

**PERSONAL SELLING SYSTEM OF STREET BREAD SELLERS IN KUMASI**

**BERNICE DAPAAH**

**RICHARD KOFI BOATENG**

**NINA BERNADETTE OPOKU**

**A DISSERTATION SUBMITTED TO THE CHRISTIAN SERVICE UNIVERSITY  
COLLEGE IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE  
AWARDE OF A BACHELOR OF ARTS DEGREE IN BUSINESS STUDIES**

**JUNE, 2013**

## DECLARATION

We have read the university's regulation relating to plagiarism and certify that this report is all our work and does not contain any unacknowledged work from any other source .

We also declare that we were under supervision for the report here submitted.

BERNICE DAPAAH                      10140675                      .....                      .....

RICHARD KOFI BOATENG            10140649                      .....                      .....

NINA BERNADETTE OPOKU        10140682                      .....                      .....

(STUDENTS)                              INDEX NOs                      (SIGNATURE)                      DATE

**Certified by:**

Dr. Kwaku Ahenkora                      .....                      .....

(SUPERVISOR)                              (SIGNATURE)                              (DATE)

Dr Kwaku Ahenkora                      .....                      .....

(HEAD OF BUSINESS DEPARTMENT)    (SIGNATURE)                              (DATE)

## **ABSTRACT**

The purpose of this study was to analyze the personal selling system of street bread Sellers in Kumasi. This was done by finding out distribution system of the producers of bread. The study also sort to examine the selling techniques used by the street bread sellers and their financial margins earn from selling the bread. The research data were acquired by administering questionnaires to street bread sellers and unstructured interviews with bread producers. In all, 50questionnaires were administered and returned. The data was analyzed using statistical techniques which included calculation of percentages and frequency. The major findings of the research were the selling techniques used by the street bread sellers. Two major distribution channels were identified namely, the production point where retailers and credit purchases are made. It was realized that the street bread sellers who buy with cash at the production point earn larger margins than those who buy on credit and work on commission basis. It was recommended that producers should encourage the street bread sellers to buy more at the production point. To achieve this, some margins should be price off in other to increase sellers' profit margins. The uses of unfavorable selling strategies by the street bread sellers retire their profit margins. In other to over come this, producers must invest in training the street bread sellers in the area of personal selling and direct selling in other to maximize profit.

## **ACKNOWLEDGEMENT**

We wish to give glory to The Almighty God for wisdom, knowledge and strength which were granted to us to undertake this work piece.

We also wish to acknowledge the enormous contribution that our supervisor, Dr. Kwaku Ahenkora made to our work.

Our appreciation also goes to all the street bread sellers and the bread producers within the sampling frame, for the confidence they reposed in us by granting us access to information relevant to our study. God bless you.

Finally our profound gratitude goes to each and every individual who contributed in one way or the other to make our work a success. God richly bless you all.

## **DEDICATION**

We dedicate this work to our parents who have supported us since birth and provided all that we needed in our education. It is also dedicated to all our lecturers who have imparted valuable knowledge to us.

## TABLE OF CONTENTS

Declaration.....	i
Abstract.....	ii
Dedication.....	iii
Acknowledgement.....	iv

### CHAPTER 1

#### Introduction

1.0 Background of the study.....	1
1.2 Statement of the Problem.....	2
1.3 Purpose of the study.....	2
1.4 Research Questions.....	2
1.5 Significant of the Study.....	3
1.6 limitation of the study.....	3
1.7 Scope of the Study.....	3
1.8 Organization of the study.....	4

### CHAPTER 2

#### LITERATURE REVIEW

2.0 Introduction.....	5
2.1 Small and Medium Enterprises.....	5
2.1.1 Small and Medium Size Enterprises in economic development.....	8
2.2 .1Women in business.....	10

2.2.2 Women in International business.....	10
2.3 Marketing orientation.....	11
2.4. Indigenous Marketing system.....	12
2.5 Sales Management.....	13
2.6.1 Key Account Management.....	14
2.6.2 Key Account Management by Street Bread Sellers.....	16
2.7. Distribution Channel.....	16
2.8 Personal Selling Techniques.....	18

### **CHAPTER 3**

#### **METHODOLOGY**

3.0 Introduction.....	20
3.1 Research Design.....	20
3.2 Population and Sampling Technique.....	20
3.3 Data Collection Method.....	20
3.4 Data Analysis.....	21

### **CHAPTER 4**

#### **FINDINGS AND DISCUSSIONS**

4.0 Introduction.....	22
4.1 Findings .....	22
4.1.1 Interviews with bread producers.....	22
4.1.2 Responds from street bread sellers.....	24
4.1.3 Responds view of the selling strategy used in selling .....	25

4.2 Discussions.....	27
----------------------	----

**CHAPTER 5**

**SUMMARY, CONCLUSION AND RECOMMENDATION**

5.0 Introduction.....	29
5.1 Summary findings .....	29
5.2 Conclusion.....	30
5.3 Recommendations.....	30
REFERENCE.....	31
APPENDICE.....	34



## **CHAPTER ONE**

### **INTRODUCTION**

This chapter introduces the study. The introduction covers background of the study, statement of the problem, purpose of the study, research questions, significance of the study, scope of the study and organization of the study.

#### **1.0 BACKGROUND OF THE STUDY**

Small and Medium-Scale Enterprises (SMEs) are considered a key component of the economy in many different countries around the world (Taylor, 2005). SMEs forms a greater percentage of the businesses in Ghana and employs more than 50 percent of the workforce. However, their contribution to the economy is much to be desired of. In addition, the average age of SMEs is very less, which means that, their ability to survive and grow is limited. SMEs can only grow and develop when they adopt proper marketing strategies to sell their products or services to their customers (Turkson, 2006).

Bread sellers on the street explore selling techniques for the sale of bread along major streets in the cities and towns in Ghana. The selling structure of bread (Production, Distribution and Selling) is therefore an important subject to be discussed and studied. Bread bakers and sellers contribute immensely to the development of the economy. Considering the various marketing strategies employed by the street bread sellers in the Kumasi Metropolis this study would be of great importance.

## **1.1 STATEMENT OF THE PROBLEM**

The street bread sellers contribute to the development of Ghana's economy. They are a key component of small and medium scale enterprise which has a sizable number of workforces. Their challenges are numerous but the main obstacle is the lack of proper marketing strategies to sell their products. They usually have less revenue thereby affecting their growth and development with some even folding up. This study therefore aimed to examine the personal selling system of street bread sellers in the Kumasi Metropolis mainly in Harper Road ECOBank street, Danyame-Patasi main Street and Santasi station.

