

**ANALYSIS OF SALES PROMOTION AND REFERRAL MARKETING STRATEGIES  
EMPLOYED BY THE CHRISTOPHERS FOODS AND EVENTS**

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**ABSTRACT**

*As the literature has shown that sales promotion and referral marketing are two major promoters of efficient business operations, especially for entrepreneurs which can help customers reap the rewards of their efforts in diverse ways, this thesis analysed the sales promotion and referral marketing strategies employed by The Christophers Foods and Events, an emerging catering and events planning business in South-East Nigeria. The thesis employed the quantitative research design which is specifically a descriptive Survey to sample the respondents in south east Nigeria who are the customers of The Christophers Foods and Events Services. With the population of the states in Nigeria's southeast geopolitical zone being 16, 395,555, a random sample of 384 customers was surveyed. The analysis focused on the level of patronage of The Christophers Foods and Events' services, how sales promotion influence the customer choice of the services, whether referral marketing was also a factor in customer choice of the services and any other factors that influence the customer choice of The Christophers Foods and Events Services. The results of this study indicate that Christophers Foods and Events enjoy strong patronage within its sphere of operations. The results from this study also provide clear evidence that Discounts appear to be the most compelling type of sales promotion for driving trial and patronage. Several results indicate referral marketing through word-of-mouth and recommendations has impacted customers' choice of The Christophers Foods and Events. Referrals and word-of-mouth have been instrumental in driving awareness, trial, and choice of The Christophers Foods and Events for a majority of its customers. In addition to sales promotions and referral marketing, the data indicates customers' choice of The Christophers Food and Events is influenced by other factors including location, pricing, food quality, customer service, ambience, reputation, and events programming. However, the findings also indicate that other factors, such as location, pricing, food quality, customer service, ambience, reputation, and events programming, also play an important role in customer choice. The study concludes that sales promotions and referral marketing are effective tools for driving trial and re-patronage in the restaurant industry. Based on these findings, the study recommends that restaurant owners and marketers should consider using a variety of marketing tactics to reach their target customers and create a positive and memorable dining experience. This includes offering attractive sales promotions, leveraging word-of-mouth referrals, and focusing on the overall quality of the restaurant's food, service, and atmosphere.*

**Keywords:** Sales, Sales Promotion, Referral Marketing, The Christophers Food and Events.

## **Introduction**

Existing studies have shown that sales promotion can encourage behavioural responses such as brand loyalty, strategic management of sales, brand switching, purchase acceleration and several others (Effiong, Effiom, Ernest & Arikpo, 2018; Ayele, Wonsha & Asefa, 2022; Imaya, & Padhmanaban, 2015). It has been established in the literature that Sales promotion is the direct way an organization attempts at reaching its market and is usually performed through the five elements of promotion mix, i.e. advertising, sales promotion, personal selling, public relations, and direct marketing (Czinkota & Ronkainen, 2004). It can encompass the delivery of messages to target customers with the aim of building brand awareness, creating favorable brand attitudes, gaining market share, inducing buying, building brand loyalty and increasing sales. However, referral marketing has unique advantages of credibility of friend/family member recommendations over paid advertisements, access to new customers that traditional marketing programs may not reach, and better matching of referred customers' needs to a good or service (Barry, 2016). These can promote entrepreneurship and business activities given the persistent increase in youth unemployment in Nigeria. As sales Promotion remains the widely used component of the promotion mix, others being personal selling, direct marketing, publicity and advertising (Ayele, Wonsha & Asefa, 2022), an analysis of this activity, alongside the referral marketing strategies is imperative.

Given the limited studies addressing the sales promotion and referral marketing strategies within the Nigerian context, there is still a gap in how the sales promotion and referral marketing strategies employed by a Nigerian based Food and events enterprise. This study therefore looked at the sales promotion and referral strategies employed by The Christophers Foods and Events. Although there are researches conducted on the effect of promotional tools, there is little evidence to suggest that a research has been conducted on the subject matter of sales promotion and referral marketing as it relates to a named Food and Drinks organisation. This necessitates researching the subject matter, the result of which can be used to establish the extent to which sales promotion and referral marketing help to attract and retain customers. Therefore, this thesis considered the gap created by the limited scope of previous researches by analyzing the sales promotion and referral marketing strategies employed by The Christophers Foods and Events.

The coverage of this study entails the subject area, the respondents and the study area. The subject area that will be covered is advertising with particular focus on sales promotion and referral marketing. The respondents are the customers who are within The Christophers Foods and Events' sphere of influence in southeast Nigeria. The study covers the period of January to June, 2023, being the period when data was collected and analysed by the researcher and also the period when The Christophers Foods and Events services became more popular among the customers.

This study is relevant because there is the need to understand the business strategies being employed by burgeoning businesses and how well or not they are doing. Learning this may help to encourage other upstart entrepreneur to take their chance. This study therefore would contribute to the literature on the use of business strategies by young entrepreneurs to achieve business goals. Since it would be made public online after undergoing intellectual scrutiny, the study's results would be available to policy makers to help their decision-making in the area of programmes that are tailored to encourage entrepreneurship among young Nigerians.

