

TITLE PAGE

**IMPACT OF PRICING STRATEGIES ON THE PERFORMANCE OF
PZ NIGERIA LIMITED ZARIA, KADUNA**

BY

**MARY YUSUF
KPT/CBMS/19/47591**

**BEING A RESEARCH PROJECT SUBMITTED TO THE
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DECLARATION

I hereby declare that this research project has been conducted safely by me, **MARY YUSUF KPT/19/47591** under the guidance and supervision of **MR. PETER A. AMUCHE** of the Department of Business Administration and Management Studies, Kaduna polytechnic. I have neither copied someone's work nor has someone else done it for me. All references made to published literature have been duly acknowledged both textually and under the references. Any error contained here is entirely my responsibility.

MARY YUSUF
KPT/CBMS/19/47591

Signature

Date

APPROVAL

This is to certify that this project report titled “**IMPACT OF PRICING STRATEGIES ON THE PERFORMANCE OF PZ NIGERIA LIMITED ZARIA, KADUNA** ” written by **MARY YUSUF KPT/CBMS/19/47591**, has been read and approved as having met the requirements governing the preparation and presentation of research project in Kaduna Polytechnic. It is hereby approved for meeting the requirement for the award of Higher National Diploma in Business Administration and Management Studies, and for its contribution to knowledge and literary presentation.

Mr. Peter A. Amuche
Project Supervisor

Signature

Date

Dr. Ismaeel M. Anchau
Project Coordinator

Signature

Date

Mr. Tunde Lawal
Head of Department

Signature

Date

External Examiner

Signature

Date

DEDICATION

This project is humbly dedicated to God Almighty who is the source of wisdom and inspiration without whom my programme could not have been worth it.

ACKNOWLEDGEMENT

I wish to express my deepest thanks to Almighty God for granting me life and strength throughout this programme, to him alone be all the glory.

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God bless you all.

ABSTRACT

This project work is titled “the impact of pricing strategies on the performance of PZ Nigeria Ltd”. The problem of rigid pricing system arises when organization set prices that are fixed to a fault. Such area fails to respond to the bargaining nature of customers and the changes that are characterized by a competitive market environment. Rigid pricing, systems save revenue and performance. This study measure the impact of pricing on performance of the company under study, suggest the appropriate pricing policy to be adopted in order to boost level of profits, investigate how pricing policies are implemented and compare the pricing of different product lines, and to identify the objectives set by organizations when choosing a particular pricing policy. The population in this study were nine five (95) used were primary and secondary sources while seventy six (73) was returned valid. Data collected were analyzed using simple percentage ratio and chi-square statistical technique. At the end of the study the researcher discovers that pricing strategy is an effective tool used in marketing of PZ Nigeria Limited Zaria, Kaduna. This pricing strategy has led to the achievement of the company goal in terms of sales volume and expansion of the company market share. The study recommends that the management of PZ Nigeria Limited Zaria should always carryout consumer research so as to eliminate customer complaints, and their needs and wants easily.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Price is a measure by which customers judge the value of any offer from retailers and they use it to make choices between competing brands (Rosa, 2011). Price is also one of the most flexible elements of the marketing mix and can be adapted easily in the changing environmental conditions (Lancioni, 2015). Organizations spend a lot of time and resources figuring out the best pricing strategy for their products because a wrong strategy can cost them important customers and therefore result into loss of revenue. Organizations remaining indifferent or frustrated around pricing strategies stay behind by allowing the competition to set market prices. This may have a negative influence on the way consumers view them because they have to go by the prices fixed by their competitors otherwise their market share will be affected adversely.

Price is the amount a customer pays for the product or the sum of the values that consumers exchange for the benefits of having or using a product or service (Bearden et al., 2004). According to Rosa et al., (2011), the importance of price as a purchase stimulus has a key role in price management since not only does it determine the way prices are perceived and valued , but it also influences consumer purchase decision.

Lichtenstein et al., (1993) point out that price is central to consumer purchase decision due to its presence in all purchasing situations. Marketers realize that consumers use price to differentiate products with almost similar characteristics and therefore they use pricing as a differentiating element between substitute products

Kleyn & Issenmann, (2011) asserted that pricing is the only marketing decision variable that has an inverse relationships with demand – the law of demand. It states that an increase in the price of a product all things being equal, will lead to a fall in demand. All other marketing decision variable such as product, place (distribution), and promotion have direct relationship with demand. If the price of goods and services in the society increases, aggregate level of demand will fall. This will be as a result of income and substitution effects. The income effect is explained by raising prices causing real income of buyers to fall. Falling really mean that only lesser quantities of goods and services will be demanded unless money income is increased by the same or greater proportion of increase price. Substitution effect is crucial here, substitute goods and services are readily available and at the price is not increasing.

Kleyn & Issenmann, (2011), price is a very important element in the marketing programme of all manufacturing organization. Most organizations have failed to outperform their competitors because of their

inability to set prices or develop pricing strategies that are very effective for their products and services. Thus, the level of profit decline when the pricing policy fails to generate the satisfactory level of sale and value to recoup initial cost of production thereby leading to losses.

Organizations need profit to survive and grow in the long run. For this to be realized, there is every need for them to develop elaborate pricing (strategies) that can give them competitive advantage among their competing peers in the same industry. Most companies encounter several problems in an attempt to set the right price for each product line and new products that are developed. These problems would be dealt with in the next section as it is the main reason for the entire study in the first place.

1.2 Statement of the Problem

The challenge facing most organizations today is stiff competition in the market which is not only local but also global. There are many retailers in the market who all aim at attracting the same customer base and therefore for an organization to have a competitive advantage, it has to come up with good strategies that will ensure that it has a competitive advantage. One of the strategies that many organizations have to focus on is the pricing strategies.

Another problem is that of lack of construction of the price sensitivity of the target market, organizations set prices without measuring the

responsiveness of customers to prices and price changes. When such organizations are located in the market where the population of consumers are those that are sensitive to price alterations and go ahead to make price changes or introduce new prices that maybe high or low without properly on assessing the degree of irresponsibleness of its customers, then disaster is evitable.

1.3 Objectives of the Study

The general objective of the project is to explore the impact of pricing strategies on the profitability of PZ Nigeria Ltd. Other specific objectives include:

- i. To determine the extent to which continuous change in pricing strategy have been adopted by the PZ Nigeria Ltd.
- ii. To establish the extent to which low pricing strategy influences consumer purchase decisions in PZ Nigeria Ltd.
- iii. To determine the extent to which high pricing strategy influences consumer purchase decisions PZ Nigeria Ltd.

