

1975

An Analysis of Industrial Marketing Practices and Strategies of Nigerian Manufacturers

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Eastern Illinois University

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T O Author

AN ANALYSIS OF INDUSTRIAL MARKETING

PRACTICES AND STRATEGIES OF

NIGERIAN MANUFACTURERS

(TITLE)

BY

EFIONG JOHN ETUK

THESIS

SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR THE DEGREE OF

MASTER OF BUSINESS ADMINISTRATION

IN THE GRADUATE SCHOOL, EASTERN ILLINOIS UNIVERSITY
CHARLESTON, ILLINOIS

1975

YEAR

I HEREBY RECOMMEND THIS THESIS BE ACCEPTED AS FULFILLING
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ACKNOWLEDGEMENTS

To the Marketing Executives of the Nigerian manufacturing firms that participated in this study, the author owes a sincere debt of gratitude. Without their cooperation, this study would not have been feasible.

Specifically, the author's appreciation is expressed to the members of his thesis committee: Dr. Clifford L. Fagan, who serving as his major professor and thesis adviser, wisely counselled and guided through sundry problems; his untiring assistance and guidance made this study possible; Dr. Robert Meier for his advice and assistance in handling the statistical data; and Professor Martha I. Drew for her support throughout the study.

Gratitude is also extended to the author's father-in-law, Mr. Edet S. Essien, Planning and Research Unit, Ministry of Education, Calabar, Nigeria, for his willingness and cooperation in administering the questionnaires to the various firms in Nigeria, and furnishing the author with the returns. These returns, along with other materials furnished by him (Mr. Essien) from Nigeria, greatly contributed to the completion of this study.

Finally, special acknowledgement is made to the author's wife, Mfon, for her constant encouragement, patience, and help during the development of this thesis. To her and Bishop John Essiet Ettefia, this thesis is dedicated.

E.J.E.

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INTRODUCTION

Very little is known by the developed world about the marketing systems of developing market economies particularly those of Africa. Reasons for this are apparent.

Marketing has always been associated with the high-level economies of the more developed nations; consequently in the emerging countries this technology, like other technologies, is in an elementary stage of development. In Nigeria, indeed in Black Africa as a whole, the philosophy underlying the marketing concept is yet to be grasped by a number of the indigenous firms.

The above reasons make it very challenging to attempt to analyze the marketing systems of developing countries. As a result of lack of comparative data, very few research studies have been conducted on the marketing systems of these countries. In Nigeria, research studies based on its marketing and commercial system are almost non-existent. Only a few publications have been made by professional businessmen about the Nigerian marketing system. One of these publications is an article by Raymond Baker, a graduate from the Harvard Graduate School of Business, entitled, "Marketing in Nigeria" and published in the Journal of Marketing, Volume 29 of July 1965.

Of course there are several studies by economists, sociologists and geographers about Nigerian markets. Most of such studies, however, analyze the Nigerian market institutions from the points of view

of economists, sociologists or geographers.

It is for these and similar reasons, and the fact that the international student should contribute to world understanding by relating the knowledge he has gained from American education to his own country, that I have been prompted to undertake this research study.

It must be admitted that this study is of a general nature. The lack of any adequate comparative materials elsewhere made the formulation of ideas and general hypotheses particularly difficult. To some extent this difficulty is lessened by concentrating attention on the country and the roots of the marketing system as they interest the marketer. This has meant that a host of issues and problems have been ignored, or at best given only cursory attention. In this sense, this study provides only a body of basic information upon which future and more detailed research can be built.

The thesis is divided into two sections. Section I deals with the perspective for marketing in Nigeria. The author believes that in order to understand the marketing techniques and practices of a developing nation, one should have enough background knowledge for proper perspective. Hence Section I of this thesis discusses what are considered to be the foundations of the Nigerian marketing system namely the country, its people, and their cultural differences, the marketing infra-structure as well as the country's growing concern for economic growth and development.

The relationship between marketing and economic development is also examined in this section. In short, this section of the thesis

is devoted to the environment for marketing in Nigeria, with the assumption that marketing practices and strategies are inextricably related to the socio-economic surroundings. A brief mention is made of the development of markets and business enterprises in Nigeria, and this should give the reader some understanding of the past environments that have influenced the attitudes of businessmen in Nigeria today.

Section II, on the other hand, deals with the marketing practices and strategies of Nigerian manufacturers. Since a rigorous testing of the hypotheses is not feasible, this section of the thesis merely evaluates the hypotheses concerning the nature of the economic, political and social environment of Nigeria and their impact on marketing management. In other words, the chapters in this section of the thesis present an analysis of the data collected and a summary of the findings made. It concludes with the future of marketing and makes certain recommendations for future research study on Nigeria.

CHAPTER I

PURPOSE AND OBJECTIVES OF THE STUDY

Statement of Purpose

This research study was undertaken in the hope that it would supplement the limited amount of knowledge about the forces which influence marketing and distribution in Nigeria, with special reference to the manufacturing sector.

Nigeria was chosen for this study because as the largest developing country on the African continent, it affords an opportunity to encounter the problems of a dualistic economy, i.e. an underdeveloped sector alongside a relatively developed one.

The sixties had ushered in an era of increased manufacturing activity due to the attainment of independence in 1960, while the early years of the seventies, as a result of the civil war and its aftermath, were devoted to national rehabilitation and reconstruction. These were the years during which the Nigerian government committed itself firmly to promoting rapid economic and industrial growth. But even though some reasonable progress has been made in this area, there still remains marked differences between the marketing practices of more industrialized nations and that of Nigeria. These differences tend to hinder the inception of manufacturing activity in the country.

