

Effect Of Marketing Strategies On Entrepreneurial Development In Imo State

Okwara Chinedu Canice

08034591167

Email: Ccokwara77@gmail.com

Department Of Marketing

Imo State Polytechnic Umuagwo

Nwosu Ndubuisi Levi

08035011211

Email: Nnlevi@yahoo.com

Department Of Business Administration

College Of Management Sciences

Michael Okpara University Of Agriculture Umudike

Etuh Sunday Paul

08062998660

Email: Etuhsundaypaul@yahoo.com

Department Of Business Administration

Kogi State Polytechnic Lokoja

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ABSTRACT

The study examined effects of marketing strategies on entrepreneurship development in Imo State. It also attempts to determine the extent to which advertising increase sales of the firm. The researchers adopted survey method, using questionnaires to gather data from the selected business enterprises within the state. Three LGAs were drawn from each of the three senatorial districts of the state. The findings showed that marketing strategy such as advertising enhances the sales growth of any company. It was also noted that the use of segmentation strategy has a positive effect on the overall profitability of the firm. It is recommended that entrepreneurs should be able to understand the need for customer satisfaction in other to create a niche over the product they sell. Entrepreneurs should engage in more aggressive advertising by making use of the mass media such as TV, Radio, Internet, Newspapers, Magazines tec. As well as guerilla marketing (Advertising) to ensure that their customers are reached wherever they are located.

Key Words: Marketing Strategies, Entrepreneurial, Advertising and Development

INTRODUCTION

In a developing economy such as Nigeria, much emphasis is placed on locally produced goods and to facilitate a good exchange of these goods, it is important that any marketer maps out an effective marketing plan to help get these products, goods to the customers at minimum cost.

Marketers go into business aware that selling product to meet the marketing objectives can generate profits. The setting of marketing objectives is a key step in the marketing planning and the marketing objective i.e. what the organization wants to achieve in terms of sales volume, market share etc. and how the organization then sets out to achieve these objectives is the strategy and all companies must look ahead and develop long term strategies to meet the changing conditions in their businesses. No one strategy is best for all companies and each must find the game plan that makes the most sense given its situation, opportunities, objectives and resources, since corporate environments are rapidly changing and the successful firm is the one that can most effectively anticipate and manage the external environment to discern and interpret opportunities and threats in the environment and then capitalize on these opportunities in a timely fashion organization when faced with a complex and changing environment since it has become increasingly important for them to adopt a strategic approach to their market.

Basically, a strategy is a statement regarding what an organization wants to be and how it wants to be and how it plans to get there. It is also considered as a way of thinking that strives to ensure the long term prosperity of the firm, and are usually based on clearly defined terms that takes a comprehensive approach to the organizations problem.

Companies do develop strategies at a number of different levels ranging from overall corporate strategies to strategies for individual products and markets. Here corporate strategy deals with overall development of an organizations business activities while marketing strategy focuses specifically on the organization's activities in relationship to the market served. Marketing strategies must therefore be consistent with the overall corporate strategies. Which means that the market strategy must fit with corporate efforts in such areas as finance, personnel, technology and production. From a strategic standpoint, marketing focuses on questions regarding where, how and when to complete. Marketing strategy is therefore a specification of the way in which the marketing mix is used to attract and satisfy the target market(s) and achieve the organizational objectives. A good marketing

strategy provides a framework for marketing mix decisions, which centers on product, distribution, promotion and price plans. It should also be efficient and effective, the efficiency component simply relates to doing a task, having the right product at the most appropriate time in the right markets.

A market seeks to develop a unique competitive advantage in each market it operates and also develop a strategic plan for existing product lines which forms one of the most critical element of the company's marketing planning activity. It is usually based on two concepts namely the marketing environment and the strategic fit that is the company organizes its resources in order to secure an effective relationship with the market in which it operates.

Kotler (2000) stated that where a firm is marketing oriented, its entire organization welded together in one unified coherent system which is directed towards a well-defined set objective unless an organization has devised an effective strategy that is open to benefiting from its competitors. This statement however attests to the fact that an organization without a strategy is like a ship without a rudder going round in circles. Every business organization now adopts the application of strategy to help indicate its specific value in developing their marketing performance in the organization. According to Mintzeberg (1989) one of the more important functions of management is to formulate strategy for her organization or at least oversee the process by which they and others make strategies. He goes further to say that in a narrow sense, strategy making deals with the position of an organization in market riches, but in broader sense it refers to how the collective system called organization establishes and if necessary changes its basic orientation. Marketing strategies are used to increase sales, launch new products and generally provide profit for a company.