## **The Problem**

In a capitalist society like Nigeria, the economic environment is well-suited for small and medium enterprises like eateries, restaurants, fast food or the food service industry as a collective to thrive. The issue of patronage is usually encountered at the outset of the operation of such businesses. In the emerging business scenario various promotional techniques or strategies are used to influence the purchase decision of consumers (Effiong, Effiom, Ernest & Arikpo, 2018), and to see to the survival/success of such businesses. These strategies include the use of sales promotion and referral marketing. It may be taken for granted that sales promotion and referral marketing invariably help start-up enterprises to thrive in a sustainable way, but the question is: how true is this, empirically speaking? Sales promotions, a key element of promotional mix has

been widely used to sustain competitive advantage, increase sales and stimulate consumer purchase decision, thus becoming a valuable tool for marketers to influence purchase decision (Effiong, Effiom, Ernest & Arikpo, 2018). Referral marketing also has some unique advantages which include greater credibility of friend/family member recommendations over paid advertisements, access to new customers that traditional marketing programs may not reach, and better matching of referred customers' needs to a good or service (Barry, 2016). Many organizations or outlets have missed the opportunities of sales increment due to inability to apply the right sales promotion techniques at appropriate time and season. The potential harm of disregarding the need for sales promotion is that the organization may collapse, its employment opportunities destroyed and income generation, in a dwindling situation. Therefore, this study interrogates the sales promotion and referral marketing strategies of The Christophers Foods and Events.

### **Purpose/ Specific Objectives**

The purpose of this study is to analyse the sales promotion and referral marketing strategies employed by The Christophers Foods and Events. The specific objectives of the study, therefore, are to:

1. Ascertain the level of patronage of The Christophers Foods and Events services, among customers within its sphere of operations.
2. Determine the extent to which sales promotion enhance the choice of The Christophers Foods and Events among customers in its sphere of operations.
3. Determine whether referral marketing is a factor in customers' choice of The Christophers Foods and Events.
4. Ascertain whether there are factors other than sales promotions and referral marketing that influence the choice of The Christophers Foods and Events among customers.

### **Literature**

#### **The Concept of Sales Promotion**

Sales promotion is the offer of an incentive to induce a desired sales result (Gilbert & Jackaria, 2002). It is the media or non- media marketing pressure applied for a pre-determined, limited period at the level of consumer, retailer or wholesalers in order to stimulate trials, increase consumer demand or improve product availability (Kotler, 2003). According to Churchill and Peter (1995), sales promotion is designed to produce quick results that will not only boost sales in the immediate future, but will translate to loyal customers in the long run. Sales promotion may also consist of some kinds of incentives that encourage the purchase or sales of a product or service. As sales promotion can help achieve sales and inspire the customer, it is traditionally divided into two categories (Kotler, 2003). There are those that have immediate reward and those that have delayed reward; Immediate reward promotions are offers that provide a benefit immediately such as bonus pack, price reduction on calls, and free airtime among others while delayed reward promotions defer the benefit of the promotions and usually require the target consumers to do something before they receive the reward of the promotions (Ayele, Wonsha & Asefa, 2022). This can take the form of raffle draws, refund offers that require proof of purchase etc. These show that at the consumer level, sales promotion usually takes the form of coupons, free samples, rebates, sweepstakes or additional quantities and is usually done together with other elements of the promotional mix that is advertising, public relations, direct marketing or personal selling. Besides, Sales promotion has three distinctive characteristics; Communication, Incentives, and Invitation (Kotler, 2003). Communication gains attention and usually provides information that may lead the consumer to the product or service, the Incentive incorporates some concession, inducement, or contribution that gives value to the consumer whereas Invitation includes a distinct invitation to engage in the transaction now (Sam & Buabeng, 2011).

Sales promotion therefore incorporates a direct inducement whereby an extra value or incentive for the product are offered to the sales force, distributors, or the final consumer with the primary objective of creating an immediate sale, also involving marketing activities that stimulate consumer purchasing and dealing effectiveness, such as displays, shows and exhibitions, demonstration and various non- recurrent efforts not in the ordinary routine (Effiong, Effiom, Ernest & Arikpo, 2018; Ayele, Wonsha & Asefa, 2022). One may also define sales promotion as those promotional activities (other than advertising, personal selling,

and publicity) that are intended to stimulate customers demand and to improve middlemen's marketing performance.

Hence, Sales promotion is a key ingredient in marketing campaigns, which consists of a collection of incentive tools, mostly short term, designed to stimulate quicker or greater purchase of particular products or services by consumers. Whereas advertising offers a reason to buy, sales promotion offers an incentive to buy. Sales promotion includes tools for consumer promotion thus: samples, coupons, cash refund offers, prices off, premium, prizes, patronage rewards, free trials, warranties, tie-in promotions, cross promotion, point of purchase displays, and demonstrations (Kotler, 2003). In view of these, sales promotion can refer to the non-recurring and short-term sales activities designed to increase purchase of goods and services. These imply that Sales promotion tools vary in their specific objectives. This is because sellers can use incentives type promotion to attract new buyers, reward loyal customers, and increase the repurchase rates of occasional users.

Moreover, customers are exposed daily to a nearly infinite amount of promotional messages; many marketers are discovering that advertising alone is not enough to move members of a target market to take action, such as getting them to try a new product. Instead, marketers have learned that to meet their goals they must use additional promotional methods in conjunction with advertising. *Sales promotion includes these activities, which enhance and support mass selling and personal selling and which help compete and/or coordinate the entire promotional mix and makes the marketing mix more effective* (Bhavika, 2022).

