm (U) Ltd. The respondents were provided with a number of question items and were requested to indicate the extent to which they agree or disagree with the statements

on a five Likert scale.(1)-Strongly Disagree (SD), (2)-Disagree (D), (3)-Not sure (N), (4)-Agree (A), and (5)-Strongly Agree (SA).The findings are In table 4.2 below.

Table 4.2: Descriptive Analysis for Personal Selling

S/NO	ITEMS ON PERSONAL SELLING	Responses in Percent (%)				
		SD (%)	D (%)	N (%)	A (%)	SA (%)
	Pharmaceutical Sales Reps (PSRs)/Medical Reps(MRs)					
1	PSRs influence my decision to buy.	1.7	3.4	12.6	52.9	29.4
2	I will purchase a product a lot more if I have PSRs visiting me	4	11	38.7	42.9	3.4
3	I find the information given by Medical reps useful.	1.7	1.7	38.5	57.1	1
4	It is easier for me to buy and dispense a product if I have seen prescriptions of it.	3.4	1.7	30.2	61.3	3.4
5	I think MRs are important in the generation of prescriptions for drugs	1	2.5	41	53.8	1.7
6	For Over The Counter (OTC) drugs, I would buy more if I have a good relationship with the PSR/MR selling it.	6	13.4	24.3	49.6	6.7
7	The information provided to me by PSR influences my decision to buy.	1.7	3.3	24.4	26.9	43.7
	CMEs (Continuing Medical Education meetings)					
8	I have attended a CME sponsored by a pharmaceutical company before.	5	8.4	24.4	56.3	5.9
9	I have attended a CME sponsored by Surgipharm	15.1	19	8	21	36.9
10	I find information given in a CME useful/helpful.	0.8	5.1	33.6	59.7	0.8
11	I find it easier to purchase and sell a drug for which I have attended a CME	4.2	15.1	20.2	56.3	4.2
12	I can buy a drug with or without attending CMEs	7.6	45.4		7.6	39.4
13	I think CMEs by pharmaceutical companies are a good idea and are important to me and my workmates	1	3.4	31.2	62.7	1.7
	Key account managers(KAMs)					
14	I think it is important that Surgipharm allocates a KAM to my pharmacy.	6.7	20.2	34.5	31.9	6.7

15	I would buy more from Surgipharm if Surgipharm allocated a key account manager for my pharmacy	6	20.9	34.5	31.9	6.7
16	There are times when I wish I had a KAM to call from Surgipharm.	7	18.2	41.2	26.9	6.7
17	I think PSRs are enough and there is no need for a KAM allocated to my pharmacy.	13.4	19.3	16	37	14.3

Source: Primary data

In regards to whether Pharmaceutical Sales Reps (PSRs)/Medical Reps (MRs) influenced their decision to buy, results from the table 4.2 revealed that majority 52.9% agreed and a significant 29.4% strongly agreed. Overall, the majority of Respondents (82.3%) agreed that PSRs influence their buying decisions. Generally the trend is quite similar with the next questions with the majority of respondents agreeing that the information given to them by PSRs is useful (58.1%) and it influences their decisions to buy (70.6%). Majority also agreed that they will they find it easier to purchase and sell a product if they have seen prescriptions of it (64.7%) and they believed that PSRs are influential in the generation of the prescriptions (55.5%). Respondents also agreed that they will purchase a lot more if PSRs are visiting them and that for OTC medicines, they buy because of the relationship they have with the PSRs. However it's important to note that considerable numbers of responds were also neutral on the above thoughts. Furthermore Majority of the respondents agreed that CMEs are important to them and the information they acquire during the CMEs has a part to play in their buying decisions. Finally, while Key Account Managers (KAMs) were generally accepted as a good idea, they were not deemed as necessary in the generation of sales as many respondents were neutral on the questions asked under this variable.

During the interviews, all respondents were in agreement that Personal selling plays the most important role in the sales performance of Surgipharm. One particular responded stated,

There is no doubt that PSRs are the most important of all the promotional strategies. They are the face of Surgipharm. They make us or break us. In fact, you can practically do away with all the rest and just employ PSRs at the pharmacy Level. That's how important they are.

Documents reviews also revealed that PSRs took the largest share of the Marketing Budget.

4.4.1.1 Correlation Analysis between Personal Selling and Sales performance of Surgipharm

Correlation analyses were utilized to find out the associations between Personal Selling and Sales performance of Surgipharm and the results presented in table 4.3 below.

Table 4.3: Correlation findings for Personal Selling and Sales performance

Sales Performance	Pearson Correlation	1	.724**
Personal Selling	Pearson Correlation	.724**	1

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

There was a statistically significant positive relationship between Personal Selling and Sales Performance of Surgipharm (U) Ltd ($r=0.724$, $P<0.01$) revealed. This implies that if Personal Selling is carried out by the concerned officials in Surgipharm (U) Ltd, the company will realize increase in Sales Performance. The analysis further reveals that Personal Selling only contributes 72.4% on Sales Performance of Surgipharm (U) Ltd, 27.6% to other exogenous factors not included in this study that would require extra studies to expose them and their contributions.

4.4.1.2 Coefficient of Determination (R^2) between Personal Selling and Sales Performance

In order to address objective 1 of the research study which was to examine the influence of personal selling on sales performance of Surgipharm (U) Ltd the Coefficient of Determination (R^2) was computed. Based on the results from the Zero Order Correlation Analysis table 4.3, $r = 0.724$ of

which if squared indicates 52.4% shared variance. This implies that Personal Selling helps to explain 52.4% of the variance in respondents' scores on Sales Performance. This is quite a respectable amount of variance explained.

