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An Assessment on How Intensive Distribution by Small and Medium Scale Bakeries in South-Eastern Nigeria Affects Their Sales Volume

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Abstract: This focus of this study is to fully assess how intensive distribution by small and medium scale bakeries in south-eastern Nigeria affects their sales volume. The specific objective was to determine how intensive distribution by small and medium scale bakeries in South-Eastern Nigeria affects their sales volume, the study adopted survey research design among 196 top management staff of registered bakery firms in major cities of South-Eastern states of Nigeria. Data collected were done through structured questionnaire. Validity of the instrument was done by 3 marketing experts from both the industry and academia. Cronbach's alpha coefficient method was adopted to ascertain the reliability of the test instrument and the result from the test was 0.92. Simple linear regression analysis was the statistical tool used to analyze the data at 5% level of significance. The result of the study revealed that Intensive distribution does significantly affect the sales volume of small and medium scale bakeries in South Eastern Nigeria ($r = .605$; $F = 287.427$; $t = 10.217$; $p = .000 < 0.05$). It was concluded that majority of bakery firms in south eastern Nigeria believes in the adoption of intensive distribution rather than the use of other promotional means due to the perishable nature of their products, and the costs involved in using other promotional means. It was recommended that the management of bakeries in South Eastern Nigeria should enhance their product performance by engaging more third parties who could improve their intensive distribution channels and in turn, increase the availability and visibility of their bakery products.
Keywords: Intensive Distribution; Small and Medium Scale Bakeries; Sales Volume.

INTRODUCTION

The totality of modern marketing activity involves value creation; value communication; and value delivery but first, the value to be created must be well understood, it must be a value that satisfies customers' needs and wants [1]. This exchange process is akin to the blending of the traditional marketing mix elements which is popularly regarded as the McCarthy 4Ps of marketing – Product, Price, Promotion and Place. Successful marketing practices always begin with the customers through extensive marketing research efforts – a process of knowing and understanding the kind of values to create and offer to the customers [2]; and ends with the customers too – through value delivery to the target customers. Marketing practitioners do blend the 4P elements within this process for marketing of tangible or physical products. A successful marketing strategy usually depends on a firm's understanding of its customers, what they need, how it persuades them to buy from it and how accessible the product is. This helps the company to have a focus and also the bearing to attain its destination which enables the company to achieve its marketing objectives [3]. Onah and Thomas [4] postulate that marketing strategy must be specified in terms of: product strategy, pricing strategy, promotional strategy and distribution strategy.

In the modern world, production and distribution have become very complex. Goods are produced in a faraway place, whereas consumers are scattered throughout country and abroad. Under these circumstances, the producer will not be able to sell goods directly to the ultimate consumers. The reasons are many: the producer lacks the financial resources, he has to maintain a large sales force, the products may not justify the establishment of separate sales outlets, and problems of management and control arise, instead of spending a lot of time and energy on distribution, one can concentrate on production. The task of distribution involves transfer of ownership and physical possession of products and services from the manufacturer to the consumers. Transfer of ownership is an exchange process and it comprises the channels of distribution. Transfer of possession involves problems of warehousing and transportation, called physical distribution.

The distribution of goods is the most important activity in the process of marketing. Distribution channels are the set of marketing institutions participating in the marketing activities in the movement or the flow of goods or services from the primary producer to the ultimate consumer.

Distribution channels are grouped into two major groups; direct and indirect. In a direct channel or route, there are no middlemen and marketing functions are performed by the producer or manufacturer and goods directly pass on from him to the consumer. In an indirect channel or route, there is more than one middleman in distribution, linking producer and consumer. They perform the marketing functions.