The various behavioral responses to these differences or problems can be examined due to the presence in the country of firms in various

ranges of ownership, from those completely owned by Nigerian individuals and governments to those owned jointly by Nigerian and foreign investors. This study therefore creates an excellent opportunity to employ American marketing management techniques to analyze the marketing system of Nigeria. Hence the main purpose of this study is to explore the marketing strategies and practices of Nigerian manufacturers by utilizing American marketing research techniques learned in the classroom.

Certain advantages make this research study feasible. As a Nigerian, the author has the background experiences of a childhood and youth spent in various parts of Nigeria. This background, along with his intuitions, appeared to be an advantage for basing this study on Nigeria. Thus certain facts and ideas that would take an outside researcher several months to collect due to problems of translation from the native languages to English, are avoided. Many expressions in Section I of this thesis are in Efik Language, the author's native tongue. As far as possible, these expressions have been translated literally into English.

Objectives of the Study

The primary objective of this research study is to obtain a reasonably adequate description of the marketing practices and strategies of industrial manufacturers in Nigeria. Not only is this a prerequisite to understanding the functioning of the Nigerian industrial sector, but it would also be of great potential value to any foreign company that wants a strong foothold in the Nigerian market. It would also provide a data base for any future research concerning

in-depth studies of the Nigerian marketing system.

Then last, but not the least important objective of this study is to detect and explain some of the important relationships between social, political and economic variables on the one hand, and marketing practices and strategies on the other.

Several working hypotheses have been generated for this study (as indicated in Chapter VI), and although they will not be rigorously tested, they will form the bases upon which the data collected from the various Nigerian firms will be analyzed and reported.

SECTION I

PERSPECTIVE FOR MARKETING IN NIGERIA

CHAPTER II

NIGERIA: A DEVELOPING MARKET ECONOMY

The Country and Its People

Nigeria is considered to be the giant nation of Africa considering its size, population, and natural resources. Lying on the West Coast of Africa on the shores of the Gulf of Guinea, Nigeria is bounded on the east by the Cameroun Republic, on the west by Dahomey Republic, on the north by Niger Republic, and on the south about 5 degrees north of the Equator, by the Gulf of Guinea. Its area is roughly 356,647 square miles, and this size is nearly three times the area of the United Kingdom.¹ The River Niger, the great river that gave Nigeria its name, and its main tributary, the Benue, divide the country into three unequal parts.

Prior to May 1967, Nigeria was a federation comprising four regions: Eastern Region, Western Region, Northern Region and the Midwestern Region. Lagos remained a federal territory. When states were created by decree in May, 1967, three states were created out of the former Eastern Region, and these states are East Central, Rivers, and Southeastern States. From the former Northern Region were created six states namely Kwara, Northwestern, North Central, Kano, North-eastern, and Benue-Plateau States. The Midwest was left intact while

¹Directory of the Federation of Nigeria, 1962 (The Diplomatic Press and Publishing Co: London), page 9.

Lagos which was formerly a federal territory, became Lagos State, with its boundary extended beyond the former Lagos Territory. The former Western Region became Western State except that it was slightly reduced in size as Lagos State boundary was extended to include the colony provinces of Ikeja, Epe, and Badagry parts of which were in the former Western Region.¹ The present twelve-state structure of the country is shown in Figure 1.

The People of Nigeria

According to the 1963 Census (Table 1), Nigeria has a population of approximately 56 million. This population comprises people from the various ethnic groups that make up the country. Chief among these are the Hausas, Fulanis, Ibos, Yorubas, Ibibios, Tivs, Kanuris, Edos, Efiks, and Ijaws (Figure 2). The majority of this population live in agricultural areas, and some 75 per cent of the adult labour force are engaged in agriculture, forestry, and animal husbandry.

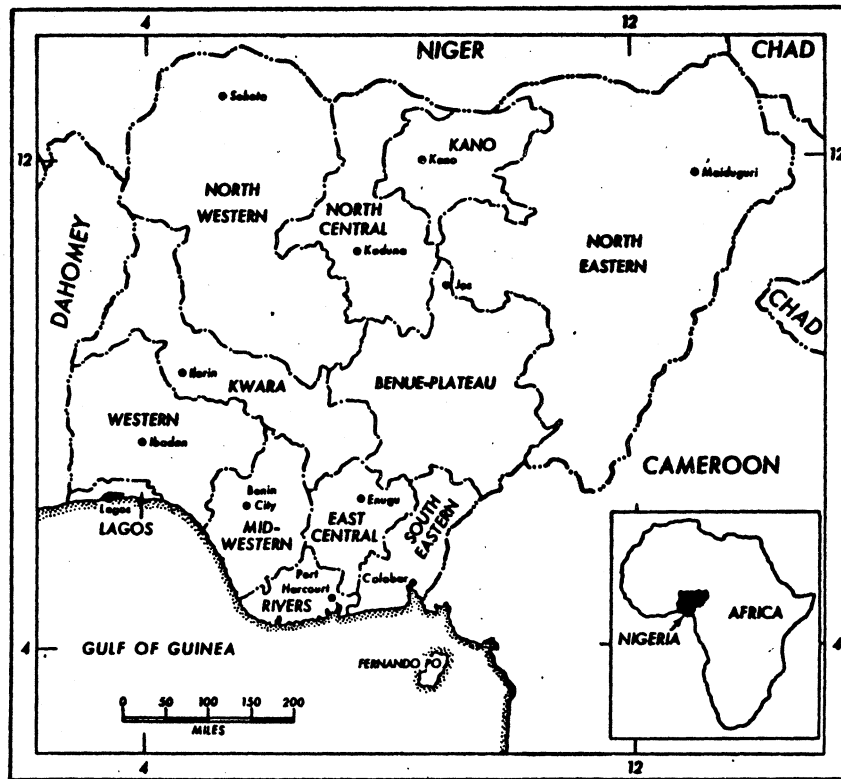
Religious practices vary between the Northern and Southern states. Mohammedanism or Islam is the predominant religion of the Northern States, and it also has a considerable number of followers among the Yorubas and the Edos. Christian missions have made considerable progress among the southerners and northerners alike, and have been largely instrumental in laying the foundations of education in the country.