4.4.1.3 Regression Analysis for Personal Selling on Sales Performance of Surgipharm (U) Ltd.

Table 4.4: Regression Analysis for Personal Selling on Sales

Model	R	R Square	Adjusted R Square
1	.745 ^a	.555	.543

Predictors: (Constant), Pharmaceutical Sales Reps (PSRs), CMEs (Continuing Medical Education meetings), Key account managers)

Source: Primary data

The results from the Table 4.4 above deliver the R and R² values. The R value reveals the correlation (0.745^a) in the ("R" Column), which shows a high degree of correlation. The R² value (the "R Square" column) disclosed how much of the total variation in the dependent variable, Sales performance, can be explained by the independent variable, Personal Selling. For this matter, 55.5% can be explained by this model.

Table 4.5: Regression Analysis for Personal Selling and Sales Performance

Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	.846	.301		.006
	CMEs (Continuing Medical Education meetings)	.160	.068	.180	.021
	Key account managers	.182	.072	.194	.013
	Pharmaceutical Sales Reps (PSRs)/Medical Reps(MRs)	.461	.074	.512	.000

Source: Primary data

The Regression analysis model which is based on the Coefficient Table generated above, revealed the influence to which the independent variable Personal Selling (PSRs CMEs and KAM), predicts the dependent variable Sales Performance. The drive of this Regression Model is to compare and find out the contribution of each of the independent variables, hence Standardized Coefficients values from Beta column are exploited for this research study.

The model reveals that Continuing Medical Education meetings, Key account managers, and Pharmaceutical Sales Representatives significant predictors of Sales Performance (CMEs=0.180, KAMs =0.194, s (PSRs)= 0.512).

The Statistical suggestion of this model is that; one unit change in CMEs (Continuing Medical Education meetings leads to (Beta = 0.180), Key account managers leads to (Beta = 0.194), and Pharmaceutical Sales Reps (PSRs)/Medical Reps (MRs) leads to (Beta=0 .512)

From the results of the output, Pharmaceutical Sales Reps (PSRs)/Medical Reps (MRs) has the largest (Beta=0.512). This revealed that this variable makes the strongest unique contribution to explaining the dependent variable (Sales Performance), when the variance explained by all other

variables in the model is controlled for. This is followed by Key account managers (Beta = 0.194) and CMEs (Continuing Medical Education meetings (Beta=0.180) respectively. This is sustained by the Sig. Value (0.000) and the Alpha Value (0.05) suggesting that the Model was statistically substantial at Sig=0.01.

4.4.2 Sales Promotions and Sales Performance

Research objective two was to determine the influence of sales promotion on sales performance of Surgipharm (U) Ltd). In order to evaluate Sales Promotions, Descriptive statistics were utilized and the results regarding the influence of Sales Promotion on Sales Performance in Surgipharm (U) Ltd are portrayed in the table 4.3. The outputs display the Percentages for understandability of the various contributions of each of the variables (questions) under the research study.

Table 4.6: Sales Promotion and Sales Performance

S/NO	ITEMS ON SALES PROMOTIONS	Responses in Percent (%)				
		SD (%)	D (%)	N (%)	A (%)	SA (%)
	Samples					
1	I regularly receive drug samples from pharmaceutical companies.	1.7	6.7	5	38.7	47.9
2	For a new brand, I would find it easier to buy it if I got samples of it.			3.3	38.7	58
3	I would choose Surgipharm as my supplier if they offered me samples of drugs.	10	17	18.5	10	44.5
	Bonus schemes e.g. 10+2					
4	I will buy more if I am given bonus stocks	5.5	28	38	5	23.5
5	I would buy from Surgipharm's competitor if the competitor runs better bonus schemes.	1.7	3.4	25.2	68	1.7
	Price discounts					
6	Surgipharm offers attractive price discounts compared to competitors	2	2	2	14	80
7	Discounts influence my decision on where to buy from			6.8	46.2	47
8	I would buy from Surgipharm's competitor if the competitor runs better price discounts	1.7	7.6	14.2	31.1	45.4
	Joint promotions e.g. buy 500 Microgynone and get 50 Coartem free					
9	I think joint promotions are good and should be run by pharmaceutical companies		3	19	28	50
10	I will buy more of a product if it is running as a joint promotion		1	16	25	58
11	I would buy from Surgipharm more if they keep running joint promotions	16	18	11	30	25
12	I would Change to another distributor if they offer better joint promotions than Surgipharm.	12	36	42	5	5

Note: SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree

To assess the influence of samples on sales performance, it was clear that samples are a common promotional tool as 47.9% of respondents strongly agreed and the 38.7% agreed that they regularly receive samples from Pharma companies. In total, a whopping 97.7% of the respondents agree they would find it easier to buy a new drug after receiving samples of it. Furthermore, more than 50% of the respondents either agreed or strongly agreed that they would choose Surgipharm as a supplier if they offered them samples. These results portray samples are a strong influencer of sales performance of pharmaceutical distributors. Moreover whereas majority(68%) of respondents agreed that they would switch to Surgipharm's competitor if competitor offered better bonus schemes, the majority 38% were not sure if bonus schemes would make them buy more and 28% of them actually disagreed. In regards to discounts, a whopping 80% of respondents agreed that Surgipharm offered better discounts than competition. When asked if price discounts influence their buying decisions, in total, 93.2 % either agreed or strongly agreed that discounts influence where they buy from and 76.5% agreed that they would switch to Surgipharm's competitors if competitors offered better discounts. This implies that price discounts are powerful tool in the generation of sales and preventing loss of sales from switching customers. Finally, while majority of respondents strongly agreed that joint promotions are a good idea and they lure them into buying more, they (joint promotions) didn't necessarily persuade the respondents to switch suppliers. The interpretation from this kind the above results is that pharmacy customers appreciate joint promotions and that joint promotions entice them to buy more but may not necessarily play a big role in the switch to competitors.

During an interview with one senior respondent in the sales and marketing department, it emerged that distributors continue to hail bonus schemes for improvement of sales performance. The respondent said,

Pharmaceutical distributors are not some kind of Father Christmas. Yes they operate for the good cause of availing medicines but they are businesses and they exist to make money.

