

Poverty Alleviation In Nigeria: Marketing Concept As Pathway To Better Quality Living

By

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Abstract

Successive Nigerian governments in the last three decades have put up policies aimed at putting smiles on the faces of the governed. However, despite all attempts, the problem of poverty continues to rear its ugly head because the prescribed solutions have failed to find out the root causes of poverty. This paper therefore intends to fill that strategic intellectual gap. The paper uses a descriptive format with a well-researched literature. The objectives of the paper among others are (i). To explore the meaning of poverty as well as that of marketing concept. (ii). To develop a model embracing the use of marketing concept via the use of research to finding a lasting solution to the problem of poverty and (iii). To draw up policy recommendations which would be highly useful to government, non-government organizations and other stakeholders involved in solving the problem of poverty among Nigerians and the entire black Africa.

Introduction

Poverty in Africa has become a subject of national concern in the last two decades. The prevalence of mass poverty in Nigeria, that claims to be the giant of Africa reflects the poor management and performance of the economies of the various states in Nigeria. There are many over-crowded settlements in major urban centres in Nigeria today such as Ajegunle, Oshodi, Ketu, Lagos Island, Agege – (all in Lagos). Ibadan, Kano, Onitsha, Benin etc. The rural areas of most Nigerian states are also hit with absence of basic social infrastructures such as light, water and good roads. One wonders whether the people in these neglected areas did not take part in electing the ruling government functionaries.

Yet, each successive government since Nigeria's independence in 1960 pledged to better the lives of the citizenry and put smiles on the faces of the governed through provision of better and improved infrastructures; implementation of poverty alleviation policies and strategies that will put perpetual smiles on the faces of the governed.

Poverty has been variously defined by scholars based on their understanding of the concept. Among economists, poverty according to Ewetan (2005) has been defined as a situation of low income or low consumption. It is said to exist when one or more persons fall short of a level of economic welfare deemed to constitute a reasonable minimum either in some absolute sense or by the standard of a specific society (Lypton and Ravallion, 1995) as cited in Adeyemo and Alayande, 2001. Poverty refers to lack of physical necessities, assets and income.

It must be noted that the poor in most instances are unable to have access to basic necessities of life such as food, clothing, and decent shelter, unable to meet social and economic obligations, they lack skill, gainful employment, have inadequate possession of economic assets and sometimes lack of self-esteem.

On the nature of poverty, Ewetan (2005) emphasized that poverty may be chronic / structured or conjectural / transient. Structural or chronic poverty is long-term or persistent. Its causes are more permanent and depend on a number of factors such as limited productive resources, lack of skill for gainful employment, locational disadvantage or endemic socio-political and cultural factors.

The second type is conjectural / transitory poverty which is temporary / transient or short term. Its causes are more transitory and possibly more reversible. It occurs as a result of natural disasters such as drought, flood, earthquake etc. It must be noted also that man-made disaster such as war, structural adjustment reforms and changes in domestic economic policies that may result in price changes increased unemployment, inflationary pressures, hoarding of few remaining essential commodities etc.

According to Ukwu (2002), two basic concepts of poverty are usually recognized: These are absolute poverty and relative poverty. Absolute poverty refers to a condition under which there is a serious deficiency in or lack of access to the basic necessities of normal life such as food, clothing, housing, health and education services (African Medical and Research Foundation AMREF. 1998). Relative poverty according to the author relates to the condition of an individual, household, or group or community when considered against some reference standards or parameters such as the average for the group or region, a target standard or objective or its ranking on given criteria. In the final analysis, the author believes that all concepts of poverty are relative. Thus, when one speaks of absolute poverty, one refers to the existence below a reference standard of living.

According to World Bank Report (1999), poverty is hunger, lack of shelter, being sick and not being able to go to school, not knowing how to read, not being able to speak properly, not having a job, fear for the future, losing a child to illness brought about by unclean water, powerlessness, lack of representation and freedom.

An appraisal of past studies by the United Nations Development Programme UNDP advocates the use of the Human Development Index (HDI) and Capability Poverty Measure (CPM). According to the UNDP (1997 & 1998), HDI combines three components in the measurement of poverty. These are (i) life expectancy at birth (Longevity); (ii) educational attainment and (iii) improvement in standard of living determined by per-capital income.