## **1.2 PURPOSE OF THE STUDY**

The purpose of this study was to understand the personal selling system of Street bread sellers on the street in Kumasi Metropolis. The specific objectives of the study were to;

- Find out the distribution system of the producers of bread.
- To identify the selling techniques used by the street bread sellers.
- To identify the financial margins earn from selling the bread.

## **1.3 RESEARCH QUESTIONS**

Based on the objectives of the study, the research questions were;

- What distribution channel do the producers adopt to sell their bread?
- What selling techniques do the street bread sellers use?
- What financial margins do street bread sellers earn from selling?

#### **1.4 SIGNIFICANCE OF THE STUDY**

This study would help provide information to street bread sellers on how to enhance the standard of marketing on the street. Also the extent to which the marketing orientation would come out with. The study would also help provide information for street bread sellers as to how to get and retain customers. This study would also enable producers of bread make decisions with regards to the appropriate distribution strategies to be adopted for the marketing of their products. Finally, the study would add to the existing knowledge of literature and would serve as a reference material for further studies.

#### **1.5 LIMITATIONS OF THE STUDY**

The researcher could not administer the questionnaires to the entire population of one hundred and twenty 120 but to only the respondents who formed the sample. The study focused on some of the three major streets in the Metropolis. Lastly, the study was limited to only questionnaires and unstructured interview even though other instruments could have been used.

#### **1.6 Scope of the Study**

The study was limited to only three major streets in the Kumasi Metropolis (Harper Road ECOBank street, Danyame-Patasi main Street and Santasi station)

Also the study was limited to specific areas such as the type of distribution channel used by the producers, the selling technique and the margins they obtain.

## **1.7 ORGANIZATION OF THE STUDY**

The study is presented in five chapters. Chapter one is the introduction. It is made up of background of the study, statement of the problem, purpose of the study, objectives of the study, research questions, significance of the study, limitations of the study, and organization of the study. Chapter two reviews the existing literature of the study. The chapter elaborates on distribution channel and marketing strategy. All these have been presented within an empirical framework. Chapter three presents the methodology of the study. It covers the research design, population, sampling techniques, data collection procedure and data analysis. Chapter four covers findings and discussions. Whiles chapter five contains the summary, conclusion and recommendations

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 INTRODUCTION**

The purpose of this study was to examine the impact personal selling system of street bread sellers in the Kumasi metropolis. This chapter reviews the literature related to the topic of the study. The review was conducted on the small and medium enterprises, women in business, market orientation in advanced economic, the indigenous marketing system, sale management, key account management, distribution channel and the personal selling techniques.

#### **2.1. SMALL AND MEDIUM ENTERPRISES**

Small and medium enterprises (SME,s) are considered a key component in many different countries around the world (Taylor,2005). In Ghana, most of the businesses are part of the SME,s sector and they form a greater percentage of business in the nation (Turkson,2006). SME,s serve the customized needs of the people in various industries and also employ a large of percent of the workforce. However, their contribution to the economy is made to be desired of (Turkson,2006). Marketing plays a very essential role in the success of the SME,s (Taylor,2005). It educate people on the latest market trends, help boost a firm's sales and profit, of which personal selling is key. The integration of various state economies with their specific peculiarities into one economy that is overseen by the world trade

organization brought up new challenges for developing nations. Small and medium enterprises shoot up because of this. When world trade organization rules became binding in developing economies and this discarded the tradition that supported small-scale industries have to fall away. India was hit by the survival crises for SME as a result of globalization and some vertical and horizontal evolution took place in response to the shifting environment. Micro enterprises emerge as some SME down- size and that became opportunities for new entrants into the business became more visible in vertical axis. Conversely, other SME scope broadened to develop greater economies of scale and welcomed a large portion of production chain. On the horizontal axis of the other side of the coin had many SME to consider product changes for its survival by providing the right product for the appropriate industry that is doing well in a specific environment. An economy where construction and other civil infrastructure development are booming, then the SME has to undergo intensive research to niche their products and services that cause produced and offered to the larger corporation in a bid to become a key player in the construction chain, steel riggers and rigging accessories are very good examples. The manufacturing of electrical accessories, the production of selected plumbing components, the supply of roofing accessories and the development of different work tools and accessories for the construction sector are specific examples. In the areas of respect to facilitation and promotion then SME must be given a second look. Other sector ministries like the Ministry of Youth and Sports, the ministry of Tourism and the Ministry of culture has a very important role to play in other to support and develop the SME sector. The citizens Economic Empowerment Commission, the Development Bank of Zambia, the Zambia Development Agency are also doing the same.

It is an established fact that SME,s sector is the backbone of any economy throughout the world. Japan India, China and the Asian economies have built their strong production bases at the SME sector. Eighty- eight percent of Japan's economy is based in the SME sector. The fact is corporations dominated the domestic economies such that all crises of any corporate entity became crises for the nation and it is financially battered partly by developed economies of Europe and North Americans. The collapse of any financial system creates a lot of job lost and this impacted on any nations economy, so most government has make the survival of private corporations their utmost responsibility. Developing economies should consider social and economic development strategies and must be a lesson to them. It does not necessarily mean that all development programs must be halted and abandoned. The rapid growth and sustainable growth of SME,s is a key programme of all SME,s and must focus all its attention in the development plan and poses a challenge to SME. SME strategies that developing economies put measures in place to ensure that when a large scale business or industry is established in a market, then SME,s should take the opportunity to generate large investment by installing programmes. Some of the opportunities that emerges and flourishes and builds production base of that country for SME,s economic zones, industrial parks, mining investments, big industries, large tourism investment, farming blocks and corporate services providers.

### **2.1.1 Small and medium size enterprises in economic development**

The changes in the industrial structure and development of new markets have improved the interest in the small and medium size enterprises as the main tool of growth and employment. There was a believed that industries only development are the huge investment that big companies undertake and thereby creating economies of scale. The future growth could only come from large enterprises and this was said by Schumpeter. In 1970s and 80s SME,s begins a more creative and became softer in reducing costs. They became more efficient than the larger enterprises and they started to provide intermediate goods. Entrepreneurial activities shot up because of increase in education levels, business acumen and the reduction of job security. SME,s developed because larger companies began to integrate and large increase of privatization of state- owned companies. They also had to grow because the labor laws were relaxed. Business cooperatives were formed after the experiments carried out in 1980s but this was not so in developing countries, it just started at the end of 1990s. The greatest challenge facing SME,s is the high rate of bankruptcy. SME,s provide employment to many but it also collapses many jobs. Another hindrance to SME,s is that it has a shorter life span and produces an inferior goods and services. In advanced countries the SME,s growth only stands firm on the business cycle. This is not so because when an economy is booming most new firms are established and a lot of them will by dying. Crises cycle determines the emergent of SME market growth. Globalization is changing everything and this makes SME,s to face a lot of complex challenges. Formally, SME,s were operating in local market. But of late it has become obvious that all SME,s are competing in the global market so therefore, it has become very