Bonus schemes therefore push customers out of their comfort zones to buy more

He added that for smaller customers who can't take bulk, attractive baskets are sometimes engineered for them such as 10 +1 versus 100+10. Records also showed that sales were high after bonus schemes were done

During another interview with a senior respondent in the sales and marketing department, he mentions that;

Samples of most especially prescription drugs shouldn't be given to people at the pharmacy as this sways the intended purpose of a sample. Their job is to buy and dispense what the doctor has prescribed and not to try out a new medicine on a patient.

He however did not object to offering samples of over the counter (OTC) medicines to customers in the pharmacies.

4.4.2.1 Correlation Analysis for Sales Promotions and Sales Performance

Correlations analyses were utilized to find out the associations between Sales promotions and Sales performance of Surgipharm.

Table 4.7: Correlation Analysis for Sales Promotions and Sales Performance

Sales Performance	Pearson Correlation	1	.764**
Sales Promotions	Pearson Correlation	.764**	1

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

From the table above, the results revealed that there is a statistically significant positive relationship between Sales Promotion and Sales Performance, ($r=0.764, P<0.001$). The analysis

further reveals that Sales Promotion contributed 76.4% to Sales Performance leaving 23.6% to other exogenous factors not included in this research study.

4.4.2.2 Coefficient of Determination (R^2) between Sales Promotion and Sales Performance

In order to critically determine the influence of sales promotion on sales performance of Surgipharm (U) Ltd, the Coefficient of determination (R^2) was computed based on the coefficient generated from the Zero Order Correlation Analysis table. Based on the outputs above, $r = 0.764$ of which if squared indicates 58.4% shared variance. This implies that Sales Promotion explained 58.4% of the variance in respondents' scores on sales performance. This is a respectable amount of variance explained.

4.4.2.3 Regression Analysis for Sales Promotion and Sales Performance of Surgipharm (U) Ltd

Table 4.8: Regression Analysis for Sales Promotion and Sales Performance

Model	R	R Square	Adjusted R Square
1	.789 ^a	.622	.608

Predictors: (Constant), Samples, Price discounts, Bonus schemes e.g. 10+2, Joint promotions e.g. buy 500 Microgynone and get 50 Coartem free

Source: Primary data

The statistical findings from the Table 4.8 above reveals the R and R^2 values of the Model summary. The R value tells the correlation (0.789^a) in the ("R" Column), which shows a positive and strong degree of correlation between the independent and the dependent variable. The R^2 value (the "R Square" column) revealed how much of the total variation in the dependent variable, Sales performance, can be explained by the independent variable, Sales promotion. In line with the research study, 62.2% could be explained by this model.

Table 4.9: Standard Regression Analysis for Sales Promotions & Sales Performance of Surgipharm (U) Ltd

Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	.635	.291		.031
	Bonus schemes e.g. 10+2	.071	.054	.091	.194
	Joint promotions	.125	.058	.163	.032
	Price discounts	.293	.049	.425	.000
	Samples	.348	.066	.378	.000

Source: Primary data

In line with the Regression analysis principles, a Model Coefficient Table was generated as showed above. The Model revealed the influence to which the independent variable sales promotion (Samples, Bonus Schemes, Price Discounts and Joint Promotions) predicts the dependent variable Sales Performance. The motivation of this Regression Model is to compare and find out the contribution of each of the independent variables, so Standardized Coefficients values from Beta column in table 4.9 are presented for this research study.

The results from the model revealed that Samples, Bonus Schemes, Price Discounts and Joint Promotions are significant predictors of Sales Performance; (Samples)=0.378, Bonus Schemes =0.091, Price Discounts= 0.425 and Joint Promotions=0.163

The Statistical Model reveals that; one unit change in Samples leads to Beta=0.378, Bonus Schemes leads to Beta=0.091, Price Discounts leads to Beta = 0.425 and Joint Promotions leads to Beta=0.163.

The Model results revealed that, Price Discounts has the largest (Beta== 0.425. This revealed that this variable makes the strongest unique contribution to explaining the dependent variable (Sales Performance), when the variance explained by all other variables in the model is controlled

for. This is followed by Samples (Beta = 0.378, then Joint Promotions (Beta=0.163) and the least Bonus schemes (Beta=0.091) respectively. This is sustained by the Sig. Value (0.000) which was less than the Alpha Value (0.05) suggesting that the Model was statistically substantial at Sig=0.01.

4.4.3 Direct Marketing and sales performance

Research objective three intended to assess the influence of Direct Marketing on Sales Performance of Surgipharm (U) Ltd). In order to assess Direct Marketing/Advertising, Descriptive statistics were utilized and the results regarding the influence of Direct Marketing/Advertising on Sales Performance in Surgipharm (U) Ltd are portrayed in the table 4.10 below. The outputs display the Percentages for easy interpretation and understandability of the various contributions of each of the variables (questions) under the research study.

Table 4.10: Direct Marketing/Advertising

1	ITEMS ON DIRECT MARKETING	Responses in Percent (%)				
		SD (%)	D (%)	N (%)	A (%)	SA (%)
2	Branded items remind me of a particular Drug	3.4	10.7	23	42.9	20
3	Branded items influence my decision to buy	1.2	1.7	6	57.1	34
4	I find it easier to buy from a pharmaceutical distributor if I receive branded items from them	1.4	1.7	1.9	54	41
5	I would buy more from Surgipharm if they gave me Branded items	1.7	2.3	2	40	54
6	I would change to another distributor if Surgipharm does not offer branded items	6.7	8	29	49.6	6.7
	Printed Drug information (PDI) e.g. Dosage cards					
7	PDI reminds me of a particular Drug	18	26.1	1.7	34.2	20
8	PDI influences my decision to buy			15.9	26.1	58