The World Bank has called special attention to the causes of mass poverty in Sub-Saharan Africa, the most basic being lack of access to skill facilities and opportunities. In a situation of mass poverty such as we have in Nigeria, where poverty is the lot of the generality of the people rather the misfortune of a few, the primary reason for poverty must be sought not just in the circumstances of individuals but in the state of the nation and its management. Ironically, according to Ukwu (2002), most developed countries of the world today include countries that are poor in natural reasons while many poor

countries of Africa are richly endowed in natural resources which are gift of nature. Such countries include Nigeria, Ghana, Cote d'ivoire, Sierra Leone etc.

Another fundamental issue in Africa today is the growth rate in population which has assumed the Malthusian geometrical progression. To reduce poverty, Africa economies must grow faster than the rate of growth in population.

Problem Statement

The major challenge every responsive and responsible government must concern itself with is to make life better and more meaningful to the citizens. Every successive Nigerian government has approached the problem of poverty alleviation in the way they thought the problem could be handled. However, despite all attempts, the problem of poverty continues to rear its ugly head because the system of making a research and finding out the root causes of poverty has not been explored. How the people involved must be assisted and find out periodically whether the system works has not also been put into used. This paper therefore intends to fill that intellectual gap.

Objectives of this Paper

The objectives of this paper amongst others are to:

- (i). Explore the meaning of poverty as well as that of marketing concept.
- (ii). Develop a model embracing the use of marketing concept via the use of marketing research to finding a lasting solution to the problem of poverty among Nigerians; and
- (iii). Draw up policy recommendations which would be highly useful to government, non-governmental organizations and other stakeholders involved in solving the problem of poverty among Africans.

The marketing concept is a business philosophy that challenges the other concepts of product, production and selling concept. The marketing concept starts with the firm's target customers and their needs and wants. It plans a coordinated set of products and programmes to serve their needs and wants and it derives profit through creating customers' satisfaction (Ibidunni, 2004 and Achumba, 2000). According to Kotler et al

(1999), the marketing concept is defined as the management orientation that holds that the key to achieving organizational goals consists of the organization determining the needs and wants of target markets and adapting itself to delivering the desired satisfaction more effectively and efficiently than competitors. The above view is also supported by Achumbe (2000).

The implicit premises of the marketing concept are:

- (i). Consumers can be grouped into different segments depending on their needs and wants (market segmentation).
- (ii). The consumers in any market segment will favour the offer of that organization which comes closest to satisfying their particular needs and wants.
- (iii). The organization's task is to research and choose target markets and develop effective offers and marketing programmes as the key to attracting and holding customers.

Invariably, one can say that the marketing concept is based on three fundamental beliefs.

These are:

- All companies' planning and operation should be customer-oriented.
- Profitable sales volume should be the goal of the firm and not just volume for the sale of goods alone.
- All marketing activities should be organizationally coordinated.

In a nutshell, the marketing concept believes that customers' want satisfaction should be the economic and social justification for a firm's existence.