In both developing and developed countries, most SMEs, which comprise bakery firms, face a lot of challenges in their bid to remain afloat and continue to satisfy the demands of customers. The situation is very worrisome especially in developing countries like Nigeria where sales volume and profits of most bakery firms have nose-dived to dangerous levels and many have closed down as a result [5]. Distribution is a contentious issue among both academics and practitioners when it comes to small and medium scale enterprises (SME's) [6, 7]. The question arises how does the big bakery firms like UAC of Nigeria Plc bakers of the nationally popular Gala brand, Yale Foods limited (bakers of Yale bread), Leventis Foods, UTC, etc. succeed in the face of such claimed harsh economic environmental factors. Thus, most academics argue that the faulty combination of the marketing mix variables by the small and medium-scale bakeries in Nigeria (South-East inclusive) is behind the dwindling demands in their products, consequent dwindling profits and final liquidation of many [8]. But, operators of the small and medium-scale bakery firms in Nigeria countered that their problems emanate from harsh economic operating environment and dismissed the argument as being too academic, text-bookish and more theoretical than realistic [8]. In other words, bakery firms' incapability of hiring astute marketing professionals who could be of immense help in developing appropriate distribution strategies portend a dire challenge that might lead to lower sales volume in the industry as there are various assortments of bread with different distribution strategies in the South Eastern part of Nigeria, thus this study was therefore motivated by the desire to fill this gap and investigate these problems.

Objective of the Study

The specific objective includes:

To determine how intensive distribution by small and medium scale bakeries in South-Eastern Nigeria affects their sales volume.

LITERATURE REVIEW

Concept of Distribution (Place) Strategy

Onah and Thomas [4] see distribution as the actual movement of goods and services from the source of supply to the ultimate consumer. Not only that distribution plays a very important role in the marketing process, but there would be no trade if the means of distribution were not created. Hence distribution provides time, place and ownership utilities by bringing the goods and services at the time and place where they are needed to who needs them. Distribution stands for the various activities a firm undertakes to make the product accessible and available to target consumers [9]. A product reaches customers through a channel of distribution hence Pride and Ferrell [10] see distribution as the activities that make products available to customers when and where they want to purchase them. A product is not much good to a customer if it is not available when and where it is wanted. The goal of distribution is to make sure products arrive in usable condition at designated places when needed. Thus distribution strategy is concerned with the channels a firm may employ to make its goods and services available to customers [3]. A company may adopt direct distribution strategy in which it undertakes to distribute goods to customers or retailers without involving any intermediary, or adopt an indirect distribution strategy by which goods may pass through one or more intermediaries such as wholesalers or agents [11]. Porter [9] submits that by establishing a direct distribution channel e.g. mail order, or other non-traditional channel e.g. franchise, establishing contacts relative to physical distributor, wholesaler, retailer and other middlemen, is apt to be a lengthy process in many industries. For an efficient channel network, the manufacturer should clearly define the target customers it intends to reach which also covers a decision on the scope of distribution the manufacturer wants to pursue. Kotler [1] notes that the strategic alternatives available in terms of distribution or placement are as follows:

- Exclusive distribution- a retailer is granted sole rights in serving a given area.
- Intensive distribution – a product is made available at all possible retail outlets.
- Selective distribution – many, but not all retail outlets in a given area distribute the product.

Kotler[1] notes that intensive distribution consists of the manufacturer placing the goods or services in as many outlets as possible and such strategy is generally used for items such as tobacco products, soap, snack foods, and gum, products for which the consumer requires a great deal of convenience of location. Nnabuko [9] posits that intensive distribution involves inducing the maximum number of retailers to distribute the product (e.g. convenience goods) therefore, the quality, location or capability of the retailer is secondary, what is important is maximum exposure of the product to the maximum number of customers. Achumba [11] opines that all available outlets are utilised for distributing a product in intensive distribution and producers of convenience packaged goods rely on this strategy of distribution. Kotler [1] argues that the tendency of manufacturers being constantly tempted to move from exclusive or selective distribution to more intensive distribution to increase coverage and sales may help in the short term but often hurts long-term performance; hence the decision to embark on any of the above alternative strategies involve an assessment of the customer's buying habits, gross margin/turnover rate, capability of dealer to provide product service, capability of dealer to provide full product line and product styling. Most of the bakery firms adopt a blend of direct distribution and intensive distribution strategies.