1.4 Research Questions

The following are the research questions:

- i. What is the extent to which continuous change in pricing strategy have been adopted by the PZ Nigeria Ltd?

- ii. What is the extent to which low pricing strategy influences consumer purchase decisions at PZ Nigeria Ltd?
- iii. What is the extent to which high pricing strategy influences consumer purchase decisions at PZ Nigeria Ltd?

1.5 Significance of the Study

This study is beneficial to retail outlet managers with strategic knowledge on how pricing strategies influence consumer purchase decision. It also enable them know how many of their competitors adopt similar pricing strategies and therefore they will be able to position themselves competitively. Secondly, the study provides knowledge to the retail managers on the influences of Everyday Low pricing Strategy and High-low pricing strategy on consumer purchase decision and therefore they will be able to adopt the right pricing strategy for their target market.

Customers and the public in general are also likely to benefit from the research by understanding the various pricing strategies that are available.

This will come in handy when they are making decision in regard to what products they want to purchase, where to purchase and the amount they will purchase. By use of the product choice, store choice, purchase amount and purchase timing as the elements measuring consumer purchase decision, this study helps in filling the existing knowledge gap on elements of consumer purchase decision. The study benefits

academicians searching for information in this area of marketing by providing yet another method of analyzing the pricing strategies and consumer purchase decision variables. Future scholars will also benefit from this study as they continue in the pursuit of further studies in this topic.

1.6 Limitation of the Study

- i. **Inadequate research materials:** the research materials on this subject matter are very few. The much relied library is filled up with outdated books, which are of little relevance to current research.
- ii. **Lack of cooperation of respondents:** sourcing for information from respondents was not an easy task, particularly with regards to information that was regarded as classified or highly confidential to the banking institution.
- iii. **Low return of questionnaires:** In the process of gathering data, it was discovered that not all the questionnaires issued out were returned. Some of them were also wrongly filled which means a great deal of relevant information was held back, and which could have enhanced the quality of this study.

1.7 Scope of the Study

This research work covers PZ Nigeria Ltd as a reference organization to appraise the impact of pricing strategies on the performance. The research covers areas includes pricing objective, consideration in pricing setting, pricing strategies, pricing policy for new products, problems of pricing products.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter will review works of various authors, scholars, individuals and as well as researchers ideas as a source of information which serves as the bedrock of the studies. In a nutshell, the researcher hopes to bring to light different authors views under the following headings; concept of price, concept of sales performance, pricing objective, consideration in pricing setting, pricing strategies, pricing policy for new products, problems of pricing products.

2.1 Concept of Price

Pricing has no in universally acceptable definition. There is no generally agreed definition among scholars regarding the conceptual meaning of pricing and profitability. According to Hassan as cited in Sule, (2018) price is the sum value exchanged for the benefit of having or using a material, component or service. Kotler in Sule (2018) define price as the amount of money customer have to pay to obtain a product or service. Kotler and Armstrong (2008) see price as amount of money changed for a product or service, or the sum of the values that customers exchange for the benefits of having the product.

Perrault and McCarthy (2013) defines price as the exchange value or for a value package by value package it means that all the components of a product including after sales service, quality and satisfaction contained in a product or derived thereof. Another simplified definition given to pricing is that of by Glautier, down and Morris (2011) prices it is meant that commodity's value is expressed in quantitative terms that is, monetary terms. For this work, price is going to be defined as the sum total of money paid for or its equivalent placed on goods or services by sellers that would but just enough to cover cost and contribute a percentage or profit to the seller organization.

2.2 Concept of Performance

Measuring organizational performance is a multi-dimensional concept. Effectiveness and efficiency are the two fundamental dimensions of performance. This is emphasized by Abasilim (2014) in the argument that effectiveness refers to the extent to which stakeholders' requirements are met, while efficiency is a measure of how economically the firm's resources are utilized when providing a given level of stakeholder satisfaction. To attain superior relative-performance, an organization must achieve its expected objective with greater efficiency and effectiveness than its competitors (Abbasi & Zamani-Miandashti, 2013). Financial measures of performance are derived from the accounts of a

company or can be found in the company's profit and loss statement or the balance sheet. In addition, financial measures are also referred to as objective measures because they can be individually measured and verified (ElKordy, 2013). However, it is essential to introduce non-financial measures of performance in conjunction with financial measures in order to fully measure performance. The non-financial measures are also known as the subjective performance measures of performance. The use of non-financial measures of performance supplements accounting measures and gives data on progress relative to customer requirements or competitors and other non-financial objectives that may be important in achieving profitability.

According to Erkutlu (2008) no one measure of performance should be taken on its own. To obtain a true measure of how a company is performing, different measures (financial and non-financial) should be used together on the basis of previous studies. Therefore, in this study, organizational performance will be measured by use of financial measures (Return on Assets (ROA), Return on Equity (ROE), sales growth, and profitability growth) and non-financial measures (employee growth, customer satisfaction, satisfaction with performance compared to competitors and overall satisfaction).

2.3 Pricing Objectives

Every marketing activity including pricing should be directed towards a goal. Thus management should decide on its pricing objective before determining the price itself to be useful, the pricing objective management select must be compatible with overall goals set by the firm and the goals of the marketing programme (McCarthy and Perrault, 2012). Generally speaking, pricing objectives can be divided into three types as follows:

1. **Profit-oriented:** Profit-oriented objectives include pricing to realize a target return on investment or to maximize profits. This is popularly supposed to be pricing, but in fact, firms frequently have other objectives.
2. **Sales-oriented:** Sales-oriented objective aim to increase sales either in currency or unit terms, or to penetrate markets and increase share. Firm will often aim of a sale-oriented approach when entering a new market in order to maximize and shut out competition. In the early stages of the profit life cycle, this can be an effective strategy, with the ultimate aim of moving to a profit oriented approach.
3. **Status quo-oriented:** Status quo-ornate pricing includes meeting competitors or choosing to compete on a non-price basis. Many

firms in well-established markets operate in this way in order to avoid triggering price wars, which are to the detriment of all firms in the industry. Also, small firms will avoid direct attacks on market leaders, since it is easy for the market leaders to retaliate. In some cases, a firm does not have the luxury of pricing to maximize its profits. Pricing is geared to survival in the face of the industry with a very strong competition and over capacity.

Product lines and set prices with this in mind, while other firms seek a particular margin on sales. The choice depends upon the nature of the industry. In business where few sales are made per year, the target return on high investment is most likely the best approach in a high volume business, the margin on sales do not include the most favourable approach which is to establish price based on the product. This requires an in-depth knowledge of the customer's business and the way in which the product is out to use by the customer.