Therefore, Sales promotion consists of all those activities whose purpose is to supplement, to coordinate and to make more effective efforts of the sales force, to increase sales and otherwise stimulate consumers to take greater initiative in buying. Anecdotal evidence contends that Sales promotional tools like prices-off deals, premium offers, discounts, etc. reduce the price of the product when purchased on notified occasions and increase the consumers buying confidence. Studies have also shown that price discounts are particularly effective in inducing purchase acceleration and product trial (Gilbert & Jackaria, 2002). In the USA, Krishna and Zhang (1999) observed that coupons and discounts are the most widely used sales promotional tools in the grocery products industry. However, the more price-conscious the consumer, the more positive was his/her attitude towards a coupon (Huff & Alden, 1998). "Buy-one-get-one-free" promotions may be offered to shoppers at the regular price, thus adding value to the product. Since an additional amount is given for free, consumers may be persuaded to buy the product. This means consumers must compare and evaluate the additional quantity received with respect to any costs they may incur (Ayele, Wonsha & Asefa, 2022). Thus, Sales promotion can also be seen as an organized efforts applied to the selling job to secure the greatest effectiveness for advertising and for dealer's help. Sales promotions in marketing of high brand similarity can produce a high sales response in the short run (Effiong, Effiom, Ernest & Arikpo, 2018). They also promote greater consumer awareness of prices, help manufacturers sell more than normal and adapt programmes to different consumer segments. Service marketers also employ sales promotions to attract new customers and establish loyalty (Xia, & Monroe, 2004).

These show that Sales promotion is an important component of a promotion campaigning programme. It can be specific tool of the marketing strategy of an enterprise. Because of increasing level of competition and costs of advertisement, producers largely use this technique as a promotional tool. Sale promotion techniques are not only useful to the producers and distributors, but also are useful to consumers.

The literature revealed that the term sales promotion covers a wide range of activities intended to provide a short-term increase in sales. It is instructive to note that some sales promotions are aimed at retailers, some are aimed at consumers, others are aimed at wholesalers, but in all cases the intention is to provide an extra incentive to buy a specific brand or product range.

### **The Concept of Referral Marketing**

Berman (2016) opines that referral marketing is a word-of-mouth initiative designed by a company to incentivize existing customers to introduce their family friends and contacts to become new customers. Shannon (2021) holds that referrals are a proven way to generate high-quality sales leads for your business. If done right, they can become a powerful sales engine and help you improve your close rate. For emerging food and event enterprises, strategic referral marketing can exponentially grow visibility and trials through

viral, trust-based promotion. Referral marketing leverages satisfied customers to promote products or services through word-of-mouth advocacy and recommendations to their social or professional networks (Kumar et al., 2010). This organic, peer-to-peer sharing of positive experiences and endorsements provides a highly credible form of promotion. For burgeoning businesses lacking brand recognition, referral marketing through customer evangelism generates vital awareness and trials cost-effectively. In the food and events industry, patron satisfaction and engagement drives referrals. Unique dining experiences, high service quality and relationship-building foster brand advocacy. Referral incentives like discounts for sharing experiences online or bringing friends encourage organic promotion. Opinion leaders and bloggers with wide follower bases may be targeted to launch buzz around a new offering. Strategic partnerships with complementary businesses also enable cross-referrals (Sneath *et al.*, 2005). However, reliance solely on word-of-mouth has risks. Businesses must deliver exemplary service quality and experiences to mitigate damaging complaints. Tactical use of sales promotions along with referrals helps attract initial customers. Furthermore, data analysis is vital to quantify referral traffic and optimize spending on incentives.

There has also been little academic research on when referral rewards should be used or the optimal design of referral programs (Xiao, Tang, & Wirtz, 2011). Misner (1999) describes referral marketing as the world's most effective, yet least understood marketing strategy. Referral marketing is a cost-effective way of promoting a business since it relies on existing customers to bring in new customers. Referral marketing builds trust between a business and potential customers. Major advantages of referral marketing programs as compared with traditional marketing programs include greater credibility of friend/family member recommendations over paid advertisements, access to new customers that traditional marketing programs may not reach, and better matching of referred customers' needs to a good or service (Barry, 2016). For instance, when customers of The Christophers Foods and Events, recommends someone they know, such persons are more likely to trust the business and become a customer. Many referral programs involve services, since personal referrals work well for some businesses (Barrot, Becker, & Meyners, 2013). Referral programs are also particularly suitable for firms that sell high-risk goods and services (e.g., those that cannot be used on a trial basis or that have high safety or performance risk), for small firms with limited marketing budgets, and for niche markets where traditional promotions cannot effectively reach the target audience. The use of referral marketing programs should increase significantly due to the heightened popularity of social media, the greater use of customer databases by firms, and the growing number of firms available to outsource referral programs.

It is also worthy of note that referral marketing has a higher conversion rate than other marketing strategies since customers are more likely to make a purchase when a product or service is recommended from someone they know and trust. In the process, could be Customer retention by incentivizing them to refer new customers which increases customer loyalty and helps to build long-term relationships.

Apart from helping to increase brand awareness and customer engagement, referral marketing is an important strategy for any business looking to expand market reach, identify and target loyal customers and grow its customer base and build a strong brand by connecting with the target customers anytime which allows for the use of a relationship marketing strategy. In this situation, Customers are very careful about the product or the brand they use, and they usually preferred authentic and honest brands, enabling organizations to establish a long-term relationship with the consumer. Referral marketing helps an organization to drive conversation and boost marketing return on investment (ROI).

These suggest that referral marketing can generate high-quality leads that are more likely to convert into customers and from trusted sources, such as colleagues and peers. Referral marketing can also increase the trust and credibility of a business.