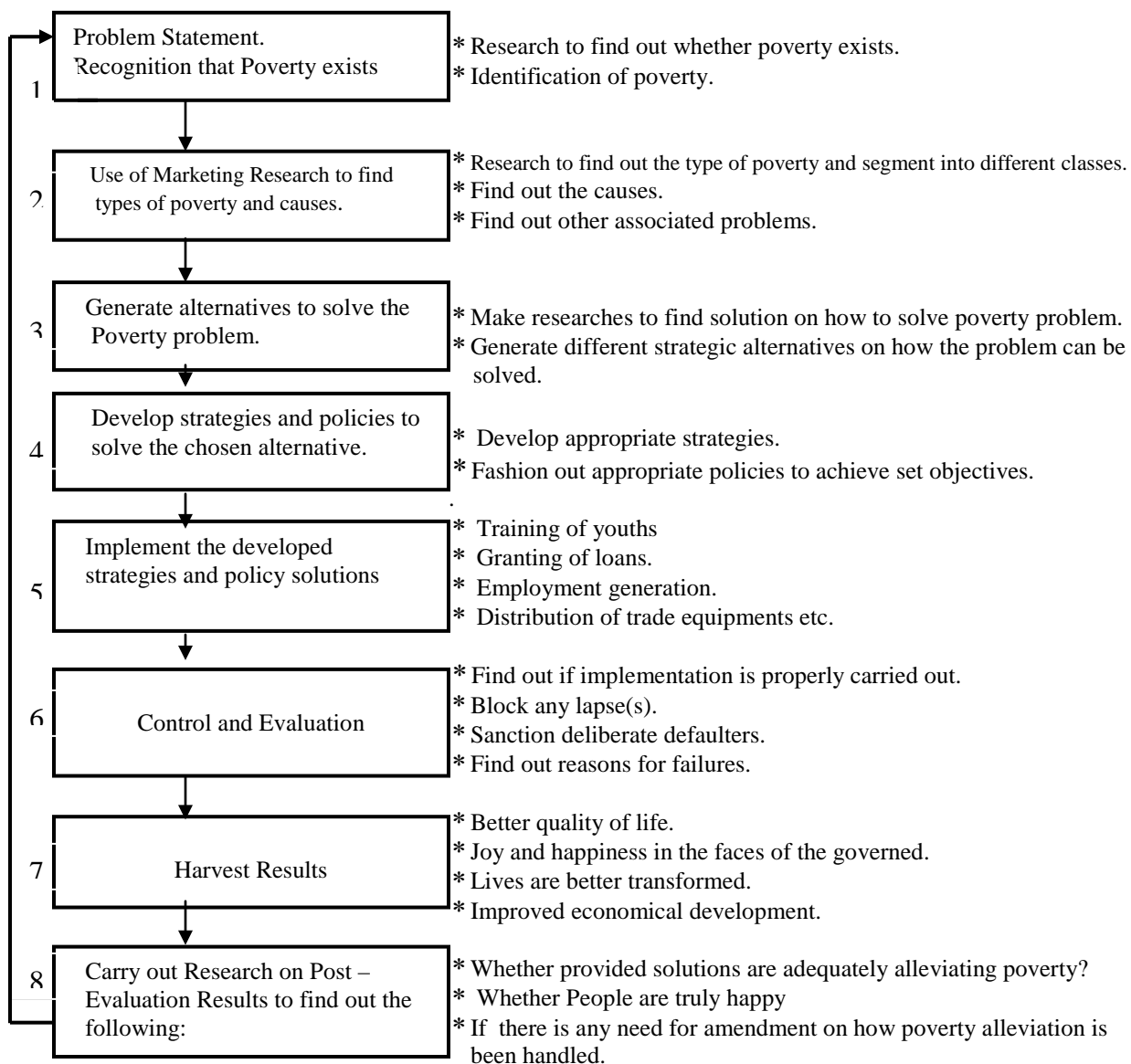
Consequently, all company's activities must be devoted to finding out what the customers want and then satisfying those wants, while still making a profit in the long-run.

The bone of contention that the marketing concept is stressing is that a firm must first make a research to find out the needs and wants of customers, segment the market and try to provide products/services that can satisfy the customers needs and wants. It goes ahead to carry out a post implementation research to find out whether the customers are satisfied or not. If they are not satisfied, it finds out why through a research and makes

necessary provisions to ensure that they are satisfied. If they are satisfied marketing concept thereafter keeps on the tempo.

How the marketing concept can help in providing solutions to government's efforts in solving poverty problems is presented below with the aid of the foregoing model and the discussion following.

Poverty Eradication Strategy Using the 8 – Step Process Model – (Marketing Concept Approach).



Source: Designed by the Researcher/Author.

Discussion on the Use of Marketing Concept to Solve Poverty Problems.

Using the marketing concept to solve the challenges of poverty, we shall be using the above eight-step process model.