2.4 Consideration in Pricing Setting

The price the company charges will fall somewhere between one that is too high to produce any demand and one that is too low to produce a profit. Customer perceptions of the product's value set the ceiling for prices. If customers perceive that price is greater than the product's value, they will not buy the product. Product cost set the floor for prices. If the

company prices the product below its cost, company will suffer. In setting its price between these two extremes therefore, the company must consider a number of mix, the nature of the market and demand, competitors strategies and price. Therefore the factors to consider in setting prices include:

1. **Customer's perception of value:** In the end therefore, the customer will decide whether a product's price is right. Pricing decisions, like other marketing mix decisions, must start with customer's value when a customer buys a product, they exchange something of value (the price) in order to get something of value (the benefits of having or using the product) effective customer-oriented pricing involves understanding value customers place on the benefits receive from the product and setting a price that captures this value (Kotler & Armstrong, 2008).
2. **Value based pricing:** Good pricing begins with a complete understanding of the value that a product or service creates for customers. Value based pricing uses buyer's perceptions of value, not the seller's cost, as the key to pricing. Value based pricing means that the marketer cannot begin a product and marketing programmes and then set the price. Price is considered with other marketing mix variables before the marketing programme is set.

Therefore, value based pricing is a situation whereby a company first assesses customer needs and value perceptions. It then sets its targeted needs and value perceptions. It then sets its targeted value and price and drive decisions about what costs can be incurred and the resulting product design. As a result, pricing begins with analyzing customers need and value perception, and pricing is set to match consumer's perceived value. Therefore, it is important to note that "good value" is not the same as "low price".

Again, a company using value-based pricing must find out what value buyers assign to different competitive offers. However, companies often find it hard to measure the value customers will attach to its product. For instance, calculating the costs of ingredient in a meal at a fancy restaurant is relatively easy. But assigning a value to other satisfaction such as taste, environment, relaxation, conversation, and status is very hard. And these values will vary both for different consumers and different situation.

Still, consumers will use these perceived values to evaluate a product's price, so the company must work to measure them. Sometimes, companies ask consumer each benefit added to the offer. Or a company might conduct experiments to test the perceived value of different product offers.

We now examine two types of value-based pricing: Good-value pricing and value added pricing.

- i. **Good value pricing:** During the past decade, marketers have noted a fundamental shift in consumer attitude toward price and quality. Many companies have changed their pricing approaches to bring them into line with changing economic conditions and consumer price perceptions. More and more, marketers have adopted good value pricing strategy offering just the right combination of quality and good service at a fair price. This has involved introducing less-expensive versions of established, brand-name products. To meet the tougher economic times and more frugal consumer spending habits, some fast-food restaurant offer “value minus”. Therefore, good value pricing has involved redesigning existing brand to offer more quality for a given price to the same quality for less, some company even succeed by offering less value but at rock-bottom prices.
- ii. **Value-added pricing:**Value added pricing does not simply mean charging what customers want to pay or setting low price to meet the competition. In many marketing situations, the challenge is to build the company’s pricing power its power to escape price competition and to justify higher prices and margin. This is

especially true for suppliers of commodity products, which are characterized by little differentiating and intense price competition.

2.4.1 Price Level Policies

After developing the pricing structures and strategies, company often face situations in which they must initiate price changes or respond to price changes by competitors.

Initiating price cut

Several situations may lead a firm to consider cutting its price. One such circumstances is excess capacity, another is falling demand in the face of strong price competition. A company may also cut prices in a drive to dominate the market through lower costs.

Initiating price increase

A successful price increase can greatly improve profits for instance, if the company's profit margin is 3 percent of sales, a 1 percent price increase will boost profits by 33 percent if sales volume is unaffected. A major factor in price increase is cost inflation. Rising cost squeeze profit margins and lead companies to pass cost increases along to customers. Another factor leading to price increase is over demand. When a company cannot supply all that its customers' needs, it may raise its prices, ration products to customers, or both consider today's worldwide oil and gas industry unaffected. A major factor in price increase is cost

inflation. Rising cost squeeze profit margins and lead companies to pass cost increases along to customers. Another factor leading to price increase is over demand: when a company cannot supply all that its customers' needs, it may raise its prices, ration products to customers, or both consider today's worldwide oil and gas industry.

Buyers' reaction to price change: Customers do not always interpret price changes in a straight forward way. A price increase, which will normally lower sales, may have some positive meaning for buyers. For instance, what would you think if Rolex raised the prices of its latest watch model? On the one hand, you might think that Rolex is simply being great by charging what the traffic will bear.

Similarly, consumer may view a price cut in several ways. For instance, what would you think if Rolex were to suddenly cut its price: you might think that you are getting a better deal on an exclusive product? More likely, however, you would think that quality had been reduced and the brand's luxury image might be tarnished. Therefore a brand's price and image are often closely linked. A price change, especially a drop in price, can adversely affect how consumers view the brand.

Competitor's reaction to price change: A firm considering a price change must wrong about the reactions to its competitors as well as those of its customers. Competitors are mostly likely to react when the number

of firms involved is small, when the product is uniform and when the buyers are well informed about products and prices.

Responding to price change: Here we reverse the question and ask how a firm should respond to price change by a competitor. The firm needs to consider several issues: why did the competitor change the price: is the price change temporary or permanent? What will happen to the company's market share and profit if it does not respond? Are other competitors going to respond? Beside these issues, the company must also consider its own situation and strategy and possible customer reactions to price changes.

If the company decides that effective actions can and should be taken, it might make any of the four responses.

- i. It would reduce its price to match the competitor's price.
- ii. Alternatively, the company might maintain its price but raise the perceived value of its offer.
- iii. Also, the company might improve quality and increase price, moving its brand into a higher price value position, and
- iv. Finally, the company might launch a low-price "fighting brand" adding a low price item to the line or create a power price brand.

2.5 Pricing Strategies

New-product pricing strategies: Pricing strategy usually changes as the product passes through its life cycle. The introduction stage is especially challenging companies bringing out a new product face the challenge of setting prices for the first time. They can choose between two broad strategies; market skimming pricing and market penetration pricing (Kotler & Armstrong, 2010).

Market skimming pricing: Many companies that invent new products set high initial price to ‘skim’ revenue layer by layer from the market. This strategy is called market skimming pricing or price skimming. However, market skimming makes sense only under certain conditions. First, the product’s quality and image must support its higher price and enough buyers must want the product at that price. Second, the cost of producing a smaller volume cannot be high that they cancel the advantage of charging more. Finally, competitors would not be able to enter the market easily and undercut the high price.