9	I find it easier to buy from a pharmaceutical distributor /company if I receive PDI from them			11.8	46.2	42
10	I would buy more from Surgipharm if they gave me PDI	15	23.2	30	11.8	20
11	I would change to another distributor if Surgipharm does not offer me PDI	1.7	2.5	40.3	53.8	1.7
	Online					
12	I regularly access the internet	8	26.9	34.4	24	6.7
13	I use at least one social/online platform e.g. Facebook, twitter, Google, email	6.9	26.9	34.5	25	6.7
14	I know that Surgipharm information can be accessed online	6.7	25.4	41.2	20	6.7
15	I think it is important that Surgipharm can be accessed online	13.4	19.3	16	37	14.3
16	I would find it easy to make my orders online say email or Surgipharm Facebook account.	5.7	26.9	36.7	24	6.7
17	I would change to another distributor if they (competitor) can be more accessed online	2	20	20	11.8	46.2

Note: SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree

Citing results from table 4.10 branded promotional items can clearly be seen to have a positive influence on sales performance as majority of respondents either agreed or strongly agreed to the questions asked. 42.9% agreed and 20% strongly agreed that branded items remind them of a particular drug. In total 91.1 % agreed that branded items influence their decision to buy, 95 % agreed that they find it easier to buy from a distributor who gives them branded items, 94% agreed that they would buy more from Surgipharm if Surgipharm offers them branded items and more than half (56.3%) in total agreed that they would switch to Surgipharm's competitor if Surgipharm did not offer branded promotional items. Additionally, quite similar results were observed for Printed Drug Information (PDIs). However in this case, majority (30%) were not sure if PDIs would influence them to buy more. In fact, a total of 38.2% either disagreed or strongly disagreed.

Lastly, it was eminent that Online (internet) presence/promotion such as the use of socio-media may not be so imperative in increasing sales performance as respondents were generally neutral to most of the questions asked under this element with a considerable number disagreeing. It is probably important to also note that in total, only 30.7% of respondents agreed or strongly that that they regularly accessed the internet.

An interview with one of the members from the sales and marketing department of Surgipharm revealed that printing drug information gives Surgipharm a lot of satisfaction because it is a for a genuine and very vital cause. He Said,

We are happy to print drug information because they serve good purpose. Everybody benefits from them without any worry about ethics. I wouldn't hesitate about this promotional tool.

Documentary reviews revealed that Tele Marketing was a very critical promotional strategy. Surgipharm highest personally booked sales at pharmacy level were realized by Tele-sales team. Interviews with respondents 2 and 3 demonstrated the significance of Tele-sales. One respondent was quoted

Tele sales team realizes some of the highest sales in Surgipharm. It is a cost effective tool as high sales can be achieved with minimal cost''

She stated that doing Tele-sales doesn't require travel expenses and field allowance as would with PSRs.

4.4.3.1 Correlation analysis between Direct Marketing and Sales Performance

Table 4.11: Correlation analysis for Direct Marketing and Sales Performance

Sales Performance	Pearson Correlation	1	.950**
Direct Marketing	Pearson Correlation	.950**	1

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

The inferential statistical results generated revealed a statistically significant positive relationship between Direct Marketing and Sales Performance of Surgipharm (U) Ltd ($r=0.950, P<0.000$). This means that when Direct Marketing improves, it may result into high Sales Performance of Surgipharm (U) Ltd.

The results further revealed that Direct Marketing contributes 95% to Sales Performance of Surgipharm (U) Ltd leaving 5% to other exogenous factors not incorporated in this study.

4.4.3.2 Coefficient of determination between Direct Marketing and Sales Performance

Following the research objective three of the study, the coefficient of determination (R^2) was computed based on the Coefficient generated from the Zero Order Correlation Analysis in Table 4.11 above. Based on the outputs from the Table, $r=0.950$ of which if squared indicates 90.1% shared variance. This implies that Direct Marketing done by Surgipharm (U) Ltd helps to explain 90.1% of the variance in respondents' scores on Sales Performance. This was a highly respectable amount of variance explained by this model.

4.4.3.3 Regression Analysis between Direct Marketing and Sales Performance of Surgipharm (U) Ltd

Table 4.12: Regression Analysis for Direct Marketing and Sales Performance

Model	R	R Square	Adjusted R Square
1	.985 ^a	.970	.969

Predictors: (Constant), Printed Drug information (PDI) e.g. Dosage cards, Online, Branded Items e.g. pens, note pads, key holders.

Source: Primary data

Results from the Model Summary Table 4.12 above revealed the R and R² values of the Model summary. In line with inferential statistics, the R value tells the correlation which is (0.985^a) in the ("R" Column), which illustrates a positive and very strong degree of correlation between the independent and the dependent variable. The R² value revealed how much of the total variation in the dependent variable, Sales performance, can be explained by the independent variable, Direct Marketing. In line with the research study, 97% could be explained by this model.

Table 4.13: Standard Regression Analysis for Direct Marketing on Sales Performance of Surgipharm (U) Ltd

Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	.282	.076		.000
	Branded Items e.g. pens, note pads, key holders	.449	.024	.509	.000
	Online	.119	.016	.136	.000
	Printed Drug information (PDI) e.g. Dosage cards	.383	.020	.494	.000

Source: Primary data

Just in line with the Regression analysis moralities, a Model Coefficient Table was produced as revealed above. The Coefficient Model Table revealed the influence to which the independent variable Direct Marketing predicts the dependent variable Sales Performance. The stimulus of

this Regression Model produced above is to compare and find out the contribution of each of the independent variables, so Standardized Coefficients values from Beta column in table 4.13 are displayed for this investigation study.

Further analysis of the results from the Coefficient model summary table, exposed that; Branded Items e.g. pens, note pads, key holders, Online promotion and Printed Drug information (PDI) are significant predictors of Sales Performance; (Branded Items)=0.509, Online=0.136, and Printed Drug information= 0.495.

From the Statistical Model above, it's revealed that; one unit change in Branded Items leads to Beta=0.509, Online leads to Beta=0.136 and Drug information leads to Beta = 0.495.