Growing Concern With Development

Since the end of the Second World War, the economically advanced

¹Nigeria Year Book, 1972 (Lagos, Nigeria), page 153.

FIGURE 1
THE TWELVE STATE STRUCTURE OF NIGERIA



Source: Adapted from Harold D. Nelson and Others,
Area Handbook for Nigeria, 1972, p. XVI.

TABLE 1
1963 CENSUS FIGURES ACCORDING TO STATES

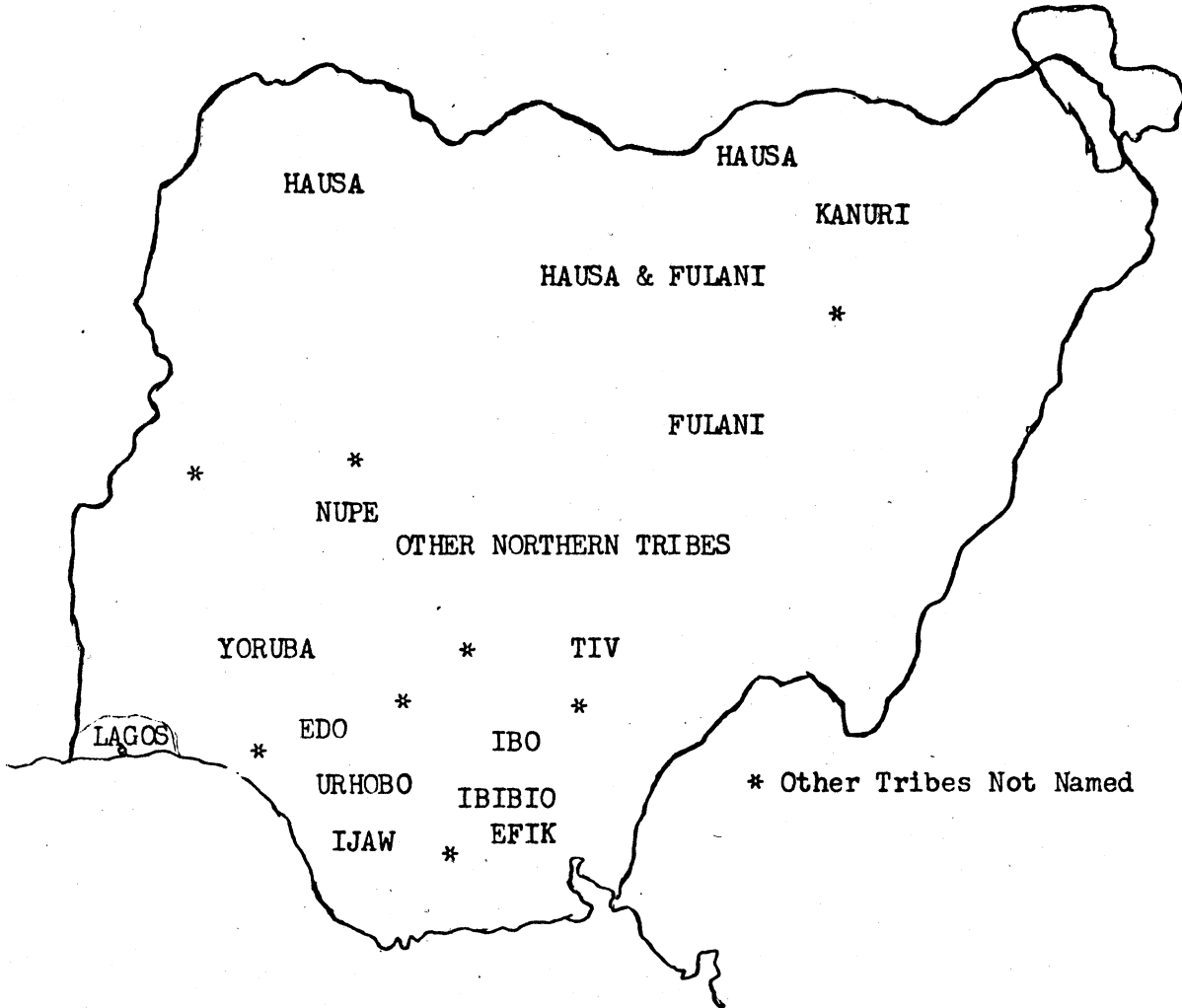
STATE	POPULATION	PERSONS PER SQ. MILE
Benue-Plateau	4,009,408	95
East Central	7,469,000	711
Kano	5,774,842	339
Kwara	2,406,265	82
Lagos	1,433,567	251
Midwestern	2,535,839	168
North-Central	4,098,305	158
North-Eastern	7,815,443	78
North-Western	5,733,296	88
Rivers	1,544,314	233
Southeastern	4,626,317	263
Western	9,487,526	239

Source: Nigeria Year Book, 1972, p. 20

countries particularly the United States and Great Britain, have contributed greatly to the development of the less developed countries. The goal of this aid has been to promote economic growth in these nations, so that this growth in turn would improve the standards of living of the citizens of such countries.