Market penetration pricing: Rather than setting a high initial price to skim off small but profitable market segments, some companies’ use market penetration pricing. They set a low initial price in order to win a large market share. The high sales volume results in falling costs, allowing the companies to cut their prices even further. However, several

conditions must be met for this low price strategy to work. First the market must be highly price sensitive so that a low price produces more market growth. Second, production and distribution costs must fall as sales volume increases. Finally, the low price must help keep out the competition, and the penetration price must maintain its low price position, otherwise, the price advantage may be only temporary.

Product mix pricing strategies: The strategy for setting a product's price often has to be changed when the product is part of a product mix. In this case, the firm looks for a set of prices that maximizes the profits on the total mix, pricing is difficult because the various products have related demand and cost and face different degrees of competition. We now take closer look at the five product mix pricing situations summarized below: product line pricing, optional product pricing, captive product pricing, by-product pricing, and product bundle pricing (Kotler & Armstrong, 2010).

Product line pricing: Companies usually develop product lines rather than single products. In product line pricing, management must decide on the price steps to set between the various products in a line. The price steps therefore should take into account cost differences, between the products in the lines. More importantly, they should account for differences in customer's perception of the value of different features.

Optional product pricing: Many companies use optional- product pricing- offering to sell optional or accessory products along with their main product. However, pricing these options is a sticky problem. Therefore, companies must decide which items to include in the base price and which to offer as options.

Captive product pricing: Companies that make products that must be used along with a main product are using captive product pricing. Instances of captive product are razor blade cartridge, video games, and printer cartridges etc producers of the main products (razors, video games consoles, and printers) often price them low and set high mark ups on the supplies. Thus, Gillete skills how price razors but makes money on the replacement cartridges.

By-product pricing: By-product pricing involves setting a price for by-products in order to make the main product's price more competitive. Here, the manufacturer seeks a market for these by-products and should accept any price that covers more than the cost of storing and delivering them.

Product bundle pricing: Using product bundle pricing, sellers often combine several of their products and offer the bundle at a reduced price. Price bundle can promote the sales of products consumers might not

otherwise buy, but the combined price must be low enough to get them to buy the bundle.

Price-adjustment strategies: Companies usually adjust their basic prices to account for various customer differences and changing situations. Here, we examine the seven price-adjustment strategies: discount and allowance pricing, segmented pricing, psychological pricing, promotion pricing, geographical pricing, dynamic pricing and international pricing.

Discount and allowance pricing: A discount is a straight reduction in price on purchases during a stated period of time. And allowances are another type of reduction from the list price. Trades in allowances are price reductions given for turning in an old item when buying a new one. Promotional allowances are payment or price reduction to reward dealers for participating in advertising and sales support programmes.

Therefore, most companies adjust their basic prices to reward customers for certain responses such as early payment of bills volume purchases, and off- season buying.

Segmented pricing: Companies will often adjust their basic prices to allow for differences in customers, products and locations. In segmented pricing, the company sells a product or service at two or more prices; even through the difference in prices is not based on differences in cost. However, for segmented pricing to be an effective strategy, certain

conditions must exist. The market must be segmentable, and the segments must show different degrees of the demand. Most importantly, segmented prices should reflect real differences in customer's perceived values.

Psychological pricing: This is a pricing approach that considers the psychology of prices and not simply the economics, the price is used to say something about the product in using psychological pricing, sellers consider the psychology of prices rather than the economics.

Promotional pricing: With promotional pricing, companies will temporarily price their products below list price and sometimes, even below cost to create buying excitement and urgency. Promotional pricing takes several forms such as loss leaders, special event pricing, cash rebates, low-interest financing and longer warranties etc.

Geographical pricing: Geographical pricing involves setting prices for customers located in different parts of the country or world. Should be company risk losing the business of more-distant customers by charging them higher prices to cover the higher cost? Or should the company charge all customers the same prices regardless of location? Geographical pricing strategies can be classified into the following:

- i. Origin pricing
- ii. Uniform-delivered pricing
- iii. Zone pricing

iv. Basing-point pricing

v. Freight-absorption pricing

Dynamic pricing: Throughout most of the history, prices were set by negotiation between buyers and sellers. Fixed price policies-setting once price for all buyer is a relatively modern idea that arose with the development of large scale retailing at the end of the nineteenth century. Today, most prices are set this way. However, some companies are now reversing the fixed pricing trend. They are using dynamic pricing-adjusting prices continually to meet the characteristics and needs of individual customers and situation.

Price changes: After developing the pricing structures and strategies, company often face situation in which they must initiate price changes or respond to price changes by competitors.

2.7 The Role and Importance of Pricing

Price is significant in our economy, in the customers mind and in an individual firm. Let's consider each situation.

1. **In the economy:** A product's price influences wages, rent, interest and profits. Price is a basic regulator of the economy system because it influences the allocation of the factor of production. Labour, land and capital high wages attract labour, high interest rates attract capital, and so on. As an allocator of resources, price

determines that will be produced (supply) and who will get the goods and services produced (demand).

2. **In the customer mind:** Some prospective customers are interested primarily in low prices, whereas another segment is more concerned with other factors; such as services, quality, value, and brand image. It is safe to say that few, if customers are attentive to price alone or are entirely oblivious to price. One study identified four distinct segments of shoppers. Brand loyal (relatively uninterested in price), system beaters (prefer certain brand but try to buy them at reduced prices), deal shoppers (driven by low prices), and uninvolved (seemingly not motivated by either brand preferences or low prices).
3. **In the individual firm:** Product's price is a major determinant of the market demand for it. Through price, money comes into an organization. Thus, price affects firm's competitive position, revenues and net profits. Some businesses use higher prices to convey an image of superior quality. This approach will have a positive impact only on customers who consider quality important. It is most likely to work well in the case of services and certain goods for which customers have difficulty during quality on an objective basis. To be highly effective in signaling superior quality, the high price should be combined with other conspicuous

elements of the marketing mix such as a compelling advertising message and an appealing package design.

Therefore, prices are important to a company most of the time, but not always. Several factors can limit how much effect pricing has on a company marketing programme. Differentiated product features, a favorite brand high quality, or some combination of these and other factor may be more important to consumers than price.

2.8 Effect of Pricing on Sales Performance

It is an undisputable fact that business organizations are set up for profit maximization. Although there are other objectives such as expansion, growth increase in market share etc, yet the key objective necessitating the setting of PZ Nigeria Ltd is profitability.