necessary for SME,s to monitor globalization trends and its effect of the sub-national innovation system. The promotion of SME,s is limited since the local region does not have the resources require for its establishment. Most of the resources are usually clustered around some cities in the developing countries. So it becomes very difficult for SME,s to get all the required inputs from the local source. This situation has made most government lacks the capability to utilize them. A common factor for competition between large companies and small companies is technology but SME,s are not fully aware of this environmental change. Even soft infrastructure and legal/policy infrastructure are not even favorable for the growth of SME,s. SME,s can certainly grow if they are ready to accommodate the changes and use these environmental changes as opportunities. SME,s must be able to be innovative with their products in other to be able to compete in global struggle and overcome rapid technological changes as well as product variances. Most small companies are lacking a lot essential resources to innovate so they have to acquire it from an external source from other companies technical institution etc. so this duty is to be carried out by the management of inter organizational relationship and networking because it may be a successful platform for small companies innovation development. Evidence had it that SME,s especially young firms contribute a lot and always innovative in bringing out new product and adapting existing products to satisfy customers needs. For business to survive and adapt in this changing business paradigms, SME,s survival depends on their ability to improve their performance and produce goods that meet international standard. When dealing with dynamics business condition SME,s survival depends on a certain level of competition and this is a prerequisite.

## **2.2 Women in business**

Most of the customers who operate in micro financial services are the informal sector and their services are majority patronized by women. Abject poverty is in the rural areas of which women form majority of this and so they tend to operate the very small or micro enterprise. In Northern part of Ghana, women form about 70% own livestock or poultry, which will support family food and income generated. Most of the in Ghana also process oil from palm, Shea nuts and sell along the road side. The women starting capital over 70% is less than USD 100 and 45% with less than USD 20. Close to 90% start with their own capital or susu savings, rather than with loans. Ninety-five percent of female owners of their businesses are illiterate. There is a very high risk involve in women businesses and restricts their businesses income. Some of the challenges faced in running their businesses are sexual harassment from Ghanaian task force. Motherhood is also affecting their output of their businesses. Adapted from: IFAD, Ghana: Rural Financial services project 200

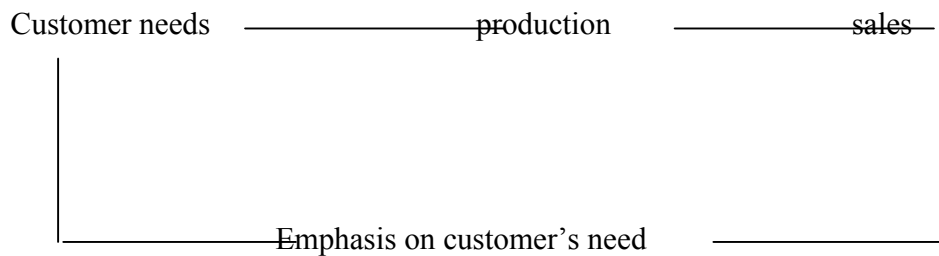
### **2.2.1 Women in international business**

International business is largely dominated by men while women account for 60% of professional and managerial jobs but they only make up only 6% of the expatriate work force (Shield Hodge). The assertion is changing rapidly as more women attain high level managerial positions and make international business becomes increasingly important to American companies. Women themselves are increasing singly interest in foreign assignments, which are necessary for consideration for high level promotions in various corporations. The 1991 extension of equal opportunity laws to corporate operations outside

U.S borders also influence the number of women receiving foreign assignments. There are a lot of misconceptions of women participating in business overseas despite the increment in their number. Although there is a belief to women as managers and negotiators cooperator are hesitant to send women overseas because of the fear that they will be poorly received in all male dominated cultures such as those in Asia, Latin America and the Middle East since higher positions are mostly occupied by men in these cultures, it is often in the minds of people that women will be not taken seriously or that they will not be given the power to do their work. Finally there is a lot fear about the vulnerability to sexual harassment in their in other counties with different social codes fewer legal protections than other developed like us. Despite this hindrance in international business a lot of women are working very efficiently in countries where the industry is men dominated. Research had it that “female managers report that the biggest barrier come from within the business rather than the situation they encountered in the foreign assignments”. (Robert Moran and John Riesenberger)

### **2.3 MARKETING ORIENTATION**

It is unclear exactly when the idea of marketing or customer orientation began to emerge, in some ways the central importance of the customer has perhaps always been recognized in the long history of trading. (David Jobber and Geoff Lancaster, selling and sales management 8<sup>th</sup> edition, pg 39)



### Marketing orientation

Identifying the needs and want of customers and satisfying them with a good products and appreciable services are key to a successful and profitable to all businesses and this cannot be fulfilled without marketing orientation ( David Jobber and Geoff Lancaster, selling and sales management,8<sup>th</sup> edition, pg40)

### 2.3.1 Indigenous marketing system

They are made up of different small scale economic activities in specific areas of land and resources. Production is of subsistence nature. Social interview is associated with barter trading. Indigenous people in Asia are mostly agriculturist, fishing hunters and gathering from nearby forest. Some are also artisans and others are into animal husbandry together with other traditional economic activities to support agriculture. Indigenous people have access to land so they posses enormous piece of land and this resources is central to their livelihood.

## **2.4. SALES MANAGEMENT**

Management of every company sets the detail how to get the product or service in front of people who need it. In order to market the business correctly and get the approach to your client's right, and then the business should strategically be given a comprehensive and methodical approach to the business.