Functions of Marketing Channels

The channels of distribution perform the following functions:

- Channels provide the route to the link the producers and users. Goods produced in faraway places are made available to the users.
- Goods are stored by the middlemen in the channel and released to the market depending on demand. They facilitate storage of goods.
- Introduction of new products / merchandising is made easier. They bring to the notice of their customers new products and help the manufacturer in demand creation. They also act as good salesmen in promoting new products.
- Channel members "break the bulk" i.e.; products are offered in small quantities to the buyers.
- Channels provide the financing function. They advance money to the manufacturers and render credit facilities to the retailers.
- Physical possession and transfer of title to goods are made easier.
- They provide market information to the buyers.

Channel Choice

The problem of selecting the most suitable channel of distribution for a product is a complex one. A number of factors have to be considered such as the nature of a product, market trends, competition outlook, pricing policies, typical consumer goods and the needs of the manufacture himself.

Product Considerations in Choosing Distribution Channels

- If a commodity is perishable or fragile, a producer prefers a few controlled levels of distribution. For perishable goods, a speedy movement needs a shorter route of distribution.
- For durables and standardized goods, a longer and diversified channel may be necessary.
- For a custom made product, direct distribution to a consumer or an industrial user may be desirable.
- For a technical product requiring specialized selling and serving talent, we have the shortest channel.
- Products of a high unit value are sold directly by traveling salesmen and not by middlemen.

Market Considerations When Choosing Distribution Channels

- For the consumer goods market, retailers are essential, but from the industrial market we may eliminate the retailer
- If the market size is larger, we have many channels; in a small market, direct selling may be profitable
- For highly concentrated markets, direct selling is adequate enough; but for widely scattered and diffused markets we must have many channels
- The size and average frequency of consumer's orders influence the decision about the use of a particular channel of distribution.

Middlemen Consideration

- Services provided by middlemen
- Availability of desired middlemen
- Attitude of middlemen towards producer's policies

Company Considerations

- Desire for channel control
- Ability of management
- Services provided by seller
- Financial resources

Channel Decision

A unit must choose whether to attempt extensive, selective or exclusive distribution or a combination of all the three. The decision is taken after a careful analysis of the product, consumer preference, dealers, company objectives and policies, competition and other relevant factors. The company must solve the conflict within the channels and bring its product profitability to the market. Once a unit has determined its basic channel design and levels of distribution, it has to select middlemen, appoint them, motivate their efforts, and evaluate their utility periodically.

Each channel of distribution performs the typical marketing functions, which are exclusively assigned to it. Retailing, wholesaling and physical distribution (transport, storage and inventory control) are treated as separate entities in distribution for purposes of easier understanding. From the viewpoint of marketing management, the whole process is a continuous one and constitutes the distribution system in which the ownership and possession of goods flow to consumers. To locate customers, meet their demand and offer them service and satisfaction- these are the basic tasks of the manufacturers, wholesalers and retailers who combine for an integrated channel of distribution. Joint co-operative and united efforts alone will ensure the successful distribution of a product.

Market Coverage

Once a unit decides on the general channels to be used, it has to determine the number of middlemen it needs in each channel, i.e., the intensity of distribution. There are three alternatives:

Intensive Distribution

The strategy of intensive distribution, seeks to obtain maximum exposure of product at retailer level or wholesaler level. Ultimate consumers will not go out of their way to purchase a product or will readily accept substitutes, when brand is not available. The appropriate strategy is to saturate every suitable retail outlet with the brand.

Selective Distribution

At the retail level, a strategy of selective distribution restricts the sale of the product to a limited number of outlets. Each store selected must meet the company's performance standard while appealing to select target market. As distribution becomes more selective, the manufacturer may expect a greater effort on the part of retailer. Retailers are expected to be more willing to accept the manufacturers' suggestions and control on marketing strategy. If the product has a long and useful life and if consumer brand preference can be established, Selective distribution will be very profitable.