In achieving profit maximization as stated objective, it is germane for organizing such as PZ Nigeria Ltd to manage the market mix elements effectively. In managing the marketing mix element, price should be effectively planned and controlled, taking into cognizance the pricing objectives and factors influencing pricing. All these should be done in order not to only avoid over pricing or under pricing but to also prevent competitors from gaining access into the industry.

The effectiveness of the pricing management of an organization's products will also aid in the efficacy of the actualization of stated objectives.

PZ Nigeria Ltd is a leading manufacturer and distributor of a variety of products especially soaps and personal items including shampoo, baby powder, refrigerators, freezers, air conditioners, detergents, cleaners, pharmaceutical products etc. the prime business objective in Nigeria is sustainable and profit growth and the drive to be world class in every aspect of the business. To achieve this, the company has adopted a Strategic Business Unit (SBU) structure, in which each SBU has clear focus on its market, developing a deep understanding of the needs and aspirations of its target market and the dynamics of the market place, which it can exploit to deliver as objectives.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the procedures used in collecting and analysing data for the study. The chapter discusses the research design, area of the study, population of the study, sample size and sampling techniques, instruments for data collection, validity and reliability of the instruments, method of data presentation and analysis.

3.2 Research Design

The research design that will be adopted for this study is the survey research design. This allowed for easier comparison of responses of the entire respondents in order to reach logical and constructive conclusion. The justification for the choice of the above approach is to generalize from a representative sample to a whole population (Samak & Tawfiq, 2017)

3.3 Area of the study

The geographical location of this research study is at PZ and Cusson along Sabpn Gari road, Zaria Kaduna, Kaduna State. It is chosen for this study for the purpose of proximity.

3.4 Population of the study

According to Robert (2012), population is a collection of elements about which the researcher wishes to make inference. The population of the study consists of the entire staff of PZ Nigeria Ltd, Zaria, which presently stood at 95 staff.

3.5 Sample Size and Sampling Technique

Sample is a proportion of population under consideration that represents the whole population (Osuala, 2009). A sampling technique is the name or other identification of the specific process by which the entities of the sample have been selected. 76 out 95 is used as the sample size following the use Krejcie and Morgan table of sample size determination.

3.6 Instrument for Data Collection

The instrument of primary data that will be used is a well-designed but structured questionnaire. The scale of strongly agree, agree, undecided, disagree and strongly disagree options would be drawn to elicit responses to address the research questionnaires.

The 5 points likert's rating scale is shown thus;

	SA	A	UD	D	SD
Grade point	5	4	3	2	1
Range	4.5-5.0	3.5-4.4	2.5-3.4	1.5-2.4	0.5-1.4

Key:

SA. = Strongly agree = 5

A. = Agree. = 4

UD. = undecided. = 3

D = disagree. = 2

SD = strongly disagree = 1

3.7 Validity and Reliability of the Instrument

Two copies of the questionnaire accompany by letter containing the purpose. It will be given to two lecturers of the Department of Business Administration. The suggestions of the expert will be used in proving the questionnaires. Reliability has to do with consistency obtained from the result of the application of the instruments. An instrument is reliable if it consistently gives the same or similar result. A pilot test need be conducted on few respondents from an organisation to pretest the efficacy of the questionnaire; this is in conformity with the views of Nwana (2012).

Reliability therefore will be obtained by giving some of the questionnaires to about twenty selected staff of the company to see if the questionnaire is consistent in measuring what it ought to measure. Besides, the difficulties likely to be experienced by those that would be used in the pilot study shall be noted and corrected accordingly.

3.8 Method of Data Collection

The researcher will personally administer the questionnaire to the respondents of the organization and collected it back for analysis.

3.9 Method of Data Presentation and Analysis

Data that will be collected from the respondents will be presented in tables and analyzed accordingly with the aid of arithmetic mean and simple percentage. The choice of these statistical tools is because they provide accurate and absolute measure of data, and make the data very easy to be interpreted. The

techniques are also very convenient and more appropriate to enable the readers to comprehend the findings of the study.

Mean score: this was adopted in analysing each variables in the questionnaire.

Simple percentage: this was used in the analysis of each of the questions rating to respondents demographic variables.

The mean score has the formula given by the equation below:

$$\text{Mean (x)} = \frac{\sum fx}{\sum f}$$

Where :

Σ = summation

F = frequency

X = variables

Each value of the acronyms on the 5-point scale was multiplied by the corresponding frequency of the variable. The frequency (f) column was multiplied by (x) to get (fx). The mean score of each of the variable was obtained by dividing the sum total of (fx) by the sum of (f).

$$= 5+4+3+2+1 / 5$$

$$= 15/5$$

$$= 3.0$$

Therefore, the mean scores of 3.0 and above was regarded as agreed responses, while points below a mean average of 3.0 will be treated as disagreed responses.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter present the data gathered for this study. Similarly, the results of this study are discussed in the chapter.

4.1 Characteristics of Respondents

Data analysis is the statement of the result which summarizes all the data in the research work. Data collected through questions and interviews conducted on the subject matter. A total number of seventy six (76) questionnaires were distributed to the respondents and seventy three (73) were filled and returned. The data collected were analyzed through the use of tabular methods and percentages. The responses collected are tabulated and analyzed as follows:

Table 1: Sex of the Respondents

Sex	Frequency	Percent
Male	56	76.7
Female	17	23.3
Total	73	100.0

Source: Field Survey, 2022

The table above shows that 56 respondents representing 76.7% are male while 17 respondents representing 23.3% are female. This means that the majority of the respondents are male.

Table 2: Educational Qualification

Educational Qualification	Frequency	Percent
SSCE	15	20.5
ND/NCE	26	35.6

B.Sc/HND	32	43.8
Total	73	100.0

Source: Field Survey, 2022

Table 2 shows that 15 respondents representing 20.5% are SSCE/WASCE holders, 26 respondents representing 35.6% are ND/NCE holders, while 32 respondents representing 43.8% are B.Sc/BA/HND holders respectively.

Table 3: Respondent age distribution

Age	Frequency	Percent
18 - 24	13	17.8
25 - 30	27	37.0
40 and above	33	45.2
Total	73	100.0

Source: Field Survey, 2022

Table 3 shows that 13 respondents representing 17.8% are between the, age of 18 – 24, 27 respondents representing 37% are between the age 25 - 30, while 33 respondents representing 45.2% are 40 years and above.