Further exploration of the Coefficient Summary Model revealed that, Branded promotional Items has the largest (Beta=0.509). This implies that this variable makes the strongest unique contribution to explaining the dependent variable (Sales Performance), when the variance explained by all other variables in the model is controlled for. This is followed by Drug information (Beta = 0.495), and the least Online (Beta=0.136) respectively. The suitability of this model is based on the Sig. Value (0.000), less than the Alpha Value (0.05) signifying that the Model was statistically substantial at Sig=0.000.

4.4.4 Sales performance of Pharmaceutical Distributors (DV)

In order to assess Sales performance, Descriptive statistics were utilized and the findings regarding Sales Performance in Surgipharm (U) Ltd are depicted in the table 4.5.

Table 4.14: Sales performance of Pharmaceutical Distributors

S/NO	ITEMS ON SALES PERFORMANCE	LIKERT SCALE				
		SD (%)	D (%)	N (%)	A (%)	SA (%)
1	Pharmaceutical distributors sales volume are increased when they carry out promotional activities	3.4	10.9	39	42.9	3.8
2	I believe that promotional activities done by Surgipharm increase their sales revenue	4	20	18	57	1
3	I believe that promotional activities enable pharmaceutical distributors to achieve their targets	8	10	13	61	8
4	I believe that continuous promotions done by Pharmaceutical distributors help them achieve year to year growth	3	10	14	61	12
5	I believe that the generation of prescriptions by PSRs ultimately increases pharmaceutical distributor's Sales	15	12	10	53	10
6	I am compelled to buy and sell more volumes of products which are running on promotion	7	6	24	50	13
7	I am satisfied with the overall Promotional Strategies of Surgipharm	15	31	13	26	15
8	Surgipharm loses have reduced because they carry out Sales Performance analysis	13.4	19.3	16	37	14.3

Note: SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree

To assess Sales Performance, respondents were asked whether Pharmaceutical distributors' sales volumes are increased when they carry out promotional activities. Results revealed that, 3.4% strongly disagreed, 10.9% disagreed, 39% Neutral, 42.9% agreed and 3.8% strongly agreed. Descriptive statistics revealed that majority of the respondents agreed on this statement. Respondents were asked whether they believe that promotional activities done by Surgipharm increase their sales revenue. Results showed that, 4% strongly disagreed, 20% disagreed, 18% Neutral, 57% agreed, and 1% strongly agreed. Results revealed that majority of the respondents agreed on this statement. Respondents were queried whether they believe that promotional activities enable pharmaceutical distributors to achieve their targets. The results revealed that, 8%

strongly disagreed, 10% disagreed, 13% Neutral, 61% agreed and 8% strongly agreed. Majority of the respondents agreed with this statement. Respondents were probed whether they believe that the generation of prescriptions by PSRs ultimately increases pharmaceutical distributor's Sales. Results revealed that, 15% strongly disagreed, 12% disagreed, 10% neutral, 53% agreed, and 10% strongly agreed. The results revealed that Majority of the respondents agreed with this statement. Respondents were further probed whether they are compelled to buy and sell more volumes of products which are running on promotion. Results showed that, 7% strongly disagree, 6% disagree, 24% neutral, 50% agreed and 10% strongly agreed. The results revealed that Majority of the respondents agreed with this statement. They were further probed whether they are satisfied with the overall Promotional Strategies of Surgipharm. Results revealed that, 15% strongly disagree, 31% disagreed, 13% Neutral, 26% agreed and 15% strongly agreed. The results revealed that Majority of the respondents preferred being neutral on this statement. They were also queried whether Surgipharm loses have reduced because they carry out Sales Performance analysis. Results revealed that, 13.4% strongly disagreed, 19.3% disagreed, 16% Neutral, 37% agreed and 14.3% strongly agreed. The results revealed that Majority of the respondents agreed with this statement. It's clear from the above findings that sales performance of pharmaceutical distributors is increased with when they carry out promotional activities. However results above indicate that Surgipharm can do a lot more to increase customer satisfaction using promotions.

CHAPTER FIVE
SUMMARY OF FINDINGS, DISCUSSION, CONCLUSION AND
RECOMMENDATIONS

5.1 Introduction

The research study was carried out to examine the influence of promotional strategies on the sales performance of pharmaceutical distributors in Uganda taking a case of Surgipharm (U) Ltd. This chapter presents the summary of the findings, discussion of findings, conclusions and recommendations. It also highlights the contributions of the study, areas for further research and the study limitations.

5.2 Summary of findings

5.2.1 Personal Selling and Sales Performance

The study found out that Personal selling had a positive and significant influence on the sales performance of Surgipharm (U) Ltd. This means that increased efforts put into personal selling as a promotional strategy will lead to a significant increase in the sales of Surgipharm. Additionally, PSRs had the strongest influence of the sales performance of Surgipharm.

5.2.2 Sales Promotions and Sales performance

Results indicated that sales promotion positively and significantly influences sales performance of Surgipharm (U) Ltd. This implies that the more sales promotions done, the more sales Surgipharm will realize. It was also found that among all the elements of sales promotions studied, price discounts had the greatest influence on the sales performance of Surgipharm.

5.2.3 Direct Marketing and sales performance

The study established a very strong and positive relationship between direct marketing and sales performance of Surgipharm. This means that direct marketing if done aptly, will have a powerful and positive impact on the sales on Surgipharm. Branded promotional items were found to have the greatest influence on the sales performance.