Exclusive Distribution

When a product requires aggressive personal selling, a complete inventory of the product line, repair service, or other special effort on intermediary may be granted to an exclusive area under exclusive distribution. The manufacturer can have greater control over prices and markets and he can get the maximum co-operation from middlemen.

The Market Orientation Theory

Market orientation is a marketing philosophy that focuses on delivering products designed in accordance to customer desires, needs, and requirements, and in addition to product functionality and production efficiency [2, 12]. It simply refers to the philosophy of doing business [13]. Its perspectives include the decision- making perspective [14], market intelligence perspective [15], culturally based behavioural perspective [15], strategic perspective [13] and customer orientation perspective [16].

Market Orientation places the customer at the center of the business and asserts that all departments of the company should focus on satisfying some chosen needs of the customer [16, 14]. While marketing involves deciding what to produce in the first place, it begins clearly by identifying the target customer, their needs, distribution channels and the pricing strategy suitable for relating with them. The market orientation theory is based on two assumptions: i.e. each department in the company makes decisions based on customer needs; and all departments coordinate efforts based on customer needs. This theory is necessary for this current study because the bakery firms need to clearly identify their target market, their needs, distribution channels, pricing strategy suitable for them, and products that will best satisfy them. In other words, their level of successes is a reflection of their market orientation and the nature of marketing strategy adopted. This theory therefore applies very suitably in describing whether or not how market oriented the SME bakery firms are.

RESEARCH METHODOLOGY

Research Design

The survey research design (with the combination of both qualitative and quantitative approaches) was adopted for this study. The adoption of this method ensures that its outcome is both valid and subject to generalization.

Area of the Study

This study was carried out in the South-East geo-political zone of Nigeria, specifically among the registered bakery firms situated at the major cities in the South-Eastern states. The South-East geopolitical zone consists of five (5) states – Abia, Anambra, Ebonyi, Enugu and Imo. The major cities in these states are as follows:

Abia: Umuahia and Aba,

Anambra: Awka, Onitsha, and Nnewi.

Ebonyi: Abakaliki and Afikpo.

Enugu: Enugu and Nsukka, and

Imo: Owerri, Orlu and Okigwe.

These major towns in these states have been selected primarily because majority of the bakery firms are situated there and this would assist the researcher in capturing the bakery firms.

Sources of Data

This study made use of primary data source through the use of questionnaire. The questionnaire was designed to source data from owners of bakery firms.

Population of the Study

The population of this study is made up of top management staff of registered bakery firms in major cities of South-Eastern states of Nigeria. Hence for the purpose of fair representation and easy analysis, out of this population, respondents from the selected states will form the selected respondents. The population of registered bakeries and their respective percentages in the respective states in the South East of Nigeria are shown in the table 1 below:

Table-1: Population of top management staff of registered bakeries and their respective percentages in the five (5) South Eastern states of Nigeria

S/No	States	Population of top management staff of bakeries	Percentage (%)
1	Abia	92	23.2
2	Anambra	79	19.9
3	Ebonyi	41	10.3
4	Enugu	103	25.9
5	Imo	82	20.7
	Total	397	100

Source: Association of Master Bakers and Caterers of Nigeria (South East zone), 2017

Sample Size Determination

According to Bartlett, Kotrlik and Higgins [17], in order to draw the required sample size from the above defined target population groups, the statistical approach stated below would be used:

$$n = \frac{z^2pq + e^2}{e^2 + (z^2\text{pq}/\text{N})}$$

Where;

n = sample size

Z = standard error of the mean (usually 95%, corresponding to 1.96 in the Z_{score} distribution table).

p = proportion of the population likely to be included in the sample (50% or 0.5 is assumed).

q = proportion of the population unlikely to be included in the sample (50% or 0.5 is assumed)

e = tolerable error margin or level of significance (assumed to be 5% or 0.05)

N = population size (established at 397).