Table 4: Years of experience

Years of experience	Frequency	Percent
1 - 5years	16	21.9
6 - 10years	14	19.2
11 - 15years	27	37.0
16years and above	16	21.9
Total	73	100.0

Source: Field Survey, 2022

Table 4 shows that 16 respondents representing 21.9% have worked in the organization for 1-5 years, 14 respondents representing 19.2% have worked in the for 6-10 years, 27 respondents representing 37% have work for 11-15 years, while 16 out of the total respondents representing 21.9% have worked for 16 years and above.

Table 5: Position in the organization

Position	Frequency	Percent
Senior staff	40	54.8
Junior staff	33	45.2
Total	73	100.0

Source: Field Survey, 2022

Table 5 shows that 40 respondents representing 54.8% are senior staff, while 33 respondents representing 45.2% are junior staff.

4.2 Data Presentation

The responses to the research instrument of this study is presented in the tables below

Table 6: The pricing objectives of the company include; gaining market position, stimulating demand and position of the product

Option	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	7	9.6	9.6	9.6
Disagree	9	12.3	12.3	21.9
Undecided	4	5.5	5.5	27.4
Agree	21	28.8	28.8	56.2
Strongly agree	32	43.8	43.8	100.0
Total	73	100.0	100.0	

Source: Field Survey, 2022

The analysis of the table 6 above shows that 32(43.8%) the respondents were strongly agreed the pricing objectives of the company include; gaining market position, 21(28.8%) of the respondents were agreed, 4(5.5%) were undecided, 9(12.3%) were disagreed while the remaining 7(9.6%) were strongly disagreed.

Table 7: Demand factors affecting price are; consumer taste, price and availability of substitute products and consumer income

Option	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	3	4.1	4.1	4.1
Disagree	13	17.8	17.8	21.9
Undecided	5	6.8	6.8	28.8
Agree	18	24.7	24.7	53.4

Strongly agree	34	46.6	46.6	100.0
Total	73	100.0	100.0	

Source: Field Survey, 2022

The analysis of the table 7 above shows that 34(46.6%) the respondents were strongly agreed that demand factors affecting price are; consumer taste, price and availability of substitute products and consumer income, 18(24.7%) of the respondents were agreed, 5(6.8%) were undecided, 13(17.8%) were disagreed while the remaining 3(4.1%) were strongly disagreed.

Table 8:The firm’s marketing is related to pricing strategy

Option	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	7	9.6	9.6	9.6
Disagree	9	12.3	12.3	21.9
Undecided	12	16.4	16.4	38.4
Agree	19	26.0	26.0	64.4
Strongly agree	26	35.6	35.6	100.0
Total	73	100.0	100.0	

Source: Field Survey, 2022

The analysis of the table 8above shows that 26(35.6%) the respondents were strongly agreed that the firm’s marketing is related to pricing strategy, 19(26%) of the respondents were agreed, 12(16.4%) were undecided, 9(12.3%) were disagreed while the remaining 7(9.6%) were strongly disagreed.

Table 9: The organization’s pricing strategies have significant influence on customer patronage

Option	Frequency	Percent	Valid Percent	Cumulative Percent
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Strongly disagree	2	2.7	2.7	2.7
Disagree	7	9.6	9.6	12.3
Undecided	3	4.1	4.1	16.4
Agree	17	23.3	23.3	39.7
Strongly agree	44	60.3	60.3	100.0
Total	73	100.0	100.0	

Source: Field Survey, 2022

The analysis of the table 9 above shows that 44(60.3%) the respondents were strongly agreed that the organization's pricing strategies have significant influence on customer patronage, 17(23.3%) of the respondents were agreed, 3(4.1%) were undecided, 7(9.6%) were disagreed while the remaining 2(2.7%) were strongly disagreed.

Table 10: The challenges associated with pricing strategy include; competition, state of the economy, purchase decision, different pricing strategies

Option	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	4	5.5	5.5	5.5
Disagree	3	4.1	4.1	9.6
Undecided	4	5.5	5.5	15.1
Agree	43	58.9	58.9	74.0
Strongly agree	19	26.0	26.0	100.0
Total	73	100.0	100.0	

Source: Field Survey, 2022

The analysis of the table 10 above shows that 19(26%) the respondents were strongly agreed that the challenges associated with pricing strategy include; competition, state of the economy, purchase decision, different pricing strategies, 43(58.9%) of the respondents were agreed, 4(5.5%) were undecided, 3(4.1%) were disagreed while the remaining 4(5.5%) were strongly disagreed.

Table 11: Customers are satisfied with the price of the company’s products

Option	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	7	9.6	9.6	9.6
Disagree	9	12.3	12.3	21.9
Undecided	4	5.5	5.5	27.4
Agree	21	28.8	28.8	56.2
Strongly agree	32	43.8	43.8	100.0
Total	73	100.0	100.0	

Source: Field Survey, 2022

The analysis of the table 11 above shows that 32(35.6%) the respondents were strongly agreed that customers are satisfied with the price of the company’s products, 21(28.8%) of the respondents were agreed, 4(5.5%) were undecided, 9 (12.3%) were disagreed while the remaining 7(9.6%) were strongly disagreed.

Table 12: Customer usually prefer the following class of product/services in crown PZ company

Option	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	3	4.1	4.1	4.1
Disagree	26	35.6	35.6	39.7
Undecided	7	9.6	9.6	49.3
Agree	14	19.2	19.2	68.5

Strongly agree	22	30.1	30.1	98.6
Total	73	100.0	100.0	

Source: Field Survey, 2022

The analysis of the table 12 above shows that 22(30.1%) the respondents were strongly agreed that customer usually prefer the following class of product/services in crown PZ company, 14(19.2%) of the respondents were agreed, 7(9.6%) were undecided, 26(35.6%) were disagreed while the remaining 3(4.1%) were strongly disagreed.

Table 13: The current price of crown PZ product have significant influence on customer patronage of crown PZ

Option	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	3	4.1	4.1	4.1
Disagree	5	6.8	6.8	11.0
Undecided	8	11.0	11.0	21.9
Agree	32	43.8	43.8	65.8
Strongly agree	25	34.2	34.2	100.0
Total	73	100.0	100.0	

Source: Field Survey, 2022

The analysis of the table 13 above shows that 25(34.2%) the respondents were strongly agreed that the current price of crown PZ product have significant

influence on customer patronage of crown PZ, 32(43.8%) of the respondents were agreed, 8(11%) were undecided, 5(6.8%) were disagreed while the remaining 3(4.1%) were strongly disagreed.