The sales strategy should be entered on your business and market plan, this looks at delivering objectives set out in the market plan as well as had chosen the segment of the target market and fund the marketing activities. Sales management is quite different from marketing. Marketing is about getting the name out to attract new customers or rekindling interest in your business but sales strategy is more about closing the business deal (David Jobber and Geoff Lancaster 2000). Management needs to build a comprehensive strategy for the entire business, they have to sit down and come up with a different sales strategy for each of the product lines. While they may be similar but it's very important to distinguish between your products and customers who patronize them. The company usually set the sales objectives. The company must clearly state the product he want to sell. Its target market and timelines involved to sell the product. They should decide where its focus lies that is whether to deal in specific product or product on a client preference. They should also determine what changes can be done to meet it objectives. The steps for each objectives must he listed when considering the way you meet the objectives. Management should think SMART, when they come up with the step to meet objectives, that is, they should be specific, the objectives should be measurable and achievable. They have to be sure that the objectives are realistic and time sensitive. The business should consider how to

remove impediments to sales rather than be interested in how to make sales when setting its objectives. Barriers can come in different ways. Examples include the need arising to recruit a new salesperson, the need to your sales team better training or making enough calls to customers. The business should work out what its most profitable activities have been by looking at the company marketing and sales activities they have taken. The business must analysis its market by finding the reason why your customers need the company. They should know who they are and the problem they need to resolve when they approach your market. Management should be able to identify why the clients use the business and this will help approach new customers. They should list at least six reason why their customers are better off when they engage in business with their company. Differentiate between what the business has and what they are after and do well to satisfy their needs. Then the benefits as well as the features of the product or services is emphasized. Compiled client's similarities and differences to create profit for each client. If it's new business then go a mile further and try to find something about your competitors' client. The company should know their existing border of profitability to give a fair idea of where to locate funds to. The business should decide on the sales channel to make them to reach their customers. After the company identify its market, they can go on to decide it sales channel.

### **2.4.1 Key accounts management**

This strategy is used to build a good relationship between the company and its customers. This approach strategy is used by supplier to give a special treatment to its customers to

achieve a common goal. The management give a preferential difference to target and serve their high potential customers with complex needs by providing them a king treatment in the area of marketing administration and service. They combine their expertise and work together to find a better way of doing things. They reduce cost and achieve cost through re-engineering processes, reducing inventory and avoiding unnecessary activity. This brings about sharing by both parties the cost benefits achieved.

Company can only give this service to its customers when the clients have a high sales potential key accounts management is very complex and is very expensive to implement so it can only be applied to a selected (key) number of customers with a higher turnout. Management selects larger customers and access those that add value to the business and wants to have longer working relationship with. Then managements will to take some of their cost out of their business to build a stronger and longer working relationship to make it very hard for your competitors to penetrate through them.

Another way is give customers the best value for their money and it should be product at a cheaper cost. This can be done when the company has a lowest cost base in its sector and cannot succeed with the policy of cutting price. Key accounts managements will bring a stronger relationship between the company and its client and offer the buyer higher reliability of supply, risk reduction, easier problem solving, better communication and higher levels of service.

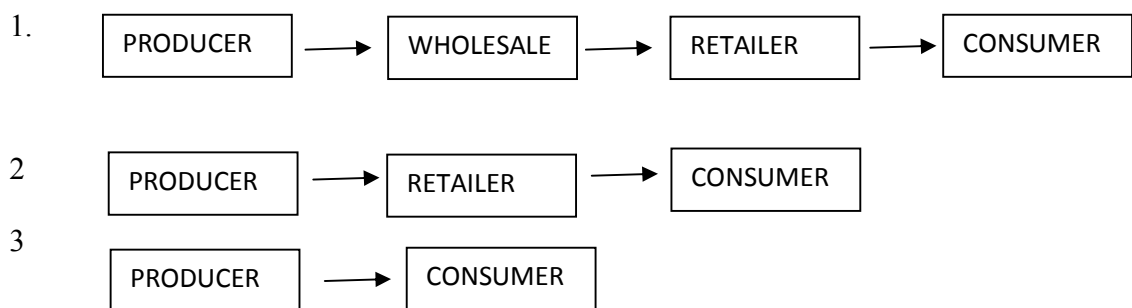
## 2.4.2. Key accounts management by street bread sellers

Bread sellers use key accounts management to keep their customers. They call them on phone, walk to them during traffic jam and they recognize their customers car. The street bread sellers reduce the price of the bread for the customer and even give the bread on credit when they have to reach their sales target .This is than in other to sell off the bread so as not to get more wastage.

## 2.5. DISTRIBUTION CHANNEL

Management should carefully choose the path through which goods and services can reach their customers and the payment system of customer when they patronize the service. This channel can be a direct transaction or can pass through a lot of intermediary along the way such as wholesalers the higher the price when it get to the end user. Examples of a channel of distribution is office for consumption. It passes through the farmer, exporter, importer, distribution and retailer.

Marketing distribution channels can have several stages depending on how many intercontinental intermediaries are involved:



Jim Riley, Distribution Channel 2013



At channel 1 it involves two stages before it reaches the consumers from the producer: that is a wholesaler and retailer. The wholesaler buys and stores larger quantities of product and then breaks into it bulk deliveries to supply retailers with smaller quantities. If the retailer are small with limited order quantity then the use of wholesaler makes economic sense. Channel 2 contains only one intermediary. It is typically the retailer when in consumer markets. The producer calls their goods directly to large retailers which goes on to sell to final consumer. Channel 3 is the direct-marketing channel since it has no intermediary levels. In this case the manufacturers should take into consideration a lot of factors when choosing the distribution channel. They consider the nature of their product. A company producing technical or complex products are often distinct or customized product and should be sold directly to the customer. The type of product should also influence the kind of distribution. Is the product a convenient, shopping or special product. A company dealing in a desired image for a product, then intermediaries are to be used and it will be very essential that those chosen are suitable and relevant for the product. Management should consider its form of distribution and considering the target market. Is either the market geographically spread, does it involve selling overseas and the extent and nature of the competition. The company should also have in mind the business they are into. They must consider the size and scope of the business. The company marketing objectives like the profit margin. Should the business establish a distribution network or does it need to extend its distribution option. Finally how does the business want control over its distribution. The longer the channel the less control it may have. The management of the company should also consider the legalities in the market. They should consider some of the risk if they sell through

intermediaries who sells the ware to inappropriate customer, what are the limitations on sale?

## **2.6. PERSONAL SELLING TECHNIQUES**

Personal selling is a type of selling that is a promotional strategy that involves the seller to establish a relationship with a prospective buyer by the use of their persuasive skills and techniques. The salesperson convinces the buyer to purchase a specific product and the two parties ending up in obtaining values. Some of the strategies in personal selling is to ask question I order to sell a product. The salesperson should know the product he is selling before a person can sell the product; he must test the product first. Because the salesperson has a fair knowledge about the product he is selling, will enable him to address the concern of a prospective buyer. The salesperson to make a sale will actually be materialized if he makes a sale for your work to complete. In order to create a longer and stronger bond of trust, the salesperson should do a follow up on both clients and prospective buyers. There are a lot of factors involved in the sales person go through before a sales can be affected. The sales person uses prospecting and evaluating. They should seek names of potential customers through sales records, referrals etc. and also responses to advertise. They should evaluate if the person is able, willing and within the range to buy. They should not use blind prospecting that is the use the phone d rectories to prospect. The sales force should prepare and reviews key decisions makers for business to business. They should help present the presentation to meet the prospect needs; the sales person should use the pre-approach. He should know the manner he will be able to contact the potential customer.