After the end of this war, Nigerians and the British government that was ruling the country then, had become greatly concerned with

FIGURE 2
MAIN TRIBAL GROUPS OF NIGERIA



Source: Walter Schwarz, Nigeria, p. ix.

the economic development of the country. The impetus for this desire for growth came mainly from the increased demand for Nigeria's export products. World-wide shortages for vegetable fats and oils and the growing demand for cocoa, cotton, tin and columbite gave rise to the high export prices for these products.¹ This demand caused expansion of the facilities for producing these products such that there was a substantial rise not only in the standard of living and in the per capita consumption of the population, but also there was a large increase in government savings. As a result, a series of programmes for the development of the Nigerian economy were drawn up under the Colonial Development and Welfare Scheme.² One such development programme was the ten-year development plan of 1945 in which the British Government agreed to contribute £23 million and the Nigerian Government £26.5 million.³ This marked the beginning of the Nigerian development programmes.

These development programmes instituted after the Second World War, were not discontinued after independence was attained in 1960. Rather, they were pursued more vigorously. Because Nigerians were now left to decide their own destiny, they felt they would rather swim than sink. A series of development programmes patterned after that of 1945, were initiated. But some of these projects could not be carried out due to the civil war that plagued the country until January,

¹International Bank for Reconstruction and Development, The Economic Development of Nigeria (Baltimore: The Johns Hopkins University), p. 14.

²Ibid.

³Ibid.

1970.

Just as the Second World War triggered the first development programmes in Nigeria, the civil war triggered the Reconstruction and Development Plan of 1970. This plan was concerned with the reconstruction and development of the Nigerian economy. Its principal objectives were

to establish Nigeria firmly as a united, strong and self-reliant nation; a great and dynamic economy; a just and egalitarian society, a land of bright and full opportunities for all citizens, and a free and democratic society.¹

According to this plan, the highest priorities were to be accorded to agriculture, industry, transportation and manpower development although, at the state level, marginal adjustments were to be made to accommodate differences in the stages of development and in the varying ecological and social conditions.²

The fundamental objectives of Nigeria's national economic policy are therefore aimed at achieving and maintaining the highest possible rate of increase in the standard of living as well as creating the necessary conditions to this end, including public support and an awareness of both the potentialities that exist and the sacrifices that will be required.

Marketing and Development

In developing countries, little or no attention is paid to the problems of distribution even though most of the development programmes

¹Nigeria Year Book, op. cit., p. 65.

²Ibid.

deal with manufacturing and construction. Peter Drucker noted this weakness in development planning when he wrote that in developing countries, marketing is often neglected in favour of of what he calls the more "glamorous fields of manufacturing and construction."¹ As a developing country, Nigeria did not pay much attention to this problem of distribution. Only recently have the development planners thought of distributing Nigeria's products

beyond the Dahomey, Niger, Cameroun, Chad, Upper Volta axis since experience has shown that projects conceived with only the Nigerian market in view have failed to satisfy even this market.²

Because Nigeria possesses the means, and these include huge mineral resources, a large and diversified agricultural industry, and an increasingly wide manufacturing industry base, to provide the motive power for steady and accelerating growth, economic development and the improvement of the Nigerian marketing system should be planned pari passu with each other. This would be a step in the right direction for according to William Glade, institutional marketing behaviour should set the parameter within which economic policy should operate.³

¹Peter F. Drucker, "Marketing and Economic Development," Journal of Marketing, Vol. XXIII, 3 (1958), p. 255.

²Peter Hill, "Country of Contrast in Pursuit of Unity," London Times, June 13, 1974, p. 1.

³William P. Glade and others, Marketing in a Developing Nation (D. C. Heath and Co: Lexington, Massachusetts), p. 5.

CHAPTER III

THE EVOLUTION OF THE NIGERIAN BUSINESS

ENTERPRISE SYSTEM

That trade and commerce flourished in West Africa long before the advent of European nations in Africa is now part of recorded history. The great Sudanic empires of the tenth and eleventh centuries A. D. are known to have been involved in commercial transactions with the North African peoples before the Portuguese first landed in West Africa. These commercial transactions which in history are known as the Trans-saharan Trade,* covered most of the Western Sudan which of course included the old Songhay empire, a vast area of land that became known as Nigeria.

Also that a substantial segment of the Nigerian populace that lived in the areas where the trans-saharan trade was particularly conducted, had long lived in conditions tantamount to serfdom, is well known. But since the arrival of European administration, there has been a considerable amount of market oriented activity of a relatively more modern sort.

It is well known, for example, that during a greater part of the colonial period the presently expanding mining and agricultural industries constituted a mainstay of the export sector. During that period

*For details of this trade, see Robert O. Collins, Editor, African History: Texts and Readings (New York: Random House), p. 5.

commercial agriculture began, with the establishment of oil palm plantations by both the British and French governments.¹ Throughout the whole area of land that Lord Lugard named Nigeria after unifying the North and the South in 1914, a wide variety of artisan industries had developed, and a considerable amount of inter-regional trade was a feature of the times.

Trade Developments in Pre-colonial West Africa

There are no records to show when trade between the Negroes of the Western Sudan and the Berbers of North Africa actually started. But Collins noted that trade had flowed across the desert for many milleniums before the birth of Christ.² He maintains that during Neolithic times (the Stone Age), human porters were undoubtedly used to carry trade goods between the North African littoral and the Sudan.³

Following the domestication of animals, human labour was replaced by animal labour. The camel was obviously the best suited animal for this purpose in terms of speed and endurance. Thus the caravan subsequently became a fixture of Saharan life; trans-saharan trade developed rapidly until the desert was laced by caravan routes extending in all directions, intersecting at oases, and criss-crossing in the middle of the desert.⁴

Before discussing the commodities that were involved in the trans-saharan trade, first a comparison should be made of the

¹B. W. Hodder, and U. I. Ukwu, Markets in West Africa (Ibadan University Press, 1969), p. 43.