Substituting in the formula, we obtain

$$n = \frac{(1.96^2 \text{ x } 0.5) + 0.05^2}{0.05^2 + (1.96^2 + \text{ x } 0.5 \text{ x } 0.5/397)}$$

$$= \frac{(3.8416 \times 0.5 \times 0.5) + 0.0025}{0.0025 + (3.8416 + 0.5 + 0.5/397)}$$

$$= \frac{0.9604 + 0.0025}{0.0025 + (0.9604/397)}$$

$$= \frac{0.9629}{0.0025 + 0.0024191436}$$

$$= \frac{0.9629}{0.0049191436}$$

$$= 195.7$$

$$= 196$$

Therefore, the sample size for this study is 196 managers of bakery firms in major cities of South-Eastern Nigeria.

Sampling Technique and Questionnaire Allocation

Proportionate stratified sampling method will be adopted for this study. This is to give a proper representation to the management of bakery firms in South Eastern Nigeria. In order to get the quantity of questionnaire to be distributed/allocated in each of the five (5) states, the sample size has to be broken down using Bowley's population allocation formula. Bowley's population allocation formula is stated below:

$nh = \frac{nNh}{N}$

nh = Number of units allocated to each category

Nh = Number of items in each group

n = sample size

N = the total population size understudy

Thus

Abia

Number of units allocated to each category

$$nh = \frac{196 * 92}{397} = 45$$

Anambra State

$nh = \frac{196*79}{397} = 39$

Ebonyi State

$nh = \frac{196x41}{397} = 20$

Enugu State

$nh = \frac{196x103}{397} = 51$

Imo State

$nh = \frac{196x82}{397} = 41$

Table-2: Questionnaire Allocation/distribution to five (5) South-East States

S/No	States	Population of top management staff of registered bakeries	Sample Size
1	Abia	92	45
2	Anambra	79	39
3	Ebonyi	41	20
4	Enugu	103	51
5	Imo	82	41
	Total	397	196

Pilot Survey

A pilot survey was conducted to pre-test the extent to which the target respondents understand all the questions in the instrument, and some amendments made on the areas of conflict that seem ambiguous, for better clarity and understanding. In the pilot survey, six questionnaire copies were dispatched to each of the 5 States, making a total of 30 respondents. The respondents were the top management staff of the bakery firms, and the 30 of them filled and returned their copies, thus giving a 100% response rate. The data collected from the survey was subjected to a reliability test.

Validity of the Instrument

Authority vetting criterion was used to validate the instrument. In this wise, the research instrument was given to 3 marketing experts who pointed out some short-comings and directed the researcher to effect the corrections accordingly. This was done and the instrument was adjudged and certified okay for the main field survey.

Reliability of the Instrument

The instrument was pre-tested through authority-vetting and a pilot survey to ensure it meets reliability and validity standards. Then, statistical package for the social sciences was applied for a further test of the reliability by using the Cronbach Alpha statistical tool on the results of the pilot survey. Therefore, issue-based questions were served to the 30 respondents in our pilot survey. The 30 of them filled and returned their questionnaire copies. Upon testing the reliability of responses to the issue-based items in the test instrument, an Alpha of 0.92 and an inter-item (standardized) coefficient of 0.96 were obtained. Since these are greater than 0.7, it indicates that the reliability of the test instrument is very strong.

Method of Data Presentation and Analysis

The aim of the study is to assess the impact of marketing strategy on performance of small and medium scale bakery firms in the South Eastern Nigeria. Each of the responses from questionnaire or data collected from the field will be first of all sorted to pick out those wrongly filled, then collated and presented in tabular forms. Subsequently, they will be fed into a computer software programme. As soon as the data has been captured on the system, analyses will be conducted using Multiple Regression Analysis (MRA) and correlation coefficient with the aid of Statistical Package for Social Sciences (SPSS). These statistical methods are adopted because they can predict the dependent variable more accurately if more than one independent variables are used.