5.3 Discussion of Findings

5.3.1 Personal Selling and Sales performance of Surgipharm (U) Ltd

The findings revealed a strong positive relationship between personal selling and sales performance of Surgipharm which implies that employing personal selling as a promotional strategy impacts positively on the sales of Surgipharm. This finding was in consonance with the thoughts and study results of Bastick (2017), Narayanan, Desiraju and Chintagunta (2004) and Larkin et al(2017). This study also unveiled that PSRs play a role in creating relationships and influencing customers to buy and that they (PSRs) relay useful information to customers which greatly influences their decisions to buy. The study finding also lines with Millenson (2003) and Kaiser Family Foundation (2006) who submitted that prescribing physicians find PSRs to be a convenient and reliable source of information in their practice. The results are also in agreement with conclusions from studies by Lieband Scheurich (2014), Biswas and Ferdousy (2016) and Narendran and Narendranathan (2013) who clearly agree that PSRs exert enormous influence on the sales generated in the pharmaceutical industry due to their powerful influence on prescribers' prescription patterns. They do this by creating strong bonds/relationships with the customers. The findings also resonate with Kotler and Armstrong (2008) description of sales peoples' roles as one to build relationships and ultimately promote sales.

However, while it's true that personal selling greatly impacts on sales performance, this particular study unveiled that it was the least important promotional strategy to influence sales from pharmacy clients. This is contrary to some the thoughts of Klaus and Bass (1982) that personal selling is the most important communication activity for many businesses and those sales persons are increasingly being perceived as an important contributor to a firm's business success. The possible explanation behind this is that the customers at the pharmacy don't influence prescription of a medicine but they determine where the product is bought from. Furthermore, this study also unfolded the positive influence CMEs have on sales performance which was in keeping with Bowman and Pearle (1988) and (Steinman & Baron, 2007) findings and thoughts respectively. Key Account Mangers (KAM) were also found to have a positive drive on sales because of the extra care they extend to customers which in agreement with Reichheld and Sasser (1990). However both CMES and KAMs did not come close to the kind of influence PSRs have on the generation of sales at the pharmacy level. This could be explained from the angle that most medicines sold by Surgipharm are prescription medicines and hence the procurement officers don't necessarily require deep medical information on them and the fact that sometimes PSRs double as relationship managers rendering the role of KAMs at pharmacy level negligible.

5.3.2 Sales Promotions on Sales Performance of Surgipharm (U) Ltd.

Results from the study indicated that there was a positive significant influence between sales promotion and sales performance meaning that increased use of sales promotions as a promotional strategy leads to an increase in sales performance. Sales promotions such as price discounts, bonus schemes, samples and joint promotions achieve this by enticing customers to try out new products or buy more. These finding are in agreement with Bailey and Woodall (2010) to the effect that

price discounts led to a great increase in the sales of Toyota. In this study, Samples came second to price discounts as promotional tool that can greatly influence sales performance. This finding is also in line with findings from Cegedim Strategic Data (2012)

Other scholars such as Fugh-Berman and Ahari (2007), Groves, Sketris &Tett (2003) and Chew et al, (2000) demonstrated the indispensable nature of medical samples in the generation of Pharmaceutical sales and are therefore in agreement with this study findings. In addition to that, it was clear from the results that customers remained loyal to Surgipharm because of the sales promotions Surgipharm offers especially price discounts, Sampling and Bonus Schemes. This was also earlier reported by Quarshie (2010). Furthermore, it was found out that customers would not hesitate to switch to Surgipharm's competitors if competitors offered better sales promotions. These revelations are in consonance with previous findings by Ofoegbu, Ikenna et al (2013).

It also emerged that that among all the elements of sales promotions studied; price discounts had the greatest influence on the sales performance of Surgipharm. This is in line with Kazooba (2015) who concluded that price was the most important factor influencing pharmaceutical sales and therefore anything that reduces price is well received by customers. One would argue that since bonus schemes such as (buy 100, get 10 free) ultimately reduce price, why then did they make the least contribution to sales performance amongst the studied elements of sales promotions? The reason could be that bonus schemes compel them to buy more than they wish to take and yet customers would be more comfortable to buy fewer products at a discounted rate.

Just like Bonus schemes, customers agreed that joint promotions were a good tool but they did not necessarily influence them to switch suppliers. One possible explanation behind this is that usually joint promotions are done to boost the liquidation of a product that is a slow mover or near expiry

and because that varies from one distributor to another, there may not be a need to change suppliers but rather to take advantage of whatever joint promotion that comes up.

5.3.3 Direct Marketing on Sales Performance of Surgipharm (U) Ltd

The study revealed a positive and very strong relationship between direct marketing and sales performance of Surgipharm. This means that direct marketing/Advertising if done aptly, will have a powerful and positive impact on the sales on Surgipharm. It was divulged from this study that of the studied elements of direct marketing/advertising, branded promotional items such as pens, note pads, key holders among others were the most substantial force influencing sales performance. This is in line with another recent study by Gidey and Belay et al (2016) who found out the physicians who received branded gifts were 6 times more likely to prescribe the promoted brand than those who were reported not to accept gifts. These finds are also in agreement with the thoughts of Oldani (2004) who stated that the importance of developing loyalty through gifting in the pharmaceutical industry cannot be overstated.

In the study, printed drug information on dosage cards/flyers came second to branded promotional items in terms of their influence on sales performance. It was clear that pharmacy customers found the information very helpful to them and that it influenced their buying decisions.

On the other hand, it's interesting to note that online presence /promotion had limited positive influence on the sales performance of Surgipharm. One would think that with the increased usage of the internet world wide and the rise of socio media platforms, pharmaceutical distributors would bask in the hotness of the matter and tap the opportunity of increased sales. However, in spite of the demonstrated benefits that arise out of internet use, this study revealed that online presence or promotion was the least influential of all the direct marketing promotional tools therefore

conflicting with the thoughts of (Merisavo, 2016). This can be explained in two ways. The findings firstly, indicated that access to internet and social platform was low. The study on the other hand, established a limitation on direct-to-consumer marketing or access of certain information to end user of medicines/patients hence rendering socio platforms somehow useless. However from the interviews held, it was clear that internet had a strong role to play in the generation of sales as some documents like Local Purchase orders can quickly be sent online and promotional information can still be sent online through closed channels like emails.