²Robert O. Collins, op. cit., p. 5.

³Ibid.

⁴Ibid.

topography of North Africa with that of West Africa because these differences induced these peoples to become involved in their commercial activities.

Geographically, North and West Africa are in two distinctly separate regions. Whereas a greater part of North Africa is arid and thus repellent, West Africa is a region of heavy rainfall. The burning sands of the Sahara form the southern boundary of the North while the Atlantic Ocean forms the southern boundary of West Africa. Besides, West Africa is full of rivers that flow from highlands to the plains. These rivers overflow their banks during the rainy season, and are thus able to maintain their level in times of drought. But the oases of the Saharan North can and often dry up during drought. Of the North African rivers, only the Nile is significant for its floods.

These differences in climatic and physical conditions made it necessary for the inhabitants of North Africa to involve in trade and commerce with the negroes of West Africa. Their chief articles of trade were elephant tusks, gold, ebony, and grains all from the West Coast, and salt, feathers, and beads from North Africa.¹ This trade was more of the barter system, and was so significant to both parties that Timbuktu became the great entrepot and southern terminus for the Sijilmasa-Walata Road, because its position on the Niger bend gave it a strategic position in the east-west caravan routes that traversed the Sudan.² Kano, the headquarters of Kano State, gained its importance

¹J. D. Fage, A History of West Africa (Oxford University Press), p. 7.

²Collins, op. cit., p. 5.

as a market town during this period.

The collapse of the Sudanic empires before the end of the sixteenth century did have an effect on the trans-saharan commerce, but inter-tribal and inter-regional commerce still simmered until the beginning of the Slave Trade. The inter-regional trade that developed during the days of the empires contributed greatly to the development of cultures in West Africa. As Dr. Onwuka Dike noted,

the buying and selling of commodities is almost always accompanied by the contact of cultures, the exchange of ideas, the mingling of peoples, and has led not infrequently to political complications and wars.¹

According to him, trade with the Arabs, by way of the Saharan caravans, brought medieval West Africa in touch with the world of Islam, and with Islam came Arab culture and civilization.²

Thus although there were no sophisticated business enterprises in West Africa before the contact with Europe, a considerable amount of inter-tribal and inter-regional trade had been going on long before the Europeans penetrated the hinterland of Africa. If there were no strong commercial bases in West Africa for the Europeans especially the Portuguese, to establish their concerns, there is much doubt as to whether missionaries would have come to Africa. Hence in the words of Dr. Dike,

the history of West Africa is largely the history of five centuries of trade with European nations; commerce was the fundamental relationship that bound Africa to Europe.³

¹Onwuka Dike, Trade and Politics in the Niger Delta (Oxford: Clarendon Press), p. 5.

²Ibid.

³Ibid., p. 1.

The above statement by Dr. Dike can be compared and contrasted with that of J. Simmons who says,

The British Empire was founded first of all upon trade. It was trade, first and foremost, that took Englishmen to the West Indies, to Africa, to India and Malaya and the Far East. This is a fact, not open to dispute, and it is my view very foolish of Englishmen to feel in any way ashamed of it.¹

In the final analysis, the development of inter-regional commerce by way of the trans-saharan trade, is one of the legacies of the ancient empires or kingdoms of West Africa.

ORIGIN OF MARKETS IN NIGERIA

It is very difficult, if not impossible, to trace the origin of trade and markets in Nigeria. Markets were important institutions in Nigeria well before the African continent was colonized, so that the precise origins of many Nigerian indigenous markets can only, if at all, be traced from stories passed down, by word of mouth, from generation to generation.

The earliest recorded materials on the subject are those provided by some of the explorers of Africa during the eighteenth and nineteenth centuries. Chief among these sources are the writings of Heinrich Barth,² H. Clapperton, Richard Lander, and the early Christian missionaries.³ From these and other contemporary accounts, and from what can be inferred from the trans-saharan trade, something of the background

¹J. Simmons, Parish and Empire (London, 1952), p. 96.

²Heinrich Barth, Travels and Discoveries in North and Central Africa from the Years 1849-1855 (Philadelphia: J. W. Bradley), pp. 447-450.

³Clapperton, and R. Lander, Journal of a Second Expedition into the Interior of Africa from the Bight of Benin to Soccattoo. (London, 1829).

to trade and markets in Nigeria during the early part of the nineteenth century, can be reconstructed.

The Growth of Settlements

The development of markets as institutions in Nigeria can directly be attributed to the development of settlements which eventually grew into villages. A village consisted of a number of localized patrilineages each of which could opt to live in homesteads or compact settlements.¹ Where many villages clustered together, a village group emerged. Traditionally, the village group is the largest effective unit of social control especially in the southern part of the country. In the northern section of the country especially in Hausaland, the village group takes the form of states. Besides the states in the north, there are also secondary village groupings which form the major sub-divisions of the states. These were formerly called fiefs but are now known as districts.²

According to West African customary law, tribal land was corporately owned.³ In Nigeria in particular, land is controlled by the village group in the south, and emirs and sultans in the north, so that it cannot be requisitioned with compensation for purposes of common interest. Hence the village group or the emirs and sultans, with the consent of the chiefs, could assign a piece of land for the founding of meeting places either for festivals, periodic meetings or exchange. Traditionally, a meeting place was often located in the centre of the

¹Hodder and Ukwu, op. cit., p. 127.