The aim of every entrepreneur is to create products and services even ideas that will be able to satisfy the needs and wants of its target customers and to ensure that the customers get to know about the existence of the products and services no matter where they are located. This can be achieved by advertising strategy which increases the demand for the product category through increased awareness thereby raising the per capital consumption for the product and convert customers from other products. Advertising is the most commonly used and the most noticed of all the promo-tools, it is the one that gets to the greatest number of the firms' target audience at the same time.

Entrepreneur is a person who chooses or assumes risks, identifies business opportunities, gathers resources, initiates actions and establishes organization or enterprise to meet such market

demand or market opportunity. They help economic growth in both developed and developing countries, start new business, thereby creating jobs for themselves and those they employ. They often increase competition and can increase productivity as well.

Entrepreneurship can and does play a big role in improving people's lives by people banding together to diversity and the source of income in a community where there are only one common sources of income. It helps young and adults who often face joblessness because it is a way for them to channel their energy, creativity and fresh perspectives into innovation and problem so long so they can contribute to their communities.

Drucker (1985) maintained that entrepreneurs' searches for change respond to it and exploits it as an opportunity. The implication of this is that through the activities of entrepreneurs, they initiate actions that will lead to the development of novel products that will meet the needs and wants of the consumer. Furthermore, they are always seeking for opportunities to turn ugly situations into a profitable opportunity to make debut in life.

LITERATURE REVIEW

The term strategy can be traced from the military language and it means a general programme of action and deployment of emphasis and resources to attain comprehensive goals. Hence, a strategy is a pattern of actions and resources allocations deigned to achieve the goals of the organization. Put more differently, strategy is a definite line of action designed to achieve specific objectives under a given set of conditions. Marketing strategy is the fundamental goal of increasing sales and achieving a sustainable competitive advantage. It includes all basic, short term and long term activities in the field of marketing that deal with the analysis of the strategic initial situation of a company and the formulation, evaluation and selection of market oriented strategies and therefore contributes to the goals of the company and its marketing objectives.

DEVELOPING A MARKETING STRATEGY

The process generally begins with a scan of the business environment, both internal and external, which includes understanding strategic constraints. It is generally necessary to try to grasp many aspects of the external environment, including technological, economic, cultural, political and legal aspects goal. Then a marketing strategy is an explanation of what specific actions will be taken over time to achieve the objectives. Ideally, strategies are dynamic and interactive, partially planned and partially unplanned, to enable a firm to react to unforeseen developments while trying to

keep focused on a specific pathway, generally, a longer time frame is preferred.

There are simulations such as customer lifetime value models which can help marketers conduct "what if" analysis to forecast what might happen based on possible actions and gauge how specific actions might affect such variables as the revenue per customer. Strategies often specify how to adjust the marketing mix, firms can use tools such as marketing mix modeling to help them decide how to allocate scarce resources for different media, as well as how to allocate funds across a portfolio of brands. In addition, firms can conduct analysis of performance, customer's analysis, competitor analysis and target market analysis. A key aspect of marketing strategy is often to keep marketing consistent with a company's overarching mission statement.

The strategies are:

Diversity Strategies: Marketing strategies may differ depending on the unique situation of the individual business. However, there are number of ways off categorizing some generic strategies. They are:

Strategies based on Market Dominance: In this scheme. Firms are classified based on their market share or dominance of an industry. Typically, there are four types of market dominance strategies, leader, challenger, follow and niche.

Marketing Growth Strategies: In the early growth stage, the marketing manager may choose from two additional strategies alternatives: Segment expansion, Smith (1978) or brand expansion Borden, Ansott, Kerin and Peterson (1978).

Marketing Maturity Strategies: In maturity, sales growth slows, stabilizes and starts to decline. In early maturity, it is common to employ a maintenance strategy where the firm maintains or holds a stable marketing mix.

Market Decline Strategies: At some point the decline in sales approaches and then begins to exceed costs. And not just accounting costs, there are hidden costs as well as Kotler (1965) observed, no financial accounting can adequately convey all the hidden costs. At some point, with declining sales and rising costs, a harvesting strategy becoming unprofitable and divesting strategy necessary.