Data Analysis and Presentation

RESULTS

Table-3: Responses on intensive distribution strategy

Items	Options	Frequency	Percentage (%)
What is the reach of your products	In cities only	117	63.9
	In small towns too	66	36.1
Do you use distributors/dealers	Yes	141	77.0
	No	42	23.0
Which distribution method does your bakery firm adopt	Exclusive distribution	69	37.7
	Intensive distribution	114	62.3

Source: Field survey 2017; n = 183

Table 3 shows the responses on intensive distribution strategy. It shows that 117(63.9%) of the respondents indicated that the reach of their products is in cities only, while 66(36.1%) of them indicated that their products reach small towns too. 141(77.0%) of the respondents indicated that they use distributors/dealers, while 42(23.0%) indicated that they don't use distributors/dealers. 69(37.7%) of the respondents indicated that they adopt exclusive distribution method, while 114(62.3%) said they adopt intensive distribution method

Table-4: Respondents' rating of the parameters which they consider while selecting distributors n = 183

Options	Highly Important Frq. (%)	Moderately Important Frq. (%)	Less Important Frq. (%)
Economic background	103(56.3)	66(36.1)	14(7.7)
Population of city / town	141(77.0)	32(17.5)	10(5.5)
Credentials of the person	138(75.4)	30(16.4)	15(8.2)
Location of store	136(74.3)	32(17.5)	15(8.2)
Sales force	150(82.0)	26(14.2)	7(3.8)
Dealers network	141(77.0)	25(13.7)	17(9.3)
Experience on the trade	153(83.6)	21(11.5)	9(4.9)
Service infrastructure	136(74.3)	33(18.0)	14(7.7)
Technical knowledge of product	137(74.9)	36(19.7)	10(5.5)

Source: Field survey 2017

Table 4 shows the rating of the parameters which are considered while selecting distributors. It shows that 103(56.3%) of the respondents rated economic background as highly important, 141(77.0%) also rated population of the city/town as highly important. 138(75.4%) of them rated credentials of the person as highly important. 136(74.3%) of them also rated the location of store as highly important. 150(82.0%) rated sales force of the distributor as highly important. 141(77.0%) of the respondents rated dealers network as highly important. 15(83.6%) rated the experience on the trade as highly important. 136(74.3%) of the respondents rated service infrastructure as highly important. 137(74.9%) of the respondents rated dealers' technical knowledge of product as highly important.

Table-5: Does your bakery conduct proper induction programs for new channel members?

Options	Frequency	Percentage (%)
Yes	142	77.6
No	41	22.4
Total	183	100.0

Source: Field survey 2017

Table 5 shows the responses on whether the bakery conducts proper induction programs for new channel members. It shows that 142(77.6%) of the respondents said yes, that they conduct proper induction programs for new channel members, while 41(22.4%) said they don't conduct such.

Table-6: Respondents' responses on the effectiveness of their distribution strategy's help in promoting their business n = 183

Options	Highly Affects Frq. (%)	Moderately affects Frq. (%)	Affects less Frq. (%)
After sales service issues	93(50.8)	41(22.4)	49(26.8)
Availability of POS material	117(63.9)	36(19.7)	30(16.4)
Prompt delivery	105(57.4)	38(20.8)	40(21.9)
Unscheduled delivery	107(58.5)	30(16.4)	46(25.1)
Product availability	110(60.1)	33(18.9)	40(21.9)
Opening new distributor for same area	123(67.2)	22(12.0)	38(20.8)
Reduction of area	49(26.8)	16(8.7)	118(64.5)

Source: Field survey 2017

Table 6 shows the responses on the effectiveness of their distribution strategy's help in promoting their business. It shows that 93(50.8%) of the respondents indicated that after sales service issues is highly effective in promoting their business**.** 117(63.9%) of the respondents indicated that availability of point of sale (POS) material is highly effective in promoting their business**.** 105(57.4%) of the respondents indicated that prompt delivery is highly effective in promoting their business. 107(58.5%) of the respondents indicated that unscheduled delivery is highly effective in promoting their business. 110(60.1%) of the respondents indicated that product availability is highly effective in promoting their business. And 123(67.2%) of the respondents indicated that opening new distributor for same area is highly effective in promoting their business. While 118(64.5%) of them indicated that reduction of area is less effective in promoting their business.