²P. Bohannan, and G. Dalton, Editors, Markets in Africa (Northwestern University Press), p. 299.

³T. O. Elias, Nigerian Land Law and Custom (London, 1950), pp.6-7.

village so that it could be easily accessible to all members of the community.

Besides the meeting places, many Nigerian communities also developed market places where they could meet on predetermined days to buy and sell their products. Most of these markets were periodic in nature. The elders for example, often met to determine the days that the different markets in their locality should meet. In Ibibio-land for example, there are eight-day periods (Urúa) during which one of the local markets could be held. These days in order of succession are Ederetaha, Ata Etaha or simply Etaha, Edemetaha, Fion Etok or Uruabom, Ederebo, Obo, Edemobo, and Fion Aran. The Ibos on the other hand, have four-day periods, and the days are known as Eke, Orié or Olié, Afo or Aho, and Nkwo.¹ These days are so significant to both groups that children are given names according to the day of the week they were born.

Markets in Yorubaland and Hausaland developed on similar lines with those of the East. In Yorubaland, markets were often established on neutral territory quite away from settlements. Due to the growing insecurity which prevailed in Yorubaland until well into the latter half of the nineteenth century,² certain adaptations were necessary for the preservation of Yoruba towns. One of such adaptations was the usual holding of markets just outside the gates of the city.³ In Hausaland, the origin of markets can be traced to or linked with, the trans-saharan trade already mentioned. Because of its location,

¹Hodder and Ukwu, op. cit., p. 128.

²Ibid., p. 25.

³Ibid.

Hausaland was more accessible to the Arab traders from North Africa. These traders with their camel teams were the great carriers of the desert trade, bringing salt, horses, cattle, and beads to be exchanged for cotton, grains, gold and leather goods. Many of them found trade with the Hausa states very profitable, and were encouraged and protected by the Hausa chiefs. Thus markets sprang up at the rural centres which were linked with the Hausa capitals by this long distance trade.¹

From these developments, can be drawn one conclusion. While there are historical evidences to show that there was some acculturation between the Hausas and the Moslem merchants who made their way through the trans-saharan caravan routes of what is now Northern Nigeria, there are no historical evidences to show the influence of the Arabs in the marketing institutions of Southern Nigeria, especially the Eastern States. The Yorubas, however, claim a northern origin, perhaps because of their Islamization in the eleventh century. But the evidence for this claim still consists mostly of myth, legend, and selected cultural similarities to the inhabitants of the Sudan and the Nile Valley.²

A question that needs to be asked after following the trend of market developments in Nigeria is, "What factors formed the groundwork for the founding of markets in Nigeria?" There is no ready-made answer for this question. What appears to be the most appropriate answer should be that based on the customary beliefs and practices of the people.

By custom, Nigerians adhere strictly to the extended family

¹Bohannon and Dalton, op. cit., p. 302.

²Collins, op. cit., p. 131.

system. Rituals and festivals provide good occasions for social get-togethers. Among such festivals are the popular yam and maize festivals, or cultural displays which might include dances and masquerading. At such times it is not uncommon for families to exchange gifts-- parents exchange gifts with their grown-up children, neighbours exchange gifts with their neighbours, and friends exchange gifts with their "buddies" (udo, ufan) from near-by towns or villages, and vice versa.

These reciprocal gift exchanges are an important element of economic relationships within the village,¹ and are believed to be the fore-runner of the barter system especially among the Ibibios of Southeastern Nigeria. Because these exchanges often times were in small quantities, and therefore not sufficient to satisfy the wants of the recipient, the recipient often offered to exchange what products he could produce himself, provided such products were acceptable to both parties, for additional quantities of the gift he received. From this practice emerged the barter system, and with barter came the need for market places.

So far the origin of markets in Nigeria has been discussed. In addition, a few things about the general characteristic of Nigerian markets should be mentioned, namely the domination of the market by women. This characteristic features prominently in retail trading, and a brief discussion of it is in order here.

The importance of women in the markets of Nigeria has long been recognized. Richard Lander, for instance, noted that in many parts of

¹Hodder and Ukwu, op. cit., p. 33.

Nigeria, women were the chief if not the only traders.¹ But a distinction must be made here. While it is true that women play a dominant role in petty trading in Nigeria, it is equally true that they dominate mainly in retail trade as well as in the marketing of agricultural produce. This domination as noted by F. J. Pedler, is a common feature in West Africa.²

In traditional African society, men were the warriors defending their land during incursions. Women were immune from attack during such incursions. Hence they were free to indulge in trading activities. Certain characteristics of the Nigerian society also contributed to the development of women's talents as traders.

In the Eastern States for example, a woman's prestige depends to some extent upon her ability as a successful trader, and in Yorubaland, a woman's earnings belong solely to her.³ Thus the energy they expend in carrying out the tedious functions of petty trading, and the organized activity this job entails express the importance of their effort, not only for themselves but also for the Nigerian economy as a whole. This according to Hodder, raises the whole question of their role in the Nigerian society, without which the significance of the market as an important economic institution cannot be fully appreciated.⁴

¹R. Lander and J. Lander, Journal of An Expedition to Explore the Course and Termination of the Niger. Vol. I (London, 1832), p. 108.

²F. J. Pedler, Economic Geography of West Africa (London, 1955), p. 108.

³Bohannon and Dalton, op. cit., p. xii.

⁴Hodder and Ukwu, op. cit., p. 50.