- **Steps 1 and 2:** We start by first recognizing that poverty exists among the citizenry. Marketing concept believes that there is need to carry out a thorough research and the use of market segmentation. Hence, there is the need to find out the type of poverty, and the causes of the poverty must be traced to its root so that a lasting solution could be fashioned out.
- **Step 3** engages in the generation of alternatives to solve the problem. Again, a mini-research is undertaken to find out past-solved poverty problems. The knowledge of the past-solved problems would help to gain insight into the future. Based on combination of knowledge of the past with present, result oriented alternatives can be generated, which would help solve the poverty problem at hand.
- **Step 4** goes ahead to develop strategies that would assist in achieving the chosen alternative(s). Here, different possible strategies are considered and then, appropriate strategies are thereafter developed, which would ensure that the chosen alternative in step 3 is achieved.
- **Step 5** deals with implementation of the developed solutions. This stage calls for proper monitoring to ensure that implementation is faithfully carried out to the letter. Solutions could include training of youth; vocational training in different trades, teaching of people on entrepreneurial studies such as soap making, fish farming, snail farm etc. Where loans are given out, it must be properly monitored to ensure that the loan are judiciously spent on what it is meant for. Control and evaluation is **step 6** and must be carried out along side step 5. There is need for mini-research here to find out if implementation is been carried out properly. There is need to block all lapses and reward best performance while reasons for failures must be looked into. Here again, faulty performance must be sanctioned.
- **Step 7** deals with expected results from the process. The results could include some or all of the following: poverty is alleviated, better quality of life, lives are

transformed, improvement in economic development, improved standards of living etc.

Post Result Research is the last step. There is need to carry out post result research to find out whether poverty has been really alleviated? Are people really happy? Any need for amendment? Any need for improvement? etc.

One strategic point to note from this process model is that marketing concept starts with research by finding out whether poverty exists and the type of poverty as well as its causes. Again, marketing concept ends with post result research to find out whether people are actually satisfied or not.

Conclusion

Without doubt, it is believed that if Nigerian government and other stakeholders who are concerned with poverty alleviation really adopt the marketing concept approach, poverty would be really alleviated, people would be happy and the present unworkable cosmetic solutions would be thrown to the dustbin of history. Although various approaches have been tried to fight poverty, not much has been achieved as evidenced by the rising trends in poverty throughout the African continent. This is why the present call which this paper advocates through the use of marketing concept (via research) must be given due attention by the three tiers of government in Nigeria (Federal, State and Local governments).

Policy Recommendations

- There is a bold call for the adoption of marketing concept approach in solving the problem of poverty in Nigeria. First, research must be made to find out the type and causes of poverty. Objectives and strategies are put in place and post result research is conducted to find out whether the set objectives are been achieved. Without set objectives, evaluation of results would not be in sight.
- For poverty to be properly eradicated, there is need for all tiers of government to devote a greater part of their resources to agricultural production.

- There is need for our national assembly to make necessary laws that would compel banks to set aside a good percentage of their profit to finance Agriculture. Such a policy must be monitored and enforced. A situation where banks declare billions of naira as profit and the nation's agriculture is in shambles must be condemned. Improvement in Agriculture can help provide the necessary positive multiplier effects in industry, Agro-Allied companies and in all facets of the nation's economy.
- For poverty to be eradicated, there is need for the nation to have stability in governance. There must be continuity of government policies. Lack of continuity of government policies has led to death of a number of good policies, such as Peoples Bank, DFRRI, National Directorate of Employment (NDE); some of the good policies that are already dead would have helped in alleviating poverty and put permanent smiles on the face of Nigerians.
- There is need for government to create enabling infrastructures in the local areas such as water, good roads and electricity. This will make many people to stay in these rural areas to practice agriculture. This would have the effects in creating more food for the citizenry and it will also have multiplier effects on other facets of the nation's economy.
- There is need to get the poor people involved in the "fashioning out of poverty alleviation strategies." A solution given or suggested by the poor people who the programme is meant for, would likely work better than policies suggested by the ruling elite class Binta, A. (2006). The man who wears a shoe knows better where the shoe is giving him discomfort.
- There is need for government to make policies that can promote small scale companies. The SMEs, if properly developed can help serve as the engine of development for Nigeria.
- There is need for a law that will make it unlawful for any government official to operate a bank account in a foreign country. If anyone has account before coming into government, such account must be disclosed and closed immediately the person undertakes to serve in government. This policy, if well monitored, would make the Nigerian government officials to continue to save their money or (stolen

wealth as we heard of many past government officials) within the country. Such money, saved in Nigerian banks would be used to turn around the Nigerian economy.

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