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Marketing strategies and performance of agricultural marketing firms

Conceptual and empirical integration study from
NIGERIA



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ABSTRACT

This thesis examines the application of Contemporary Marketing Strategies and their impact on agricultural marketing firms performance in South-West Nigeria. The study was carried out on established conceptualised Contemporary Marketing practice comprising of four different approaches - Transaction, Database, Analysis Interactive Mix and Network Marketing. The general objective of the study was to examine the application/adoption of Contemporary Marketing Strategies and the Performance of agricultural Marketing firms in Nigeria's buyer-seller relationships. Data for this research were obtained from both primary and secondary sources. Relevant published and unpublished literature provided the secondary data. The primary data were obtained through structured questionnaires (administered to sampled agricultural marketing firms managers involved in three major divisions of Industrial, Food and other Agro sectors in South-Western, Nigeria). One thousand one hundred and ten (1,110) copies of the questionnaire were administered, out of which eight hundred and eighteen (818) were collated for the analysis, representing 79 per cent return rate. To achieve the objectives of this study, four hypotheses were formulated. For the data analysis, the statistical test tools used included Analysis of Variance, Multiple Regression Analysis, and independent t-test. MS-Excel and SPSS 15.0 computer packages. The results showed that there is combined contribution of Transaction Marketing (arms-length, Marketing mix, functional Marketing and internal capacity) in predicting customers' acquisition. The study also revealed that there is significant difference in generating retainership capacity as well as improved market share between agricultural marketing firms with high adoption of database marketing and those with low adoption of database marketing. It was also observed that agricultural marketing firms with high and low use of face-to-face and dyadic relationship marketing have significant difference in sales value and volume. The results equally showed that agricultural marketing firms with high and low penetration of network marketing have significant difference in market share. Based on these findings, some recommendations were made that before embarking on expensive IT and data collection projects, managers should ask themselves basic questions like: how does Database Marketing fit in with existing and future marketing plans? What are the specific quantitative and qualitative benefits of Database Marketing system that will improve marketing productivity? What organizational changes will be necessary to accommodate a Database Marketing system? These questions are intended to provoke a situation review, which, if appropriate, evolves into a plan for Database Marketing systems development. If agricultural growth is to be stimulated and market created for

our industrial products, if higher productivity, improved preservation, packaging, packing and labeling techniques should be encouraged in Agro-related industries, the decision of Contemporary Marketing should focus on customer's preferences/ optimal Transaction, Interactive mix, Network and Database Marketing. This would also engender maximum benefit of electronically-interactive relationships.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study:

The importance of the agricultural sector in developed and selected developing economies, including Nigeria, is generally well known. Most public policy makers, since independence, expected the agricultural sector to satisfy national food requirements, supply most of the agricultural raw materials needed by the manufacturing sector, provide adequate employment and income as well as earn substantial foreign exchange for the country (Daramola, 2004). All national development plans in Nigeria since 1962 recognised that planning can be used, among other things, to achieve a higher growth rate for the economy and ameliorate certain structural deficiencies inhibitive to development process (Otokiti, 2007). The various policies and measures designed for the actualisation of the objectives in various plans (1st Plan: 1962-1968; 2nd Plan: 1970-1974; 3rd Plan: 1975-1980; 4th Plan: 1981-1985, e.t.c.) included various attempts at raising the level of public sector participation in the Agro-sector