From the above it can be seen that women play a significant role in Nigerian markets such that no mention can be made of Nigerian markets without mentioning the role of women. They have formed various organizations which are strong advocates of Women's Liberation in Nigeria today. Support for the nationalist movements that were the instruments of political independence came in considerable measure from the donations of the market women.¹

Business Developments During the Colonial Period,

1800-1960

Conditions in pre-colonial Nigeria were hardly auspicious for business developments, although as noted earlier, markets were fully established institutions before the continent was colonized by Europeans. There was no massive effort to promote trade and commerce on an international basis; rather trade was more on an inter-regional and an inter-tribal basis. This was due to a number of reasons. Poor means of transportation and communication was one of such reasons for the draw-back. A distance that could be covered in a few hours since the building of motorable roads took the Nigerian ancestors days. It was impossible under such conditions to indulge in international trade.

Another reason was the lack of security involved in long distance travel during the pre-colonial times. Traders found it dangerous to travel without protection beyond those areas in which they had kinsmen or special friends. Thus in the pre-colonial times, both the extent of trading and the movement of people were restricted by physical

¹Bohannan and Dalton, op. cit., p. x.

insecurity.¹

Last but not least of the reasons why international trade was not undertaken was the absence of a money economy. During the pre-colonial period, most of the trade in Nigeria was by barter. If a person wanted to buy some eggs for example, he brought some articles perhaps fruits like bananas, to exchange for the eggs. The exchange was no problem as bargaining formed an integral part of the process. The main problem lay in the ability to convey the articles exchanged to another village many miles away, not to talk of carrying them to another country. These were some of the problems that faced the Nigerian trader before the dawn of British administration in the country in the latter part of the nineteenth century. Five main ways in which British administration contributed to the evolution of the Nigerian business enterprise system can be distinguished. These include (1) the establishment of peaceful conditions; (2) the building of roads and railways; (3) encouragement and promotion of the growth of European trading firms; (4) introduction of plantation agriculture and new crops hitherto unknown to Nigerians, and (5) the introduction of a money economy to replace the barter system.²

Peaceful Conditions

As already noted, the extent of trading and the movement of people in the pre-colonial Nigeria were restricted by physical insecurity.

¹Hodder and Ukwu, op. cit., p. 33.

²Ibid.

Caravans passing through the trade routes of Yoruba territory had always been liable to attack and normally required armed protection.¹ The same was true of Hausaland. In Ibibioland traders were often menaced by armed bandits who were called "Ekpe Ikpa Ukot" literally translated as "Man Leopard." This group is referred to by Dr. Dike as "masked men," and he gives an account of how sixteen of these masked men boarded a British boat carrying merchandise, plundered her and wounded many men.² In Iboland the influence of the Aro Chuku Oracle acted negatively to impede free trade and commerce especially among the non-Aros; the Aros however, exploited the belief in their Oracle in many ways, principally in order to dominate the economic life of the region.³

With these conditions prevailing, life was rough for the average trader. Thus the establishment of peace and order during the latter part of the nineteenth century prepared the grounds for the expansion of trade. People could move freely from north to south, and this free movement of people changed the whole pattern and emphasis of population and settlement distribution in the country. Trade expanded and the number of markets increased. According to Hodder, the centre of gravity of the trading interests moved southwards as the European administration slowly extended inland from its bases along the coast.⁴

¹Ibid.

²Onwuka Dike, op. cit., p. 88.

³Ibid., p. 38.

⁴Hodder and Ukwu, op. cit., p. 34.

Roadways and Railways

The importance of roads and railways to the growth of commerce in any country cannot be over-emphasized here. Bush roads were developed and used in inter-regional and inter-tribal trade long before motorable roads were built. In the southern part of the country, besides these bush roads, lagoon and river routes dominated the pattern of transport. The rivers of the Niger Delta were so important as navigable waterways that their importance is recognized in the economic history of modern Nigeria.

As the Europeans, mainly the British, established their influence in Nigeria, more roads and eventually railways were built. It should be noted however that, until the 1920's, roads were more often built or improved by the colonial administration for military and strategic rather than for economic reasons.¹ But despite this fact, it must be agreed that such roads served their day.

Railway construction inland from Lagos began in 1878 reaching Abeokuta in 1900, Ibadan in 1901, and Jebba in 1909.² This railway system, the first in the country, was supplemented in the 1920's by a very rapidly improving road system. By this time motor transport had ceased to be a mere curiosity in the country. With the coming of motor transport and the establishment of peaceful conditions came the growth and expansion of long distance markets.

¹Ibid., p. 35.

²Ibid., p. 39.

The building of roads and railways by the colonial administration during the latter part of the nineteenth century, provided the badly needed link between the few large urban markets of the north with those of the south. Hence the nucleus of a national market was at least beginning to take shape in the form of major urban markets--Ibadan, Aba, Onitsha, Kano, and Lagos--linked quite imperfectly with a constellation of satellite rural markets.

The Growth of European Trading Firms

The history of the Slave Trade in West Africa is well known. Its end marked the beginning of a new phase of trade between Africans and Europeans. The discovery in 1830 of the mouth of the River Niger by the Lander brothers acted as the precursor of numerous expeditions which were to culminate in British control of the interior as well as the waterways of Nigeria.¹ Having solved the mystery of the Niger, the British turned their attention to establishing trading companies which in turn established trading centres or depots in the main trading areas of the country. Trade flourished mainly in agricultural products, and by 1801 casks of palm oil were already consigned by ship to Liverpool.²

In 1879, the major British trading firms were amalgamated to form the United Africa Company. By operating mainly in the external sector, the United Africa Company* provided vital institutional links with

¹Onwuka Dike, op. cit., p. 62.

²Ibid., p. 49.

*This company was later renamed the Royal Niger Company as a result of the Charter granted it by the British Government in 1886.

overseas markets and manufacturing centres, and thus initiated a role which, in later decades, was to be of great and lasting consequence for the evolution of the Nigerian business system.