Differentiation and Segmentation Strategies: In product differentiation according to Smith (1956), an enterprise tries bending the will of demand to the will of supply. That is, distinguishing or differentiating some aspect(s) of its marketing mix from those of competitors in a mass market or large segment, where customer preferences are relatively homogenous (or heterogeneity is ignored, Hunt (2011) in an attempt to shift its aggregate demand curve to the left (greater

quantity sold for a given price) and make it more inelastic (less amenable to substitutes). With segmentation, an enterprise recognizes that it faces multiple demand curves because customers' preferences are heterogeneous and focuses on serving one or more specific target segment within the overall market.

Skimming and Penetration Strategies: With skimming an enterprise introduces a product with a high price and after milking the least price sensitive segment gradually reduces price, in a stepwise fashion, tapping effective demand at each price level. With penetration pricing an enterprise continues its initial low price from introduction to rapidly capture sales and market share, but with lower profit margins than skimming

Porter Generic Strategies: Porter generic strategies on the dimension of strategic scope and strategic strength.

Strategic scope refers to the market penetration while strategic strength refers to the firm's sustainable competitive advantage. The generic strategy framework (Porter, 1984) comprises two alternatives each with two alternative scopes. These are differentiation and low cost leadership each with a dimension of focus broad or narrow.

Single Market Strategies: A company may concentrate its efforts to serve a single segment. A small company with perhaps a unique product may select a niche to develop its effort so as to avoid confrontation with large competitions. The company should analyze the market carefully to find which segment is currently being ignored, served inadequately or the ones larger competitors may consider to be too small, too risky or unprofitable to serve. Due to concentrated effort in such a market, a company may find it possible to keep costs down at higher prices and profits.

Multi-Market Strategies: A company may decide to serve distinct segments of a market for example higher education student, secondary students and primary school pupils. It should choose those segments with which it feels comfortable and able to avoid confronting other companies serving in the market. A company can sell different products in different segments or distribute the same product in both segments.

Total Market Strategies: A company may choose to serve the entire spectrum of the market by selling different products to different segments in the market. It is a strategy that evolves over a number of years of operation. The company may start with one product as the market grows into separate segments. It modifies its product offerings to serve them. It tries to compete in all the segments with

combinations of price, promotion and distribution programmes. The company enters new segments as they emerge thereby competing in all possible markets for a product.

This strategy requires top management commitment and a reasonable amount of resources too thin that competitors may effectively take over such markets. Total market strategy can be rewarding in enhancing company growth and market share in the short run.

GUERRILLA MARKETING

It is an advertising strategy that focuses on low cost unconventional marketing tactics that yield maximum results. The original term was coined by Jay Conrad Levinson in his (1984) book "Guerrilla Advertising".

Guerrilla marketing is about taking the consumer by surprise, make an indelible impression and create copious amounts of social business. It is mostly recommended for small businesses that need to reach a large audience without breaking the bank.

The main point of guerrilla marketing is that the activities are done exclusively on the streets or other places such as shopping centres, parks or beaches with maximum people access so as to attract much audience. The challenges with any guerrilla marketing campaign is to find the correct place and time to do the operation without getting involved in legal issues.

Entrepreneurial Development

Entrepreneurship has generally been classified as a mindset. It is the end product of an entrepreneur. The entrepreneur is the creative person that habitually innovates something that has perceived value based on opportunities in the environment.

Entrepreneurship is one of the major factors that make up the resources of any given organization. Land, labour and capital, which make up four factors of production, cannot function effectively unless the entrepreneur is available to properly blend them to result into objective attainment for the organization hence, the creative power of the entrepreneur ensures that the factors of production are deployed into meaningful process that will culminate into production that meets consumers' needs at a profit.

It is this power of creating jobs that the entrepreneur wields that underscores the importance of entrepreneurship in the economic development of any including Nigeria. It is therefore, reasonable to say that any country that desires industrialization, which is a catalyst of development, must not ignore the essential contribution of its entrepreneurs. It is on the basis of this that the study and practice of entrepreneurship becomes very vital. The term entrepreneur is a person who organizes and coordinates any business venture while bearing the

risk associated with the business and of course enjoys the profit arising from it. Akanwa and Agu (2005) indicated that while the entrepreneur is the person venturing into business of organizing and managing entrepreneurship is the services rendered by the entrepreneur. In the case of Okpara (2000), entrepreneurship is the term used broadly in connection with the innovative and creative modern industrial business leaders. Other scholars further buttressed that by saying that the entrepreneur is the one that perceives business opportunities and takes advantage of the scarce resources to use them profitably.