By incentivizing referrals, encouraging word-of-mouth marketing, and highlighting customer testimonials, you can generate high-quality leads that are more likely to convert into customers. So, take the time to develop a successful referral marketing program for your business, and watch your leads and conversions grow.

Referral marketing relies on motivating satisfied/ delighted customers as a referral base, seeking current customers that can provide referrals with a high lifetime value, using referral-based marketing programs to

augment traditional promotions, and developing a compensation system for referrals based on either direct payment or increased visibility (Barry, 2016).

Customer referral programs are marketer-directed, word-of-mouth initiatives that entice existing customers to attract friends, family members, and business contacts to become new customers (Kumar, Petersen, & Leone, 2010). Unlike pure word-of-mouth programs, which are customer initiated, referral programs are marketer directed (Barry, 2016). Marketers often prefer using customer referral programs as opposed to pure word of mouth due to the ability to use incentives to stimulate referrals and to have greater control over message content (Barry, 2016). There are two types of referral programs: one in which existing customers are paid an incentive, and another in which current customers work without pay on presentations, case histories, and user forums; the second program benefits the referrer by increasing visibility, heightening his or her recognition as a specialist, and/or gaining special treatment from a supplier/vendor (Lee, 2012b).

However, both programme types share common characteristics. They are initiated, managed, and at least partially controlled by the marketer. They use the social connections of existing customers with their friends, family, and business associates, they focus a firm's marketing efforts on existing customers as opposed to new customers and the referring customer receives an incentive in each program type, either via direct or indirect payments (Barry, 2016).

Direct payments can come in several forms, such as cash, points in a loyalty program, miles, free goods and services, or donations to a nonprofit organization in the name of the recommending party. In the indirect payment type, the referrer may receive recognition as an expert or may be given the opportunity to serve on a company advisory board (Schmitt, Skiera, & Van den Bulte, 2011). Despite the widespread use of referral marketing, few studies have examined the value of word of mouth on referral behaviour or how referral-based information can be used to more effectively secure new customers (Kumar et al., 2010).

It can also be argued that referral marketing is a powerful tool that can help someone to leverage on existing customers and fan base to build relationships with new ones whereby businesses encourage customers to recommend their services, products or experiences to other people. This can also be conceived as a very deliberate strategy involving incentives and rewards in exchange for successful referrals. These suggest that the dual factors of both the referral marketing and sales promotion can be considered as the major drivers and promoters of efficient business operations, especially for entrepreneurs. The two factors can help businesses or entrepreneurs become more successful and can customers reap the rewards of their efforts in diverse ways. As the literature has suggested that there is wide usage of referral marketing by businesses across the globe, there is need for more research on referral marketing strategies among businesses or organizations within the Nigerian context.

### **The Christophers Foods and Events**

The Christophers Foods and Events basically renders an outdoor food services, also known as catering services. The company has its specialty in cooking for events such as funeral, wedding, parties, housewarming, child dedication, and other kinds of outdoor events. The general nature of the business involves catering, events management and merchandise. The Christophers Foods and Events was established on the 17<sup>th</sup> October, 2021 by Mr. Odukwe Ebuka Christopher, and was an officially registered business under the Companies and Allied Matters Act 2020 on the 1<sup>st</sup> day of December, 2021. The Christophers Foods and Events is situated at No 696 Ozubulu Road, Inyaba Umudim Nnewi, Anambra State. Within its short history, The Christophers Foods and Events has built a reputation for reliable and satisfactory service delivery to its customers. The company's business strategies are centered on referral marketing and sales promotion. Personnel from the company usually distribute flyers and free The Christophers Foods and Events' T-shirts at events. This start-up business would also sometimes cook for some organizations free of charge as a way of promoting the services of the company.

The business strategies that often help food services start-up include referral marketing and sales promotion (Suttle, 2019). Referral marketing in the food services industry is a programme that targets new customers. Once a food services company is able to discover what their customers love about their business, a referral programme is used to get them talking about it to others (Curie, 2018). Sales promotion include the use of

free items, pricing, delivery, community activities as strategies to promote the business activities of a food services company (Kemp, 2022).

### **Review of Empirical Studies**

Imaya, and Padhmanaban (2015) conducted an empirical study on sales promotional strategies for wooden furniture in Tamil Nadu State in India. The objectives of the study were to examine the effectiveness of various sales promotional measures adopted by wooden furniture manufacturers and dealers in the study area. Primary and secondary data were sourced from wholesalers, retailers and customers available in the selected districts of Tamil Nadu State, and relevant web enabled services, journals, magazines, and newspapers respectively. The study utilised judgmental sampling design and data estimation was done using simple average, standard deviation, F-test, T-test, ANOVA statistics. The study established a significant relationship between sales promotions strategies and sales volume, in such that industries are taking more steps to promote their sales volume. The study however concluded that the unorganized wooden furniture sector was not able to give sufficient sales promotional strategies due to lack of proper segments. This study was carried out in India and focused on the wooden furniture in Tamil Nadu State but the current study is domesticated in Nigeria and focused on The Christophers Foods and Events.

Effiong, Effiom, Ernest & Arikpo (2018) looked at the strategic management of sales promotion techniques on products consumers of selected retail outlets in Calabar Metropolis, Cross River State, Nigeria. The study adopted the survey research design while the stratified random and judgmental sampling were used in the sample selection. The one way ANOVA and multiple regression analysis were adopted for data estimation. The study established that there is significant effect of free sample on products consumers in selected retail outlets in Calabar Metropolis. The study recommended that Retailers should endeavor to engage in sales promotions strategies vigorously as this would promote sales volume in order to obviate expiry date of some products on the shelf. The study also recommended that offering free products to consumers and charging a token should be discouraged, as this practice disenchant many consumers and impairs brand loyalty. This work looked at the strategic management of sales promotion techniques on products consumers of selected retail outlets in Calabar Metropolis, Cross River State, Nigeria but the current study was conducted within the South East part of Nigeria.