5.4 Conclusion

5.4.1 Personal Selling and Sales Performance of Surgipharm (U) Ltd.

The findings generated from the first objective concluded that personal selling has a positive significant influence on sales performance of Surgipharm (U) Ltd. By implications, the contribution of personal selling and its influence on business sales performance at Surgipharm (U) Ltd was linear.

5.4.2 Sales Promotion and Sales Performance of Surgipharm (U) Ltd.

From the findings generated under this study objective, it was concluded that sales promotions have a positive significant influence on the Sales Performance of Surgipharm (U) Ltd

5.4.3 Direct Marketing on Sales Performance)

In line with Objective three, the findings generated from the research study objective led to the conclusion that Direct Marketing very strongly and positively influences the Sales Performance at Surgipharm (U) Ltd.

5.5 Recommendations

In light of the analyses and conclusions of this study, below are the recommendations stated objective by objective.

5.5.1 Personal selling and Sales Performance

The study recommends that pharmaceutical distributors should invest in Personal selling particularly PSRs in order to increase sales

5.5.2 Sales promotions and Sales Performance

The study recommends that pharmaceutical distributors carry out regular Sales Promotions particularly price discounts and sampling in order to increase sales performance.

5.5.3 Direct Marketing and Sales Performance

Pharmaceutical distributors should invest highly in Direct Marketing by the use of branded promotional items and product information print in order to increase sales performance.

5.6 Limitations of the study

No prior statistical data base for reference; this was the first study ever conducted in Surgipharm (U) Ltd in relation to examining the influence of promotional strategies on the sales performance of pharmaceutical distributors in Uganda and the researcher did not come across any research conducted elsewhere related to the topic under study among pharmacies. Previous studies around the world concentrated on the prescribers/physicians. This therefore limited the comparison of the research finding. However, despite this limitation, the results of this study remain relevant and provide a bench mark for future reference and comparison.

The study adopted a cross sectional survey design which is done once which means there is no follow up survey in future which could help establish the sustainability of the research findings

from the respondents which the researcher thinks would have been good as it could facilitate the comparison of the research findings and have objective understanding of the trends.

In terms of coverage, the study was limited to Kampala Central Division (KCD) and the findings of this study therefore portray the influence of promotional strategies on the sales performance of pharmaceutical distributors in Kampala Central Division, which should not be generalized to mean the national level status. The geographical limitation was hinged to financial and time constraints which could not allow the study to be conducted in a larger area.

5.7 Contributions of the Study

The study contributed to knowledge by filling the gaps in the existing literature in areas of promotion and sales performance which will be helpful to future researchers.

In addition to the above, this study has made major contributions to the literature on Promotional strategies and sales performance in the following ways;

It revealed how promotional strategies influence sales performance of pharmaceutical distributors at the pharmacy level as earlier studies only focused on the physician (prescriber) as the major customer ignoring the players at the pharmacy level. More to that, previous studies that are close to the study were done outside Uganda and hence this study adds literature to the Uganda setting.

The study also revealed a major finding that Direct Marketing particularly the use of branded promotional items and Printed Drug information was the most important determinants of sales performance at the pharmacy level and not PSRs as it was portrayed by various researchers and writers.

5.8 Areas of further research

The research findings from this study point out a number of areas for auxiliary exploration such as ‘the role of Pharmacy Dispensers in the sales performance of Pharmaceutical Distributors or the role of Pharmaceutical Marketing among physicians in the generation of pharmaceutical sales in Uganda. Further research therefore could attempt to collect data in those areas.

Additionally, since the research study concentrated on pharmacies of Kampala Central Division, future research could be carried in a larger area as the influence of promotion on sales performance may vary from region to region.

Finally, it was clear from the results of this research that Promotional strategies were not fully responsible for the sales performance of Pharmaceutical distributors. It is therefore imperative that other possible factors such as order delivery processes are investigated.

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APPENDICES

Appendix 1: Questionnaire for Pharmacy purchasing officers

APPENDIX 1: QUESTIONNAIRE FOR PHARMACY PURCHASING OFFICER

PART A: INTRODUCTION

Dear respondent;

My name is **Daisy Nanteza**, a student of Uganda Management Institute (**UMI**) pursuing a Master's Degree in Business Administration. I am carrying out a study on "**Promotional Strategies and Sales Performance of private Pharmaceutical Distributors in Uganda; a Case of Surgipharm (U) Ltd**" and in your position; you have useful information to contribute to the success of this study. It is my request that you fill in the questionnaire attached with honesty to enable me produce the research work. The study is purely for academic purpose and all the information provided will be treated with confidentiality. Your prompt response will be highly appreciated.

PART B: BIO DATA

For each item below, please *fill in* or *tick* where applicable

1. Gender

(i) Male (ii) Female

2. Age (Years)

Below 20 20-24 25-29 30-34 35-39 40-44 45-49 50 and Above

3. Marital Status

(i) Single [] (ii) Married [] (iii) Separated [] (iv) Divorced []

6. Level of Education

(i) Diploma [] (ii) Bachelors Degree [] (iii) Masters Degree []

(iv) Doctorate Degree [] (v) Any other (Specify).....

This questionnaire is divided into 3 parts (promotional strategies), please rate each statement given by *ticking only one* of the five options according to the scale below;

Strongly Disagree (SD)	Agree (D)	Neutral (N)	Agree (A)	Strongly Agree (SA)
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Part A: Personal selling

S/NO	ITEMS ON PERSONAL SELLING	LIKERT SCALE				
		SD	D	N	A	SA
	Pharmaceutical Sales Reps (PSRs)/Medical Reps(MRs)					
1	PSRs influence my decision to buy.					
2	I will purchase a product a lot more if I have PSRs visiting me					
3	I find the information given by Medical reps useful.					
4	It is easier for me to buy and dispense a product if I have seen prescriptions of it.					
5	I think MRs are important in the generation of prescriptions for drugs					
6	For Over The Counter (OTC) drugs, I would buy more if I have a good relationship with the PSR/MR selling it.					
7	The information provided to me by PSR influences my decision to buy.					
	CMEs (Continuing Medical Education meetings)					
8	I have attended a CME sponsored by a pharmaceutical company before.					
9	I have attended a CME sponsored by Surgipharm					
10	I find information given in a CME useful/helpful.					