The first impression is lasting so he should establish and develop relationship rather than just pushing the product to the customer. This relationship can be based on referrals, cold calling or respect contact (David Jobber and Geoff Lancaster, 2001). All sales are not finished unless close. Prospect should buy the product and the following are some way to close the transaction. The sales force can make a trail close or minimal decision, assumption close or implied consent close, the urgency close or the ask for the sales close. In the prospect say no then they may just need more reason to buy. The salesman should make the actual presentation, they have to attract and hold the prospect, they should stimulate so that the customer desire in the product to take an appropriate action. He should try and convince the prospect to touch, hold or try the product. The three types of presentation are stimulus response format that is the appropriate stimulus that will initiate a buying decision. The next type is formula selling format, the salesperson can memorize, respective and give all customers to be interested in a specific product. The last but not the least in the need satisfaction format. The presentation should be adapted to customer need. The last step salesmen should do is the follow up. They follow up sale in other to determine if the order was delivered on time, installation of etc. They should also help determine the next need of the prospect and should accomplish your objectives. The sales force should know after the follow up that has the customer gain short term satisfaction are the referrals stimulated, will there be in the long run re-purchase and to prevent cognitive dissonance. The sales person should stay with the customer for a few minutes after sales reinforce to make them feel good so that they should realize they have made a good choice. He should make the customer aware that he can call the office at any time (David Jobber and Geoff Lancaster, selling and sales management)

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 INTRODUCTION**

Chapter three presents the methodology of the study. It covers the research design, population and sampling techniques, data collection method and data analysis

#### **3.1 RESEARCH DESIGN**

The data obtained for the study was acquired through quantitative techniques as part of a process to improve the validity and authenticity of the research work. This will ensure the overall effectiveness of the research process as one can enhance the findings of the other. (Beloucif, 2003)

#### **3.2 POPULATION AND SAMPLING TECHNIQUES**

The population used for the study was street bread sellers in the Kumasi Metropolis mainly Harper Road EcoBank street, Danyame-Patasi main street and santasi station. The sample method was convenience sampling and the sample size was fifty (50). Convenience sampling was used for the reason of easy access, availability and the quickness with which data can be gathered from the selected population.

#### **3.3 DATA COLLECTION METHOD**

Data was collected through administered questionnaires and unstructured interviews. This method was appropriate because most of the street bread sellers had little time to complete

the questionnaires on their own. Open and close ended questions were used because some of the questions required simple answers whilst others required the respondent to express themselves in their own words. Also respondents were given the opportunity to give what ever comments they wish to add to the questionnaires.

### **3.4 DATA ANALYSIS**

The study was conducted using descriptive statistics with the aid of excel software as analytical tools. The data was presented graphically and in tabular forms. Descriptive statistical tools such as bar graphs, pie chart and percentages were used. The data was edited and correct omission and errors, non responses, appropriateness and accuracy to ensure that there was consistency in responses.

## **CHAPTER FOUR**

### **FINDINGS AND DISCUSSIONS**

#### **4.0 INTRODUCTION**

The chapter presents the analysis findings and discussions on personal selling system of street bread sellers in Kumasi.

#### **4.1 FINDINGS**

A total number of fifty (50) questionnaires were administered and returned.

##### **4.1.1 Interview with bread producers**

Through interviews conducted on some bread producers the research found out that, most of the bakers supply on commission basis .It was realized that the street bread sellers were supplied with the bread at the point of sale and also provides them with packaging bags. This creates on expenses for the street bread sellers. This enables the street bread sellers a convenient time to sale. Some of the street bread sellers go for the bread on credit bases, sell and return to make account. This is because they do not have the start up capital.

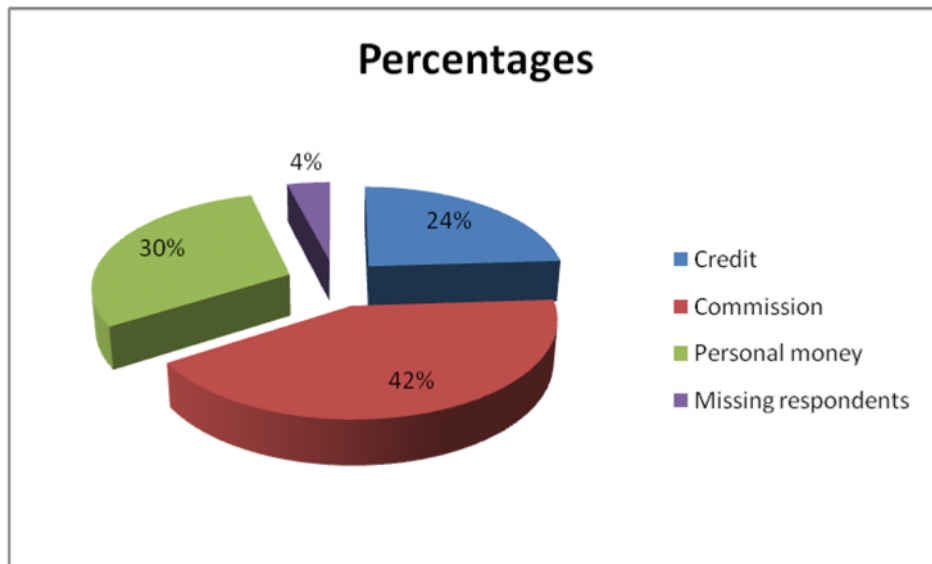
**Table 4.1 Interview with bread producers**

QUESTIONS	PRODUCER 1	PRODUCER 2	PRODUCER 3
1. How do you supply the bread?	<ol style="list-style-type: none"> <li>1. Retailers come to buy on their own.</li> <li>2. Van supply to the selling point.(street)</li> <li>3. Others come to buy on credit.</li> </ol>	<ol style="list-style-type: none"> <li>1. I have selected people who come for bread and sell for commission.</li> <li>2. Buyers come to buy on their own.</li> <li>3. Employs people to distribute the bread to the street bread sellers.</li> </ol>	<ol style="list-style-type: none"> <li>1. Retailers come to buy and sell.</li> <li>2. Van distribution</li> </ol>
2. What is your mode of payment?	<ol style="list-style-type: none"> <li>1. Credit base</li> <li>2. Cash payment</li> <li>3. Commission base</li> </ol>	<ol style="list-style-type: none"> <li>1. Commission base.</li> <li>2. Cash payment</li> </ol>	<ol style="list-style-type: none"> <li>1. Cash payment</li> <li>2. Commission base</li> </ol>
3. What are your bread distribution cost?	<ol style="list-style-type: none"> <li>1. Fuel cost</li> <li>2. Packaging bags</li> <li>3. wages</li> </ol>	<ol style="list-style-type: none"> <li>1. Transportation</li> <li>2. Packaging bags</li> <li>3. Wages</li> </ol>	<ol style="list-style-type: none"> <li>1. Transportation cost</li> <li>2. Packaging bags</li> <li>3. wages</li> </ol>

Source: field interview.