Akunne and Chinedu (2019) aimed at assessing the impact of event entrepreneurship on employment creation in the South-South region of Nigeria, in the quest for national development. 327 copies of questionnaire were used to generate data from respondents. The hypotheses raised was tested using Spearman's rank correlation coefficient, the results revealed that event entrepreneurship has a positive impact on employment creation.

Njelita and Anyasor (2020) assessed the product and seller factors including menu quality, price fairness, personnel quality, restaurant image, restaurant's atmosphere, customer trust, and customer loyalty that drive customer loyalty and patronage in quick service restaurants in Nigeria, using Awka capital territory of Anambra State as a case. Survey research design was adopted in which 399 patrons were sampled. The study found a significant positive relationship between price fairness, food quality, firm's personnel quality, customer trust, restaurant image, and restaurant's atmosphere and customer loyalty. Positive relationship was also found between customer loyalty and customer patronage.

Bocken, Morales and Lehner (2020) explored how sufficiency business strategies, focused on moderating consumption levels, can be implemented in the food industry to curb demand and thereby overall resource consumption. First, a literature and practice review was conducted to create a conceptual framework for sufficiency business strategies in the food industry. Second, a case study approach was taken to explore the application of sufficiency strategies at Oatly, a company offering plant-based alternatives to dairy. The study found that sufficiency implied consumption moderation.

Dean, Leo, Triyuni and Suhartanto (2022) evaluates young customer trust toward online food service (OFS) during the COVID-19 pandemic through the combined lenses of valence theory and the quality-based behavioral model. Data from 404 respondents were gathered from young customers in Indonesia using an online survey. The results from the data analysis process, employing partial least squares structural equation modeling, note that the incorporation of valence theory and the quality-based behavioral model improves

the prediction of customer trust. The results also note that perceived benefits, food quality, and application quality are the notable determinants of trust. Finally, this research did not find differences in the construct relationships between gender sub-groups, suggesting that the model and results apply to both young men and women.

Umar and Abdulmutallib (2022) investigated sales promotion as a tool for improving customer-based brand equity by business organizations within Kano metropolis. The study is conceptual. It concluded that sales promotion as a promotional tool had a significant improvement on customer-based brand equity in Kano metropolis. Similarly, Diyaolu, Adeleke and Rasheed (2022) investigated the effect of sales promotion tools such as free sample, rebate, contest and price discount on customer patronage of the selected Food and Beverages Companies in Lagos State, Nigeria. Findings revealed that sales promotion tools significantly affect customer patronage in the selected Food and Beverages Companies in Lagos State, Nigeria.

Ayele, Wonsha & Asefa (2022) studied the effect of sales promotion in brand loyalty in Commercial Banks in Hawassa, Ethiopia. They adopted a quantitative research approach and a descriptive and explanatory study design. The population of the study was the customer of four commercial banks (Commercial bank of Ethiopia, Awash bank, Bank of Abyssinia and Dashen bank) that are located in Hawassa city. The researchers selected 384 respondents from commercial bank of Ethiopia using a purposive sampling technique to draw the sample from them. The descriptive statistics and Multiple Linear regression was used to analyze the general trends of the data and these were presented in tables. The study concludes that sales promotion in brand loyalty dimensions are interrelated with each other and all the dimensions are strong positively related to the overall and sales promotion in brand loyalty. The study highly recommend that Increase market share is the best determinant factor for effect of sales promotion in brand loyalty. As this study basically examined the effects of sales promotion in brand loyalty, the current study was able to bring out and analyse the sales promotion and referral marketing strategies employed by The Christophers Foods and Events.

These empirical studies exhibit substantial gaps as most of them employ quantitative survey methodology to assess economic, governmental, and promotional factors influencing entrepreneurship, business activity, and marketing strategies in Western and Asian countries. While these provide valuable insights, the dearth of empirical research focused on Nigerian startups in the food and events sector points to clear gaps in the literature. Specifically, there is limited empirical examination of how Nigerian food service and event management enterprises with limited brand awareness and marketing budgets comparative to established corporations can optimally utilize sales promotion tactics and viral referral marketing to promote their niche offerings, rapidly generate customer trials and loyalty, and efficiently pursue ambitious growth goals amid competitive entrepreneurial conditions. Although few empirical studies analyze Nigerian SMEs, none focus specifically on specialized sales and referral marketing strategies tailored for food and event sector upstarts in the Nigerian context. Furthermore, the existing body of scholarship lacks a robust quantitative evidence base needed to holistically determine the efficacy and return on investment of sales promotions and referral marketing channels for enabling Nigerian food service and event enterprises to successfully establish their brands, build customer bases, and carve out a sustainable niche.

### **Theoretical Framework**

The Engel Kollat Blackwell Model of Consumer Behaviour. This study is anchored on The Engel Kollat Blackwell Model of Consumer Behavior (Osei & Abenyin, 2016). The Engel Kollat Blackwell Model is a consumer behavior model of the cognitive process that helps to predict what customers are going to buy. The model consists of three different categories, namely: **Present Situation** – this is where the customer is at the current moment, **Desired State** – this is where the customer wants to be in the future and it will help them achieve their goals, and **Pathway for Movement from one state to another** – this includes various steps that may include various products or services which can help move towards their desired state. EKB model was created in 1968. Later this model went through several revisions, updates, and improvements to become the Engel, Blackwell, and Miniard Model (EBM) in the 1990s.