Test of Hypotheses

Hypothesis one

H_1: Intensive distribution does significantly affect the sales volume of small and medium scale bakeries in South Eastern Nigeria.

H_0: Intensive distribution does not significantly affect the sales volume of small and medium scale bakeries in South Eastern Nigeria.

Table-7: Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.605[a]	.566	.362	.41305	.462

Source: SPSS version 23

a. Predictors: (Constant), Intensive distribution
b. Dependent Variable: Sales volume

Table-8: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.808	1	17.808	104.378	.000[b]
	Residual	30.881	181	.171		
	Total	48.689	182			

Source: SPSS version 23
a. Dependent Variable: Sales volume
b. Predictors: (Constant), Intensive distribution

Table-9: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.565	.070		8.035	.000
	Intensive distribution	.368	.036	.605	10.217	.000

Source: SPSS version 23
a. Dependent Variable: Sales volume
R = .605; R^{2} = .566; F = 287.427; T = 10.217; DW = .462

Interpretation of the Result

A linear regression analysis was conducted to determine how intensive distribution by small and medium scale bakeries in South-Eastern Nigeria affects their sales volume. The result shows that there is strong positive relationship between intensive distribution and sales volume (R- coefficient = .605). The R square, the coefficient of determination, shows that 56.6% of the variation in sales volume can be explained by intensive distribution with no autocorrelation as Durbin-Watson (.462) is less than 2. With the linear regression model, the error of estimate is low, with a value of about .41305. The regression sum of the square 17.808 is less than the residual sum of the square 197.465 indicating that the variation is due to chance. The F-statistics = 30.881 shows that the model is significant. The extent to which intensive distribution affect sales volume with .844 value indicates a positive significance between intensive distribution and sales volume which is statistically significant (with t = 10.217) and p = .000 < 0.05. Therefore, the null hypothesis is rejected and the alternate hypothesis accepted accordingly.

Discussion of the Major Findings

The study findings further show that the adoption of intensive distribution by small and medium scale bakeries in South-Eastern Nigeria affects their sales volume. This finding agrees with previous findings by Yeboah *et al*. [18] in a study on effective distribution management, a pre-requisite for retail operations: a case of Poku trading. It was reported that best distribution strategy depends on the target market and the operational environment. It also indicated that the emergence and explosion of the internet and other information communication technologies have greatly affected distribution. The study further agrees with a finding by Ferri *et al*. [10] which examined the impact of distribution channel innovation on SMEs performance in Indonesia. It reported that innovation in assortment; information sharing and transportation coordination had positive and significant relationships with firms' performance.

SUMMARY

This study which focused on the assessment on how intensive distribution by small and medium scale bakeries in south-eastern Nigeria affects their sales volume, made some remarkable findings following the descriptive study that was carried out via the use of questionnaire. Based on this, the study therefore ascertained that:

- Intensive distribution significantly affects the sales volume of small and medium scale bakeries in South Eastern Nigeria.

CONCLUSION

Basically, vast majority of bakery firms in south eastern Nigeria believes in the adoption of intensive distribution rather than the use of other promotional means due to the perishable nature of their products, and the costs involved in using other promotional means.

RECOMMENDATIONS

Based on the findings, the study recommends that;

- The management of bakeries in South Eastern Nigeria should enhance their product performance by engaging more third parties who could improve their intensive distribution channels and in turn, increase the availability and visibility of their bakery products.

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