#### 4.1.2 Responds from street bread sellers.

Figure 4.2 Respondents view on how they finance their business



Out of the total number of respondents, 24% take the bread on credit bases. The street bread sellers go to the production point for the bread while 42% sell on commission and 30% buy with cash. As illustrated on figure Most of the respondent said that they get commission on each bread based on the price of the bread. It was found out that depending in the price of bread you can sell, commission gotten are twenty (20) pesewas out of GH¢ 1.00 bread sold, forty (40) pesewas out of GH¢2.00 sold, fifty (50) pesewas out of GH¢2.5 sold. Thirty percent 30% purchase the bread with their own money.



**Figure 4.3 Respondents view of the selling strategy used in selling.**

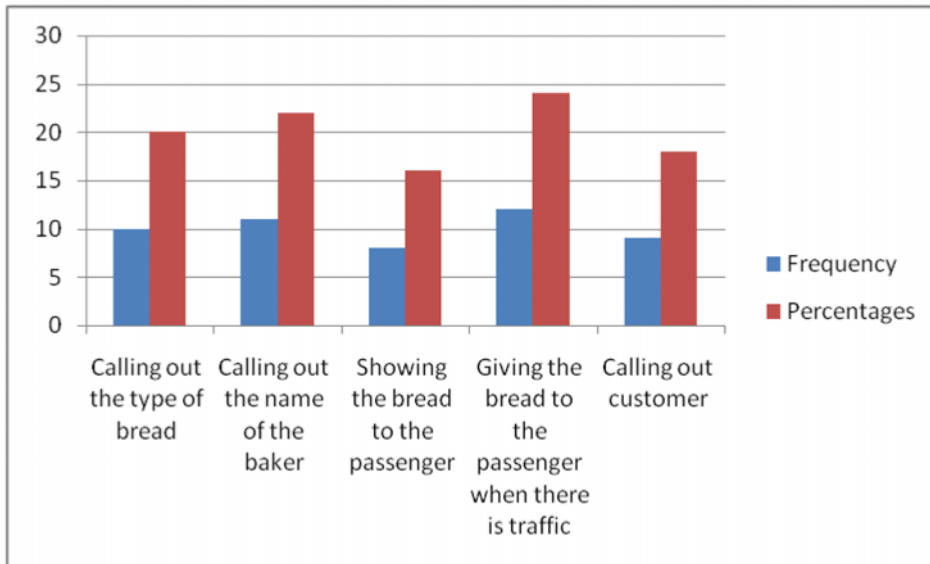


Figure 4.3 illustrate the kind of selling strategies the street sellers use to sell their bread. Twenty percent (20%) sell by calling out the type of bread, twenty two percent (22%) name of the baker, sixteen percent (16%) by showing the bread to the passengers when there is traffic on the road, 24% use impose buying passengers pull their hand out of the car, eighteen percent (18%) calling customers .

**Figure 4.4 Respondent view on why they use the strategy.**

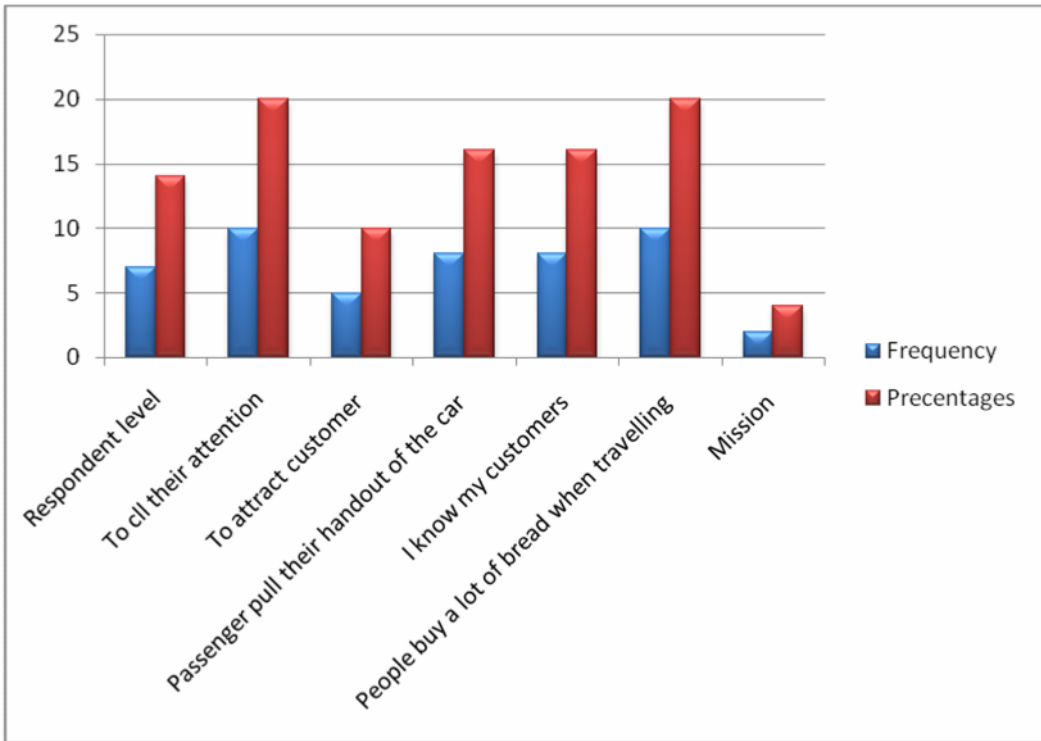
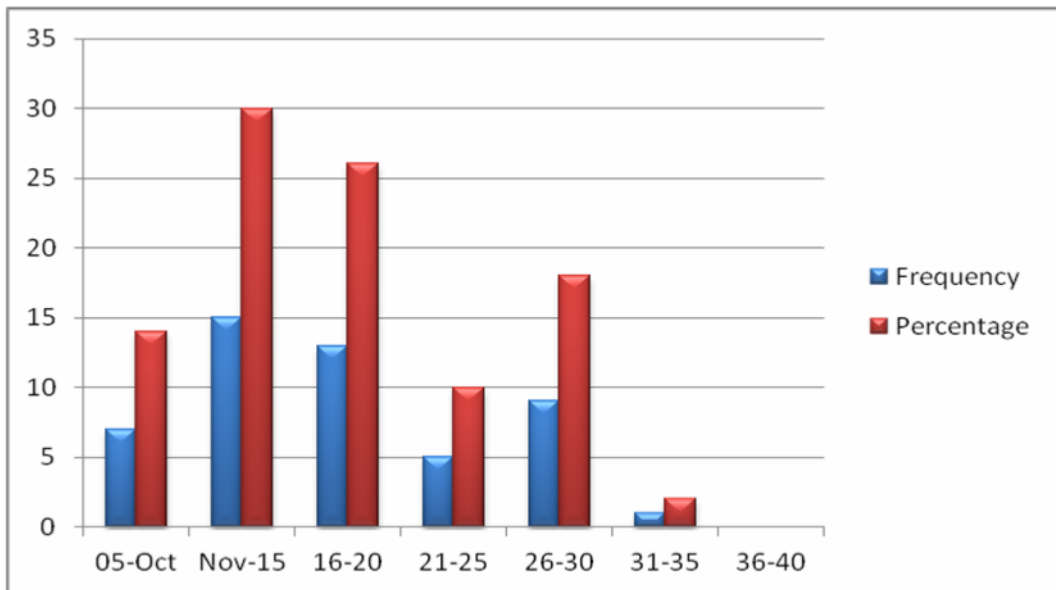