The model consists of five stages namely: Information input, Information processing, Decision process stage, Decision process variables, and External influences.





Figure 1: EKB model of Consumer Behavior

The study therefore analysed the Sales promotions and referral marketing strategies employed by The Christophers Foods and Events' customers against the backdrop of the five stages of The Engel Kollat Blackwell Model of Consumer Behaviour as presented above.

### **Methodology**

The survey design was used for this study, since the study is focused on analyzing sales promotion and referral marketing against the backdrop of customers' patronage of The Christophers Foods and Events. Quantitative Research design was employed which is only a descriptive Survey. The area of study is the Southeast geo-political zone is one of the six geo-political zones in Nigeria. The zone is made up of five states, Abia, Anambra, Ebonyi, Enugu and Imo with the population of 16,395,555 (according to the 2006 National Census). We used the calculations of Meyer (1973) to arrive at our sample size of 384 people. Meyer (1973) suggests that a sample of 384 could do for a population above 500,000. Since our population of 16, 395,555 is above 500,000, a sample size of 384 was used. A structured and 23 item questionnaire was used as the data collection instrument.

### **Results**

#### **Level of Patronage of The Christophers Foods and Events**

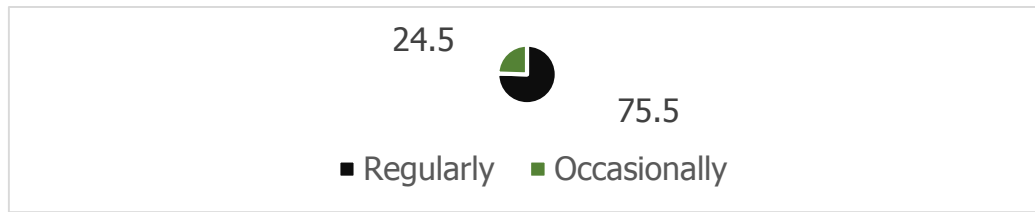


Figure 2: How frequently The Christophers Foods and Events is visited  
 This figure depicts how frequent the respondents visit *The Christophers Foods and Events*. This showed that an overwhelming majority constituting 75.5% (290 individuals) who had visited regularly, while in contrast, a paltry 24.5% (94 people) were occasional visitors.

Table 1: How frequently The Christophers Foods and Events is chosen

Variable	Frequency	Percent
Very frequently	107	27.9
Frequently	208	54.2
Occasionally	69	18.0
<b>Total</b>	<b>384</b>	<b>100.0</b>

This table illustrates how often The Christophers Foods and Events were selected. An impressive 54.2% (208 individuals) chose it frequently. Additionally, 27.9% (107 people) opted for it very frequently for a cumulative overwhelming 82.1% majority. In contrast, a meagre 18% (69 individuals) only occasionally picked the establishment.

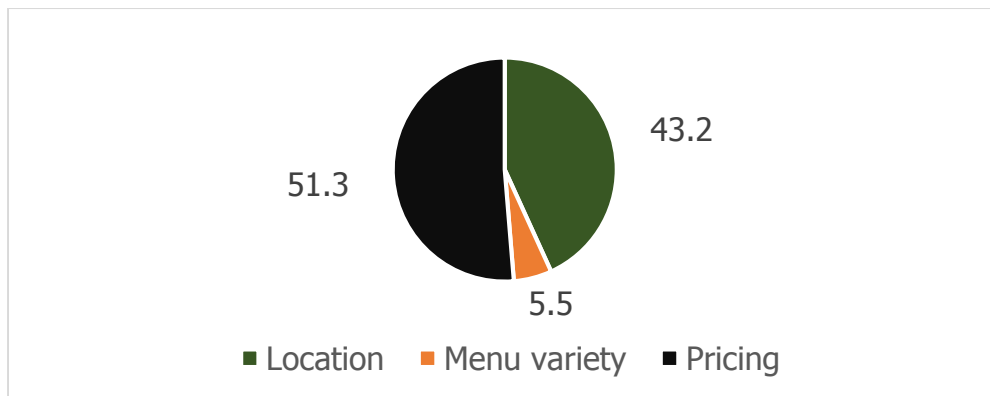


Figure 3: Factors that Influence Respondents' Choice of The Christophers Foods and Events

This figure depicts the influential factors for selecting The Christophers Foods and Events. Pricing emerged as the dominant reason, swaying an impressive 51.3% or 197 individuals. Location attracted the second largest share of 43.2% (166 respondents). In contrast, a paltry 5.5% (21 people) prioritized Menu variety.

### How Sales Promotion Promote the Choice of The Christophers Foods and Events Services

Table 1: Respondents' source of awareness of The Christophers Foods and Events

Variable	Frequency	Percent
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Social Media	212	55.2
word-of-mouth	172	44.8
<b>Total</b>	<b>384</b>	<b>100.0</b>

This table illustrates the prominent sources of awareness about The Christophers Foods and Events for respondents. An impressive majority, comprising 55.2% (212 individuals) credited Social Media. Nonetheless, Word-of-Mouth still attracted a substantial 44.8% share or 172 people.