In an attempt to provide ideal meaning to what entrepreneurship represents Akanwa and Agu (2005) looked at it from two major stand points that they referred to as school of thought. The first school of thought is the one that sees entrepreneurship as a risk. This school of thought emphasized that since life itself is a risk, one must make frantic efforts to survive irrespective of all odds. The second school of thought sees entrepreneurship as an opportunity to think in our own way. On this issue, Akanwa and Agu (2005), while quoting Ukeje and Akanwa (2000) and Imaga (1996) opined that in modern business management and eventual business success, there is nothing like luck. What people refer to as luck is the logic of what happens when opportunity meets with preparedness, what may result in constant business failure, is the inability to recognized opportunities, and so, for such people entrepreneurial is taking advantage of opportunity.

They further indicated those opportunities for business entrepreneurship is everywhere but it takes a trained eye to identify and utilize one. While discussing these schools of thought further Akanwa maintained that an entrepreneur is also seen as a person who sees a business opportunity, obtains the need capital, knows how to put together an operation successful, and has the willingness to take a personal risk of success or failure. According to Anyanwu (1999) people venture into entrepreneurial activities irrespective of the constraints because of business opportunity, profit, independence and challenges.

CHALLENGES OF ENTREPRENEURS IN NIGERIA

A number of challenges are affecting the growth of entrepreneurship in Nigeria. Some of them are:

Corruption Challenges: The nation has noticed a lot of her past leaders stealing and banking their loots in the foreign country. This dastardly wicked act has drained the purse of the nation and made entrepreneurs to lack the needed resources for successful entrepreneurial ventures.

Market Challenges: The knowledge of the market

has been a major problem to the successful implementation of entrepreneurship program. There is no timely and adequate information about the market and that has heavily affected the identification for customers' needs. The inability to identify these needs will lead to production of unwanted products which will face the negative respond of the buyers thus leading to early business extinction.

Infrastructural Challenges: Poor infrastructure like power supply, good road network, water etc has increased the cost of production and made developed product very expensive. Most entrepreneurs have to depend on their own alternative power supply and are confronted with high cost which is usually built into the final product price. This makes their price uncompetitive and reduces patronages.

Financial Constraints: Access to finance by Nigerian entrepreneur is very difficult and where available from the bank, it is usually with a high percentage of interest. This has affected the scale of business they engage in and many a time, they lose opportunities because they lack the huge finance needed to utilize them.

Documentation Challenges: There is improper documentation of procedures and outcome of business transactions. This makes it difficult to regulate business activities and in many cases lose tremendous amounting of money in the hands of questionable staff because business financial transaction is not adequately recorded

METHODOLOGY

The study was carried out in nine local governments of the twenty-seven in Imo state. Three L.G.As were drawn from each senatorial district of the state. The paper uses survey research method. A set of questionnaires was well structured and administered to four categories of respondents, which were the wholesaler, service firms', manufacturing and retailing. One hundred and fifty questionnaires were administered within the study area, fifty in each of the senatorial areas. Out of which one hundred and twenty was returned, thirty were not returned leaving us with the sample of one hundred and twenty people. Likert Scale structured questionnaires was used with options of five variables, which ranges from Strongly Agree (SA) Agree (A) Undecided (U), Disagree (D) and Strongly Disagree (SD). The instrument used for data collection is questionnaire designed by the researcher and validated by experts.

The questionnaires were administered directly to respondents at the point of purchase in the office and their stores in the market. Field assistants were sales representatives with ND and HND qualifications who have considerable experience in selling were used in the distribution.

Table 1:
The nature of business that respondent' enterprises are into

	No of Questionnaires	No. of Unreturned Questionnaires	No of Returned Questionnaires	Percentage (%)
Owerri	20	4	16	13.3
Municipal	18	3	15	12.0
Owerri North	12	3	9	8.0
Aboh Mbaise	17	3	14	11.3
Okigwe	17	4	13	11.3
Ehime	16	3	13	10.7
Mbano	16	2	14	10.7
Onuimo	18	6	12	12.0
Ideato South				
Oguta	16	2	14	10.7
Njaba	-	-	-	-
	150	30	120	100

Source: Field Survey 2017

Table one above shows the nature of business enterprises respondents from each of the local government and Senatorial districts of the state. Of the 120 respondents, 40 (33.3%) respondents are

from Owerri Zone, which includes those in whole selling servicing, manufacturing and retailing also 33.3% respondents are from Okigwe zone while 33.4% respondents are from Orlu zone.