Table 14: The company’s retail outlets serve customers need

Option	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	23	31.5	31.5	31.5
Disagree	7	9.6	9.6	41.1
Undecided	3	4.1	4.1	45.2
Disagree	16	21.9	21.9	67.1
Strongly disagree	24	32.9	32.9	100.0
Total	73	100.0	100.0	

Source: Field Survey, 2022

The analysis of the table 14above shows that 24(32.9%) the respondents were strongly agreed that the company’s retail outlets serve customers need, 16(21.9%) of the respondents were agreed, 3(4.1%) were undecided, 7(9.6%) were disagreed while the remaining 23(31.5%) were strongly disagreed.

Table 15: Reasons for customers patronage of crown PZ products include the following; company product price is moderate, quality product, product is readily available

Option	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	8	11.0	11.0	11.0
Disagree	6	8.2	8.2	19.2
Undecided	14	19.2	19.2	38.4
Agree	21	28.8	28.8	67.1

Strongly agree	24	32.9	32.9	100.0
Total	73	100.0	100.0	

Source: Field Survey, 2022

The analysis of the table 15 above shows that 24(32.9%) the respondents were strongly agreed that the reasons for customers patronage of crown PZ products include the following; company product price is moderate, quality product, product is readily available, 21(28.8%) of the respondents were agreed, 14(19.2%) were undecided, 6(8.2%) were disagreed while the remaining 8(11%) were strongly disagreed.

4.2.1 Descriptive Statistics

	X	Std. Dev
The pricing objectives of the company include; gaining market position, stimulating demand and position of the product	3.8	1.36087
Demand factors affecting price are; consumer taste, price and availability of substitute products and consumer income	3.9	1.27751
The firm's marketing is related to pricing strategy	3.7	1.33561
The organization's pricing strategies have significant influence on customer patronage	4.3	1.09898
The challenges associated with pricing strategy include; competition, state of the economy, purchase decision, different pricing strategies	4.0	.99217
Customers are satisfied with the price of the company's products	3.9	1.36087
Customer usually prefer the following class of product/services in crown PZ company	3.6	2.56380
The current price of crown PZ product have significant influence on customer patronage of crown PZ	4.0	1.05373
The company's retail outlets serve customers need	3.2	1.70515
Reasons for customers patronage of crown PZ products include the following; company product price is moderate, quality product, product is readily available	3.6	1.31624

4.2.3 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df2	df2	Sig. F Change
1	.713 ^a	.509	.429	.90353	.509	6.415	10	62	.000

a. Predictors: (Constant), reasons for customers patronage of crown PZ products include the following; company product price is moderate, quality product, product is readily available, Position in the organization, customer usually prefer the following class of product/services in crown PZ company, demand factors affecting price are; consumer taste, price and availability of substitute products and consumer income, the company's retail outlets serve customers need, the current price of crown PZ product have significant influence on customer patronage of crown PZ, the organization's pricing strategies have significant influence on customer patronage, the challenges associated with pricing strategy include; competition, state of the economy, purchase decision, different pricing strategies, the firm's marketing is related to pricing strategy, customers are satisfied with the price of the company's products.

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	52.372	10	5.237	6.415	.000 ^a
	Residual	50.614	62	.816		
	Total	102.986	72			

a. Predictors: (Constant), reasons for customers patronage of crown PZ products include the following; company product price is moderate, quality product, product is readily available, Position in the organization, customer usually prefer the following class of product/services in crown PZ company demand factors affecting price are; consumer taste, price and availability of substitute products and consumer income, the company's retail outlets serve customers need, the current price of crown PZ product have significant influence on customer patronage of crown PZ, the organization's pricing strategies have significant influence on customer patronage, the challenges associated with pricing strategy include; competition, state of the economy, purchase decision, different pricing strategies, the firm's marketing is related to pricing strategy, customers are satisfied with the price of the company's products

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1. (Constant)	2.419	.653		3.707	.000
Position in the organization	-.230	.232	-.096	-.993	.324
demand factors affecting price are; consumer taste, price and availability of substitute products and consumer income	-.370	.131	-.396	-2.831	.006
the firm's marketing is related to pricing strategy	.369	.207	.412	1.780	.080
the organization's pricing strategies have significant influence on customer patronage	.254	.145	.234	1.751	.085
the challenges associated with pricing strategy include; competition, state of the economy, purchase decision, different pricing strategies	.458	.183	.380	2.494	.015
customers are satisfied with the price of the company's products	.293	.244	.333	1.199	.235
customer usually prefer the following class of product/services in crown PZ company	-.127	.052	-.273	-2.457	.017
the current price of crown PZ product have significant influence on customer patronage of crown PZ	-.153	.170	-.135	-.902	.371
the company's retail outlets serve customers need	-.155	.087	-.221	-1.788	.079
reasons for customers patronage of crown PZ products include the following; company product price is moderate, quality product, product is readily available	-.129	.152	-.142	-.848	.400

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1. (Constant)	2.419	.653		3.707	.000
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reasons for customers patronage of crown PZ products include the following; company product price is moderate, quality product, product is readily available	-.129	.152	-.142	-.848	.400

a. Dependent Variable: there is significant impact of pricing strategies and the profitability of ideal crown PZs Ltd Kaduna

4.3 Summary of Findings

The following are the findings of the study:

- i. Pricing objectives of the company include; gaining market position
- ii. Demand factors affecting price are; consumer taste, price and availability of substitute products and consumer income
- iii. that the firm's marketing is related to pricing strategy
- iv. organization's pricing strategies have significant influence on customer patronage
- v. challenges associated with pricing strategy include; competition, state of the economy, purchase decision, different pricing strategies
- vi. customers are satisfied with the price of the company's products
- vii. customer usually prefer the following class of product/services in crown PZ company
- viii. current price of crown PZ product have significant influence on customer patronage of crown PZ
- ix. Reasons for customers patronage of crown PZ products include the following; company product price is moderate, quality product, product is readily available

4.4 Discussion of Findings

Research Question 1: What is the extent to which continuous change in pricing strategy have been adopted by the PZ Nigeria Ltd?

The analysis on table above indicates that pricing objectives of the company include; gaining market position, demand factors affecting price are; consumer taste, price and availability of substitute products and consumer income. This findings in line with Ekundayo, (2012) which found that in order to meet specific objectives, and within the content of factors that influence pricing decision, firms have to adopt some type of economy pricing strategy. For example, a construction firm that is targeting a particular construction market could do this by tendering for such jobs at a low price level. Fellows and Langford, (2010) suggest that firms may adopt low profit level pricing in times of economic recession in order to maintain market share or to penetrate a new market. Skitmore, (2017) also has investigated economy oriented pricing strategies of construction firms submitting bid prices aimed at what the market will bear.