Table 2: How Sales promotion influenced Respondents' Decision

Variable	Frequency	Percent
Extremely influential	62	16.1
Very influential	232	60.4
Influential	90	23.4
<b>Total</b>	<b>384</b>	<b>100.0</b>

This table depicts the influence of sales promotions on respondents' decisions regarding The Christophers Foods and Events. An overwhelming majority comprising 60.4% (232 individuals) claimed it was very influential. Additionally, 16.1% (62 people) considered it extremely impactful for a massive 76.5% combined. In contrast, a mere 23.4% (90 individuals) rated promotional activities as only influential.

Table 3: Sales Promotion found appealing to Respondents

Variable	Frequency	Per cent
Discounts	203	52.9
Loyalty programs	71	18.5
Free customized The Christophers Foods and Events gifts	110	28.6
<b>Total</b>	<b>384</b>	<b>100.0</b>

This table illustrates the sales promotions respondents found most appealing for The Christophers Foods and Events. According to the responses, discounts emerged as the clear frontrunner, appealing enormously to 52.9% (203 individuals). Free customized gifts drew a sizeable 28.6% (110 people). In contrast, a minority of 18.5% (71 individuals) reported a preference for Loyalty programs.

Table 4: Percentage of Respondents who visited The Christophers Foods and Events because of sales promotions

Variable	Frequency	Per cent
Yes	384	100.0

This table depicts an unequivocal outcome for respondents visiting The Christophers Foods and Events attributable to sales promotions. In an unambiguous unanimous result, a complete 100% of the respondents claimed promotional activities had influenced their patronage.

### Whether Referral Marketing is a Factor in Customer' Choice of The Christophers Foods and Events Services

Table 5: Respondents who got a referral

Variable	Frequency	Percent
Yes	384	100.0

This table illustrates that a definitive 100% of the respondents had been referred to The Christophers Foods and Events by a friend, family member, or colleague.

Table 6: Respondents' likelihood to trust recommendations

<b>Variable</b>	<b>Frequency</b>	<b>Percent</b>
Extremely likely	64	16.7
Very likely	320	83.3
<b>Total</b>	<b>384</b>	<b>100.0</b>

This table illustrates the likelihood of respondents trusting recommendations about The Christophers Foods and Events. An overwhelming majority constituting 83.3% (320 individuals) stated they were very likely to do so. Additionally, 16.7% (64 people) reported being extremely likely for an emphatic cumulative figure of 100%.

Table 7: Respondents' perception of the impact of referral marketing

<b>Variable</b>	<b>Frequency</b>	<b>Percent</b>
Yes	384	100.0

The response in this table showed a singular outcome whereby a unanimous 100% of the respondents believed the referral marketing for The Christophers Foods and Events made an influence.

Table 8: Respondents who recommended The Christophers Foods and Events to others

<b>Variable</b>	<b>Frequency</b>	<b>Per cent</b>
Frequently	256	66.7
Occasionally	128	33.3
<b>Total</b>	<b>384</b>	<b>100.0</b>

This table illustrates the levels at which respondents recommended The Christophers Foods and Events to others. An impressive majority of 66.7% (256 individuals) stated they frequently made referrals. In contrast, a sizeable yet smaller minority of 33.3% (128 people) only occasionally recommended it.

**Factors, other than Sales Promotion and Referral Marketing, that Influence the Choice Of The Christophers Foods and Events’ services**



Figure 3: Other factors influencing the respondents besides sales promotion and referral marketing

Figure 3 depicts other factors beyond sales/referral marketing that influenced respondents. Food quality emerged as the dominant consideration, swaying 37.5% (144 individuals). Customer service narrowly followed with a sizable 33.3% (128 people). In smaller minorities, Location appealed to 16.7% (64 respondents) and Ambience/Pricing to only 6.2% each (24 individuals each).

Table 9: Likelihood of respondents recommending The Christophers Foods and Events

Variable	Frequency	Per cent
Very likely	160	41.7
Likely	224	58.3
<b>Total</b>	<b>384</b>	<b>100.0</b>

Table 9 displayed results for the likelihood of respondents to recommend The Christophers Foods and Events’ services. It showed that an amazing 41.7% of the 384 respondents reported they were very likely to recommend, while an overwhelming majority of 58.3% said they were likely to recommend.

**Discussion**

The results from this study indicate that The Christophers Foods and Events enjoy strong patronage within its sphere of operations. This is evidenced by the fact that 75.5% of respondents reported visiting The Christophers Foods and Events regularly. Additionally, 27.9% and 54.2% of respondents reported choosing The Christophers Foods and Events very frequently and frequently, respectively. This suggests that The Christophers Foods and Events has been able to establish itself as a preferred option for the majority of respondents when it comes to food services and events within its locality. These results align with findings from previous studies on patronage of small and medium-sized restaurants and event venues. For instance, a study by Njelita and Anyasor (2020) on Customer loyalty and patronage of quick service restaurants in Nigeria found that a cumulative 75.6% of respondents reported regular patronage of their preferred local restaurant. Similarly, a study by Olise *et al.* (2015) on Factors influencing customers' patronage of fast-food restaurants found that 58.8% of the customers that visit fast-food restaurants do that every day. 29.6% visit fast food restaurants occasionally. While 5.4% and 6.2% visit fast-food restaurants once a week and once every two weeks respectively.