Table 2: Which of the marketing strategies does your organization use?

Options	Response	(%)
Product		
Pricing	10	12
Promotion	15	17
Advertising	50	30
Distribution	10	12
Guerilla Advert	30	22
Packaging	5	7
Others	-	-
Total	120	100

Source: Field Survey 2017

From the above table, 10 respondents which represent (12%) said they use pricing, 15 r 17% of the respondents said they use promotion. While 50 or 30% of the respondents said they use advertising. Also, 30 or 22% of the respondents said because of the high cost of advertising in the media houses they have adopted the use of guerilla advertising to win customers.

Table 3: How often does your organization use marketing strategy?

Options	Responses	(%)
Very often	20	15
Often	70	60
Moderately	10	9
Rarely	10	8
Very rarely	10	8
Total	120	100

Source: Field Survey 2017

In response to item above 20 or 15% of the respondents said they always use marketing strategy to pursue their organizational goals, 70 or 60% respondents said they often use marketing strategy, 10 or 8% of respondents' said they rarely and very rarely use marketing strategies while 10 or 9% respondents said they use marketing strategies moderately in their organization.

Table 4: How would you rate the effectiveness of advertising strategy in the sales of your company products?

Options	Responses	(%)
Strongly Agree	80	65
Agree	30	19
Undecided	5	8
Disagree	5	8
Strongly Disagree	-	-
Total	120	100

Source: Field Survey 2017

The table above shows that 80 or 65% of respondents strongly agree that advertising strategy helps them to sell their products as fast as possible, 30 or 19% also agreed on the effectiveness of advertising in the marketing of their products. While 5 or 8% respondents disagree and strongly disagree that advertising is not the best strategy for entrepreneurs in the state.

Table 5: Does your organization employ professionals to take charge of its marketing operations?

Options	Responses	(%)
Yes	20	10
No	100	90
Total	120	100

Source: Field Survey 2017

The number of respondents who answered Yes are 20 which represents 10% of the total while 100 representing 90% answered No meaning that the company does not employ professionals to take charge of its marketing operations.

DISCUSSIONS OF FINDINGS

From the results of the field survey, it is found that marketing strategy has a significant effect on

entrepreneurial development because marketing strategy helps the enterprises achieve optimum turnover on the long run. It helps the enterprises know what is the customers want and how to satisfy their needs. The advertising strategy helps the customers to be aware of the existence of the products. It has also discovered that guerilla advertising did not only create awareness but helps the enterprises to achieve his marketing objectives especially for the enterprises that might not have all the resources to go into print and electronic advertising. Furthermore, the result of the findings reveals entrepreneurs that use segmentation achieve optimum sales growth in their organization.

CONCLUSION

Findings of the research implies that government should formulate policies that will encourage enterprises in adopting marketing strategy by creating awareness programmes to intimate them of the benefits to enterprises. Also, the enterprises should know that no firm can survive without adequate marketing strategy. The earlier the enterprise starts creating awareness of their product and services the better for them. The workers should be properly informed about marketing and everything it entails so that they can be making the most of it in their daily operations, because marketing strategies are used to increase sales, launch new products and generally provide profit for a company (Cyprus, 2010)

RECOMMENDATIONS

- 1) Entrepreneurs should intensify more effort on marketing their products either through open market or consumer contact (one on one sale) will improve sales. This is the need for guerilla marketing.
- 2) Entrepreneurs should engage in more advertising by making use of the internet, print and electronic media etc to ensure their clients get reached wherever they are found
- 3) Entrepreneurs should endeavor to always check and review their marketing strategy on regular basis. They should engage in a realistic that will produce result
- 4) Entrepreneurs should be able to understand the need for customer satisfaction and create niche for the product they sell. Hence, the need of the consumers should be known before production is done. They should try and know what their customers want and make sure that maximum satisfaction is being derived.
- 5) Entrepreneurs should endeavor to engage professionals in marketing to handle their marketing activities because they know how to generate revenue that will sustain the organization.

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