11	I find it easier to purchase and sell a drug for which I have attended a CME					
12	I can buy a drug with or without attending CMEs					
13	I think CMEs by pharmaceutical companies are a good idea and are important to me and my workmates					
	Key account managers(KAMs)					
14	I think it is important that Surgipharm allocates a KAM to my pharmacy.					
15	I would buy more from Surgipharm if Surgipharm allocated a key account manager for my pharmacy					
16	There are times when I wish I had a KAM to call from Surgipharm.					
17	I think PSRs are enough and there is no need for a KAM allocated to my pharmacy.					

PART B: Sales Promotions

S/NO	ITEMS ON SALES PROMOTIONS	LIKERT SCALE				
		SD	D	N	A	SA
	Samples					
1	I regularly receive drug samples from pharmaceutical companies.					
2	For a new brand, I would find it easier to buy it if I got samples of it.					
3	I would choose Surgipharm as my supplier if they offered me samples of drugs.					
	Bonus schemes e.g. 10+2					
4	I will buy more if I am given bonus stocks					
5	I would buy from Surgipharm's competitor if the competitor runs better bonus schemes.					
	Price discounts					
6	Surgipharm offers attractive price discounts compared to competitors					

7	Discounts influence my decision on where to buy from					
8	I would buy from Surgipharm's competitor if the competitor runs better price discounts					
	Joint promotions e.g. buy 500 Microgynone and get 50 Coartem free					
9	I think joint promotions are good and should be run by pharmaceutical companies					
10	I will buy more of a product if it is running as a joint promotion					
11	I would buy from Surgipharm more if they keep running joint promotions					
12	I would Change to another distributor if they offer better joint promotions than Surgipharm.					

PART C. Direct Marketing

S/NO	ITEMS ON DIRECT MARKETING	LIKERT SCALE				
		SD	D	N	A	SA
	Branded Items e.g. pens, note pads, key holders					
1	Branded items remind me of a particular Drug					
2	Branded items influence my decision to buy					
3	I find it easier to buy from a pharmaceutical distributor if I receive branded items from them					
4	I would buy more from Surgipharm if they gave me Branded items					
5	I would change to another distributor if Surgipharm does not offer branded items					
	Printed Drug information (PDI) e.g. Dosage cards					
6	PDI reminds me of a particular Drug					
7	PDI influences my decision to buy					
8	I find it easier to buy from a pharmaceutical distributor /company if I receive PDI from them					
9	I would buy more from Surgipharm if they gave me PDI					

10	I would change to another distributor if Surgipharm does not offer me PDI					
	Online					
11	I regularly access the internet					
12	I use at least one social/online platform e.g. Facebook, twitter, Google, email etc.					
13	I know that Surgipharm information can be accessed online					
14	I think it is important that Surgipharm can be accessed online					
15	I would find it easy to make my orders online say email or Surgipharm Facebook account.					
16	I would change to another distributor if they (competitor) can be more accessed online					

S/NO	SALES PERFORMANCE	LIKERT SCALE				
		SD	D	N	A	SA
1	Pharmaceutical distributors sales volume are increased when they carry out promotional activities					
2	I believe that promotional activities done by Surgipharm increase their sales revenue					
3	I believe that promotional activities enable pharmaceutical distributors to achieve their targets					
4	I believe that continuous promotions done by Pharmaceutical distributors help them achieve year to year growth					
5	I believe that the generation of prescriptions by PSRs ultimately increases pharmaceutical distributor's Sales					
6	I am compelled to buy and sell more volumes of products which are running on promotion					
7	I am satisfied with the overall Promotional Strategies of Surgipharm					
8	Surgipharm loses have reduced because they carry out Sales Performance analysis					

What else do you think pharmaceutical distributors can do to attract orders from your pharmacy?

.....

Appendix II: Interview Guide for Surgipharm sales and Marketing Employees

TOPIC: “Promotional strategies and sales performance of Private pharmaceutical distributors in Uganda”

Interviewer: Daisy Nanteza

Interviewee Job Title:.....

Age.....Sex.....Marital status.....Level Of Education

Step I: Self introduction

Step II: Questions and Discussions

Personal selling

How important do you think pharmaceutical sale representatives (PSRs) /Medical Representatives (MRs) are as a promotion strategy?

What is your take on CMEs to pharmacy clients as a promotion strategy?

What do you think of Key Account Managers as Promotion strategy?

Sales promotion

Please share with me your thoughts on offering drug samples to pharmacy customers?

To what extent do you think bonus schemes influence sales?

How necessary are price discounts in driving sales?

What do you have to say about joint promotions as a promotional strategy?

Generally how often do you think sales promotions should run? Should there be a limit?

Direct Marketing/Advertising

Branded promotional items

How necessary do you think branded promotion items are?

What are your thoughts on printed Drug Information e.g. Product dosage cards?

What do you think of online presence e.g. facebook and email in relation to sales performance?

What is the Role of Tele Marketing in the generation of Surgipharm sales?

General

1. In your opinion, do you think Surgipharm has put in place robust promotional strategies?
2. How do you compare Surgipharm promotional strategies with those of its competitors?
3. Do you think Surgipharm can do more to attract buyers?

Appendix III: Documentary Review Checklist

HR Manual (composition of sales and Marketing Team)

Sales contribution per sub groups

Marketing Plans

Past sales records following sales promotions memos such as Bonus schemes.

Minutes from sales meetings

Appendix IV: Krejcie & Morgan (1970) Sampling Table

Population Size	Sample Size	Population Size	Sample Size	Population Size	Sample Size
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	100000	384

Appendix V: Field Research Letter

Appendix VI: Introductory Letter