The comparable levels of regular/frequent patronage in these studies suggest that The Christophers Foods and Events enjoys a similar level of customer loyalty and repeat business as other successful establishments in its category. The high rate of patronage for The Christophers Foods and Events demonstrated in this study can be attributed to several factors evident in the results. Firstly, location was reported to be an influential factor by 43.2% of respondents. This indicates the venue's proximity and convenience are appreciated by its customers. Secondly, pricing was named as an influential factor by 51.3% of respondents. This suggests that

The Christophers Foods and Events' prices and perceived value help attract patronage within its target market. Finally, 100% of respondents indicated they would recommend The Christophers Foods and Events to others. This shows a high level of customer satisfaction and positive word-of-mouth, which can drive patronage through referrals. However, the results provide evidence that The Christophers Foods and Events enjoys strong patronage within its sphere of operations, with the majority of customers visiting regularly and considering it a frequent choice for food services and events. This level of patronage compares favourably with previous research on other successful establishments in the same category. It was therefore established that the Key factors driving patronage appear are location, pricing, and positive word-of-mouth.

The results from this study also provide clear evidence that sales promotions have been an influential factor in inducing customers to choose The Christophers Foods and Events. Firstly, 100% of respondents were aware of The Christophers Foods and Events' use of discounts as a sales promotion tactic. This indicates promotional discounts are part of the customer experience with The Christophers Foods and Events. Additionally, 60.4% and 23.4% of respondents rated sales promotions as very influential and influential, respectively, on their decision to visit The Christophers Foods and Events. With over 83% finding sales promotions influential to some degree, this tactic impacts customer choice. Moreover, 100% of respondents reported having visited The Christophers Foods and Events because of a sales promotion. This directly demonstrates sales promotions succeed in driving trial and conversion. Specific promotional offers found most appealing by respondents were discounts (52.9%), loyalty programs (18.5%), and free customized gifts (28.6%). Discounts have the broadest appeal, but loyalty programs and gifts resonate with significant minorities of customers as well.

Studies on the influence of sales promotions in the restaurant industry found similar results regarding their impact on customer choice. For example, Abdelhamied (2013) found that 67.9% of the respondents increase their visits to fast food outlets during promotional days three times a week or more. Additionally, Nizam, Arshad and Supaat (2018) reported that the p-value (sig.) of the correlation between independent variables (monetary promotion, non-monetary promotion and purchase decision) and the dependent variable (purchase decision) is less than 0.01. This reflects that there is a significant relationship between them. The positive value of the correlation coefficient indicated that the relationships between each independent variable and dependent variable are positively related. Pearson correlation for the first variable (IV1) was 0.783 with a significant level of 0.000. This showed that there was a strong relationship between monetary promotion in food and beverage products and the influences of monetary promotion on customers' decision-making. Next, the Pearson correlation for the second variable (IV2) was 0.883 whereby the significant level was 0.000. There was a strong relationship between non-monetary promotion in food and beverage products and the influences of non-monetary promotion on customers' decision-making. The parallel results in these studies confirm the influential effect of sales promotions on customer decision-making as found in the present study. However, widespread awareness, appealing nature, and self-reported influence of The Christophers Foods and Events' sales promotions demonstrate this tactic has been an effective factor in inducing choice within its target market. The results align with previous literature highlighting the persuasive impact of promotions in the restaurant industry. Discounts appear to be the most compelling type of sales promotion for driving trial and re-patronage.

Several results also indicate that referral marketing through word-of-mouth and recommendations has impacted customers' choice of The Christophers Foods and Events. First, 44.8% of respondents reported discovering The Christophers Foods and Events through word-of-mouth referrals. This shows a significant portion of customers first learned of the business through personal recommendations. Additionally, 100% of respondents reported receiving a referral for The Christophers Foods and Events from friends, family or colleagues. This suggests many were inspired to visit due to someone's recommendation. Moreover, 83.3% of respondents said they were very likely to trust recommendations from personal contacts. With such a high reliance on referrals, much of The Christophers Foods and Events' customer base was predisposed to choose it if recommended by trusted sources. Taken together, these results indicate referrals and word-of-mouth have been instrumental in driving awareness, trial, and choice of The Christophers Foods and Events for a majority of its customers.

In addition to sales promotions and referral marketing, the data indicates customers' choice of The Christophers Foods and Events is influenced by other factors including location, pricing, food quality, customer service, ambience, and reputation. Location and pricing have already been discussed as drivers of patronage more broadly. However, some additional results point to other impactful factors. For instance, food quality was named by 37.5% of respondents as another influential factor. It is certain that Quality food encourages repeat business, so this likely affects ongoing customer choice. Moreover, 33.3% cited customer service as an influential factor. A positive service experience compels return visits. The ambience was mentioned by 6.2% of respondents, suggesting the atmosphere and aesthetics of The Christophers Foods and Events also play a role for some customers. Another 6.2% said pricing helps drive their choice, indicating value and affordability matter as well. These supplemental drivers of choice align with previous restaurant research. For example, Njelita and Anyasor (2020) also identified food quality, service quality, atmosphere, and price fairness as additional factors influencing customer selection of casual dining restaurants beyond promotions and referrals. Their conclusions match the present study's findings that well-executed food, service, and ambience entice customers alongside direct marketing tactics.

### **Conclusion**

The study concludes that sales promotions and referral marketing are effective tools for driving trial and more patronage in the restaurant industry. However, the findings also indicate that other factors, such as location, pricing, food quality, customer service, ambience, reputation, and events programming, also play an important role in customer choice.

### **Recommendations**

Based on these findings, restaurant owners and marketers should consider using a variety of marketing tactics to reach their target customers and create a positive and memorable dining experience. This includes offering attractive sales promotions, leveraging word-of-mouth referrals, and focusing on the overall quality of the restaurant's food, service, and atmosphere.

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