Figure 4.4 represents the respondents views on the strategy adopted in selling the bread on the street. Fourteen percent (14%) said they call out the type of bread to call customers attention, twenty percent (20%) said they call out the name of the bake because she is known to bake well, sixteen percent (16%) use the strategy for the reason that the passengers pull his hand out of the car because he wants to buy bread. Another sixteen percent (16%) said because they know their customers so they go to their cars and sell to them, twenty percent (20%) said people buy a lot of bread when travelling.

**Figure 4.5 Average earnings daily**



From figure 4.5 above it can be seen that out of out of the total number of respondents Fourteen (14%) earn GH¢5.00 to GH¢10.00, 30% earn GH¢11.00 to GH¢15.00 on their daily sales, twenty six (26%) earn between GH¢16.00 to GH¢20.00, ten (10%) earn GH¢21.00 to GH¢25.00, eighteen (18%) GH¢26.00 to GH¢30.00, two(2%) earn GH¢31.00 to GH¢36.00 and a missing respondents of 2% of the total fifty (50) questionnaires.

## **4.2 DISCUSSIONS**

The key findings of this study were the distribution system of the bread producers .A number of producers were interviewed through the interview with the producers .It came out that the distribution channel by the producers were through two major means .Most of the producers distribute the bread to the point of sale (street), with their own van. This enables the street sellers a convenient time to sell and also reduce their transportation cost. A number of authors have reported that products go through different distribution channels

before the end user gets the product.(Jim Riley,2012) and can have several stages depending on how many organizations involve. What came out from the discussion that most the sellers sell the bread on commission basis. Some of the sellers go for the bread on credit bases, sell and return a make accounts. This is because they do not have the capital to start the business. Out of 50 questionnaires, 42 % of the sellers get their bread to sell through commission basis. , it was realized both of the producer and the street seller benefit from this type of sale. Most of the respondent said that they get commission on each bread they sell. The following goes along with each commission on bread sold twenty (20) pesewas out of GH¢ 1.00 each bread sold, forty (40) pesewas out of GH¢2.00 sold and twenty –five (25) pesewas out of GH¢2.5 sold. It was also found that 30% of the sellers get the bread to sell by buying and selling on their own. This make the seller earn a lot of profit. Whiles the seller who buys at the production point incurs transportation cost. The bread is bought at a lower price because they become wholesaler and incur expenses It was realized the interview was that all those interviewed incurred cost on similar bases.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.0 INTRODUCTION**

This section of the study gives the clear view of the findings and bring out the distribution channels of producers, the selling strategies of the sellers and the profit margins of the sellers. It outline the conclusions for the study and the necessary recommendations based on the findings.

#### **5.1 SUMMARY OF FINDINGS**

The purpose of this study was to understand the distribution channel used by the bread producers. The findings of the study suggested that the producers used two main ways to distribute the bread. The two ways are the use of van to supply to the point of sale. The retailer is also one channel of distribution who buy with her own money and the use of selected people for both commission and credit bases at the selected permanent streets.

The street bread sellers use a lot of strategies to sell the bread. They mostly used the push strategy. They take advantage of the traffic situations and sell the bread to the passengers. They also sell a lot of bread by calling out the name of the baker as one of the strategies to sell. It was realized that sellers who buy from the production point get larger margins than those on credit and commission basis.

## **5.2 CONCLUSION**

The street bread sellers do not have enough time for themselves because the need to sell off more bread before they go to the house. It was realized that the more you sell the more the your margins. The study concludes that in other to get higher margin the street bread sellers use push selling strategy to get the bread to the consumer.

## **5.3 RECOMMENDATION**

Based on the findings and conclusion the study made some useful recommendation. Firstly, it came to light that the producer mostly use van to distribute the bread to sellers at the point of sale. It is therefore recommended that in other to reduce cost of distribution of bread to the seller, the producer should encourage sellers to come for the bread at the production point by given some margins off. In so doing will increase their profits The other issue that was revealed in the course of the study was that the sellers use a lot of unfavorable selling strategies. The producers must invest in training the street bread sellers in the area of personal selling and direct selling since they are able to indentify their customers. The street bread sellers should be given training on the selling process in other to retain their custome. Finally the research focused on the margins of the street bread sellers. It came out from the research that majority of the sellers live on bread selling alone. It is therefore recommended to the women in bread selling business to sell more so at to gain enough margins to support their family and save some to purchase the bread on their own without buying on credit or commission. This study did not establish the relationship between the street bread seller and the producer of bread. It is therefore recommended that in future, further explanatory relating to this topic be undertaken.

## REFERENCES

IFAD, (200) Ghana, Rural Financial Services Project

David Jobber and Geoff Lancaster, Selling and sales management 8<sup>th</sup> edition.

Alex Ngarambe,(2010) New times, 7<sup>th</sup> May.

Futrell, Charles M,(1995).Fundamentals of selling 5<sup>th</sup> edition McGraw – Hall Company Inc  
USA.

Joan Sanger, a Parish base speaker.

Kotler, Philips (1999),Principles of Marketing, 2<sup>nd</sup> European Edition, Prentice Hall  
International Inc.

[www.icfafrica.org](http://www.icfafrica.org).

Jim Riley, (2012) Distribution Channel.