Research Question 2: What is the extent to which low pricing strategy influences consumer purchase decisions at PZ Nigeria Ltd?. The analysis in table shows that current price of crown PZ product have significant influence on customer patronage of crown PZ and the organization's pricing strategies have significant influence on customer patronage. This findings is supported by Besanko and Winston, (2010) that central assumption of price skimming is because each consumer pays a price at or below his or her reservation price, each consumer is satisfied with his or her purchase. However, beyond the purchase decision, there is scant research on consumers' responses to price skimming. Instead, investigations concern firm profit maximization and variables impacting profit maximization, such as diffusion rates, competition and production learning curves (Robinson and Lakhani 2005; Irwin and Klenow, 2004). Thus, although price skimming is widely used by managers and investigated in the economics and strategy literatures, it has received little attention in consumer research.

Research Question 3: What is the extent to which high pricing strategy influences consumer purchase decisions at PZ Nigeria Ltd? The analysis in table shows that reasons for customers patronage of crown PZ products include

the following; company product price is moderate, quality product, product is readily available. Similarly Henard, (2011) observed that the penetration price strategy is realized by setting a relatively low price for the new product aiming at reaching deeper market penetration in the current period and providing, as well as, a greater market share in subsequent periods. This strategy is applied only in the case when the price of demanded product is at the level which provides a sales volume increase. Therefore, in an industry where the considerable part of total costs could be reduced thanks to the economies of scale and experience, the justified penetration pricing application enables the company to realize greater a profit in the market.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.0 INTRODUCTION

This chapter presents the summary of the entire study, conclusion and recommendations.

5.1 Summary

The research is exclusively on the impact of pricing strategies on the profitability with special focus on PZ, Kaduna. The summary of the research are as follows: chapter one of the research project presents the background information, objective, problem and scope. A review of current literature and carried out in chapter two. The subtopics include: concept of pricing, the role and importance of pricing objectives, factors to consider when setting prices, and pricing strategy.

The third chapter presents the methodology of the research. It covers other vital area such as the research design, population sample and sampling techniques, instruments for data collection, administration of instrument, method of data analysis and presentation.

Presentation and analysis of data collected from the staff and customers of PZ operating within KM 25 along Kaduna-Abuja Express Way. The study carried out revealed that PZ provided customers with satisfying products at acceptable prices in a convenient location.

5.2 Conclusion

Pricing strategy is an effective tool used in marketing of PZ products in Nigeria. PZ adopted a penetration pricing strategy at the inception of the company product into the Nigerian market. This pricing strategy has led to the achievement of the company goal in terms of sales volume and expansion of the company market share. These strategy has make PZ to be a strong challenger in the soft drink industry.

5.3 Recommendations

Based on the findings of this research work, the following recommendations would be of great importance.

- i. The management of PZ should always carryout consumer research so as to eliminate customer complaints, and their needs and wants easily.
- ii. Staff needs to be adequately motivated areas of motivation of include pay rise, prompt payment of salaries and incentives to workers, regular promotion.
- iii. The enormous resources of the company should be effectively managed for the overall growth and progress of the company.
- iv. There is the need to keep abreast of the new trend in pricing techniques and strategies by studying the global trend as it affect consumer goods.
- v. The marketing manager of the company should designed an incentive to motivate channel members to carry their products.

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Dept. of Business

Admin

C.B.M.S

Kaduna Polytechnic

P.M.B 2021

Kaduna

Dear Sir/Ma,

LETTER OF INTRODUCTION

I am an undergraduate of Kaduna Polytechnic, as part of the requirement for the award of Higher National Diploma (HND) in Business Administration; I am conducting research on Impact of Pricing Strategies on the Profitability of Nigeria Ideal PZs Ltd.

I will be highly appreciated if you will kindly answer the following questions and tick as appropriate. All information given is purely for academic purpose and will be treated confidential.

Yours faithfully

Elizabeth Sule

(Researcher)

QUESTIONNAIRE

SECTION A: Personal Data

Kindly tick [√] as appropriate in the boxes provided below to show your opinion.

1. Sex
 - a. Male
 - b. Female
2. Education qualification
 - a. SSCE
 - b. ND/NCE
 - c. B.Sc/HND
3. Respondent age distribution
 - a. 18-24
 - b. 25-30
 - c. 40 and above
4. Years of experience
 - a. 1-5 years
 - b. 6-10 years
 - c. 11-15 years
 - d. 16 years and above
5. Position in the organization
 - a. Senior staff
 - b. Junior staff

SECTION B: Questionnaire

Please tick where appropriate

1. The pricing objectives of the company include; gaining market position, stimulating demand and position of the product.

a. Strongly Agree []

b. Agree []

c. Undecided []

d. Disagree []

e. Strongly Disagree []

2. Demand factors affecting price are; consumer taste, price and availability of substitute products and consumer income.

a. Strongly Agree []

b. Agree []

c. Undecided []

d. Disagree []

e. Strongly Disagree []

3. The firm's marketing is related to pricing strategy.

a. Strongly Agree []

b. Agree []

c. Undecided []

d. Disagree []

e. Strongly Disagree []

4. The organization's pricing strategies have significant influence on customer patronage.
- a. Strongly Agree []
 - b. Agree []
 - c. Undecided []
 - d. Disagree []
 - e. Strongly Disagree []
5. The challenges associated with pricing strategy include; competition, state of the economy, purchase decision, different pricing strategies.
- a. Strongly Agree []
 - b. Agree []
 - c. Undecided []
 - d. Disagree []
 - e. Strongly Disagree []
6. Customers are satisfied with the price of the company's products.
- a. Strongly Agree []
 - b. Agree []
 - c. Undecided []
 - d. Disagree []
 - e. Strongly Disagree []
7. Customer usually prefer the following class of product/services in PZ company.

- a. Strongly Agree []
 - b. Agree []
 - c. Undecided []
 - d. Disagree []
 - e. Strongly Disagree []
8. The current price of PZ product have significant influence on customer patronage of PZ.
- a. Strongly Agree []
 - b. Agree []
 - c. Undecided []
 - d. Disagree []
 - e. Strongly Disagree []
9. The company's retail outlets serve customers need.
- a. Strongly Agree []
 - b. Agree []
 - c. Undecided []
 - d. Disagree []
 - e. Strongly Disagree []
10. Reasons for customers patronage of PZ products include the following; company product price is moderate, quality product, product is readily available.
- a. Strongly Agree []

- b. Agree []
- c. Undecided []
- d. Disagree []
- e. Strongly Disagree []