## APPENDIX 1

**Table 1**

**Marital status of respondents**

Respondents level	Frequency	Percentage	Cumulative
single	22	44%	44
married	18	36%	80
divorce	9	18%	98
Missing number of respondents	1	2%	
Total	50	100	100

Source : Researcher field studies

**Table 2**

**Respondents Age Group**

Respondents level	Frequency	Percentage	Cumulative
15-20	2	4	4
21-26	18	36	40
27-32	20	40	80
33-38	10	20	100
Total	50	100	

Source : Researchers field studies



**Table 3**

**Respondents Educational Level**

Respondents level	Frequency	Percentage	Cumulative
JHS	17	34	34
SHS	3	6	40
A – Level	-	-	
Illiterate	21	54	94
No response	3	6	100

Sources: researchers field studies

**Table 4**

**Respondents on selling of bread as a livelihood?**

Respondents level	Frequency	Percentage
Yes	72	84
No	8	18
Missing	0	
Total	50	100

Sources : Researchers field studies

**Table 5**

**Do you do any other job apart from selling bread on the street?**

Respondents level	Frequency	Percentage	Cumulative
Yes	41	8	8
No	46	92	100
Missing	-		
Total	50	100	100

Source: Researcher field studies

**Table 6**

**Respondents view on how long have you been selling?**

Respondents level	Frequency	Percentage	Cumulative
Week	9	18	18
Months	19	38	56
Years	22	44	100
Missing	-		
Total	50	100	100

Sources: Researchers field studies

**Table 7****Why do you adopt that strategy?**

Respondents level	Frequency	Percentage	Cumulative
To call their attention	7	14	14
Known to bake well	10	20	34
To attract customer	5	10	44
Passenger pull their handout of the car	8	16	60
I know my customers	8	16	76
People buy a lot of bread when travelling	10	20	96
Mission	2	4	100
Total	50	100	

Sources : Researchers field studies

**TABLE 8****How many quantity of bread do you sell in a day?**

Respondents level	Frequency	Percentage	Cumulative
10-20	-	-	
21-30	16	32	32
31-40	14	28	60
41-50	20	40	100
TOTAL	50	100	

Sources : researchers field studies

**TABLE 9****Who is your supplier?**

Respondents level	Frequency	Percentage	Cumulative
Producer van	35	30	30
Buy from the production point	15	70	100
Missing	-	-	
Total	50	100	

Sources : researchers field studies

**Table 10****What kind of selling strategy do you use?**

Respondents level	Frequency	Percentage	Cumulative
Calling out the type of bread	10	20	20
Calling out the name of the baker	11	22	42
Showing the bread to the passenger	8	16	58
Giving the bread to the passenger when there is traffic	12	24	82
Calling out customer	9	18	100
Total	50	100	

Sources: researchers field studies

**Table 11**

**How were you introduced into the business**

Respondents level	Frequency	Percentage	Cumulative
Friend	17	34	34
Relative	18	36	70
Personal Interest	11	22	92
Missing	2	4	100
Total	50	100	

Sources : researchers field studies

**Table 12**

**What type of bread do you sell most?**

Respondents level	Frequency	Percentage	Cumulative
1 brown	6	12	W12
2 butter	14	28	40
3 tea bread	27	54	94
4 sugar	3	6	100
Total	50	100	100

Sources: researchers field studies

**Table 13**

**Averagely how much do you earn daily?**

Respondents level	Frequency	Percentage	Cumulative
5-10	9	18	18
11-15	15	30	48
16-20	112	24	72
21-25	4	8	80
26-30	8	16	96
31-35	2	4	100
36-40	-	-	
Total	50	100	

Sources: researchers field studies

**TABLE 14**

**How many quantity of bread do you sell in a day?**

Respondents level	Frequency	Percentage	Cumulative
10-20	2	4	4
21-30	16	32	36
31-40	14	28	64
41-50	18	36	100
Total	50	100	

Sources: researchers field studies

**Table 15**

**What is your daily expenses?**

Respondents level	Frequency	Percentage	Cumulative
No expenses	37	74	74
2-5	5	10	84
6-9	6	12	96
10-13	2	4	100
14-12	-	-	
Total	50	100	

Sources: researchers field studies

**Table 16**

**Do you belong to any association?**

Respondents level	Frequency	Percentage	Cumulative
Yes	36	72	72
No	14	28	100
Total	50	100	

SOURCE : RESEARCHERS FIELD STUDIES

**Table 17**

**Is this place your permanent position for sales?**

Respondents level	Frequency	Percentage	Cumulative
Yes	37	74	74
No	10	20	94
Missing respondents	3	6	100
Total	50	100	

Sources: researchers field studies



## APPENDIX 2

### QUESTIONNAIRS

This is a research on personal system on street bread seller in Kumasi.

The outcomes of this research and your response are purely for academic purpose and your confidentiality is assured. We would therefore request five (5) of your time to honestly and abjectly response to this questionnaire.

Please tick or fill in the provided space as may apply. Thank you.

1. Marital status                      Single [ ]      Married [ ]      Divorce [ ]
2. Age group    15-20 [ ]                      21-26 [ ]                      33-38 [ ]
3. Educational level    JHS [ ]                      SHS [ ]                      A-Level [ ]      O level [ ]      Illiterate [ ]
4. Do you live on the selling of bread?      Yes [ ]                      No [ ]
5. If No what other job do you do?.....
6. For how long have you been selling? Weeks [ ]                      Months [ ]      Years [ ]
7. How were you introduced into the business?  
Friend [ ]    Relative [ ]                      Personal Interest [ ]
8. How do you finance your business?  
On credit [ ]      Commission [ ]      personal money [ ]
9. How do you get the bread to sell?  
Production point [ ]      Point of sale [ ]
10. Who is your supplier? .....

11. What kind of selling strategy do you use in selling?

.....

12. Why did you adopt this strategy?

.....

13. How many quantity of bread do you sell in a day?

10-20 [ ]      21-30 [ ]      31-40 [ ]      41-50 [ ]

14. What types of bread do you sell?

Brown bread [ ] Butter bread [ ] Tea bread [ ] Sugar bread [ ]

15. What type of bread is mostly sold?

.....

16. Averagely, how much do you earn daily?

5-10 [ ]    11-15 [ ]    16-20 [ ]    21-25 [ ]    26-30 [ ]    31-35 [ ]    36-40 [ ]

17. What is your daily expense?

.....

18. Do you belong to any association? Yes [ ]      No [ ]

19. What is the name? .....

20. Is this place you permanent position for sales and why?

.....

.....

.....

21. For how many hours do you stand here selling?

3hrs [ ]    4hrs [ ]    5hrs [ ]    6hrs [ ]

**Thank you for your cooperation.**