Plantation Agriculture and the Development
of Cash Crops

In the early years of the British administration, oil palm especially for palm oil, was the major export crop of the South. With the increasing population at the time of the Industrial Revolution in Britain came changes in social customs and industrial requirements. As the British people began to take washing seriously, the demand for soap rose considerably, and palm oil was the chief constituent in its manufacture. Thus in order to obtain sufficient quantities of the product to meet the demand, oil palm plantations were developed.

Other tree crops including rubber, groundnuts, cotton, cocoa, and coconuts were also developed. In the Badagry area, experiments were made in the 1880's in manufacturing rubber from local rubber trees, and one of these trees was found to react favourably to the primitive method of straining with lime juice.¹ Cocoa which today forms a major cash crop of Yorubaland, was introduced from the Gold Coast, now Ghana. The development of cocoa production was frequently cited after the 1920's as the cause of improvements in general trading prosperity.²

¹Hodder and Ukwu, op. cit., p. 43.

²Ibid.

The Introduction of a Money Economy

Inter-tribal, inter-regional and international trade flourished under European administration as a result of the general peace, improved roads and methods of transport, the growth of European trading firms, and the introduction of new cash crops notably cocoa and cotton. The introduction of a money economy had the greatest impact on the commercial life of the people. It must be emphasized also that by the time of the earliest European contacts, there were already some forms of money in circulation. Simon and Phoebe Ottenberg noted in their studies the circulation of brass and copper rods about three feet long in Afikpo.¹ In Ibibioland these were called "Sitim" or "Okpoho Okuk," as distinct from "Okpoho," which is used for manillas.

These different forms of money had their own weaknesses. Hence the introduction of coined money by the British as a medium of exchange had a number of effects on markets, and one of these effects was that price mechanisms started to apply to a far wider range of goods than they ever did.

The presence of indigenous markets and the role of the British administration as evidenced in the above contributions provided the groundwork for the evolution of the Nigerian business system. The growth of business enterprises during the later part of the twentieth century clearly had its origins in the expansion of British and other foreign interests, and this culminated in the increasing complexity of the export sector. Palm oil and kernels, cotton, groundnuts, tin and

¹Bohannon and Calton, op. cit., p.124.

columbite, coal and timber, all contributed in varying degrees to the country's foreign exchange earnings. Credit should therefore be given to those foreign owned businesses which provided the impetus for today's investment activity. From their activities, in fact, sprang a number of the more substantial accumulations of domestic capital and, no less importantly, accumulations of business experience.

THE PRESENT STRUCTURE OF THE NIGERIAN ECONOMY

Even though the importance of the foregoing developments should not be over-stressed since the economy still remains heavily dependent upon agriculture, and to a significant degree, upon export oriented mining, the point remains that Nigeria had acquired some business experience by or before the end of the 1940's.

During the 1950's and 1960's, the interplay of both internal and external forces resulted in further expansion of the agricultural and industrial bases. The outbreak of the civil war, which lasted from July, 1967 to January, 1970, however, thwarted the implementation of some of the country's development plans. But like all other wars, the civil war led to and no doubt was particularly responsible for, the aggressive development plans of the 1970's.

The growth of population and income, along with the population movements from rural to urban areas, had provided for a slowly widening home market especially around Lagos, Ibadan, Kano, Enugu, Benin, Calabar, Kaduna, Port Harcourt and other industrial and commercial centres. At the same time the emergence of an industrial labour force (though very insignificant compared to the more industrialized nations),

the accumulation of domestic capital, and the continued improvement in business skills, have increased the country's potential to meet the increasing demand for manufactured goods from local production facilities, especially for lines in which tariffs provided some protection from external competition.

Mention should also be made of the foreign exchange shortages during the civil war as a result of which the government imposed stringent exchange control regulations. These restrictions favoured some displacement of foreign manufactured goods by local production.² However, such restrictions have since been relaxed because of the improved foreign exchange situation after the war. The ninety-day rule in respect of payment for imports has also been abolished, and thus Nigerians have returned to normal commercial trading practices.¹

Agriculture

Nigeria's fast economic growth in the later part of the 1960's has been triggered largely by the proceeds from petroleum. But this notwithstanding, Nigerians are still very much concerned with expansion in the agricultural sector which still provides employment for over 75 per cent of the population.

The role of agriculture is therefore vital to the economy in as much as expanded agricultural output is needed to feed a rapidly expanding population, to furnish raw materials for the manufacturing

²These restrictions affected mostly luxury goods like cars since the government needed a large amount of foreign exchange for the purchase of heavy military equipment for the war.

¹The Times of London, June 13, 1974, p. VII.

sector, to boost exports, and to raise the income levels of the large portion of the labour force employed in this sector.

In order to promote the advancement of the rural population, the government has increased producer prices payable for cash crops. These measures affect such export crops as palm oil and kernels, groundnuts, cocoa, cotton, coffee, copra, beniseed, and soya beans, and they are designed to provide incentives for farmers.¹ Massive projects are also undertaken in the agricultural sector as evidenced in the 1974 development programmes. For example, an Agricultural Bank has been established by the Federal Government to assist farmers to deal with problems of capital for expansion and mechanization.² Anti-drought measures are also being taken to deal with problems caused by the sub-Saharan drought. Five river basin authorities including Niger, Benue, Hadeija, Jama'are and Ogun rivers are being contemplated, and two others for the Sokoto-Rima and the Chad Basins have already been established.³

All these efforts are aimed at maintaining the agricultural base as the principal engine of economic growth after the oil wells shall have dried up. Table 2 below shows the principal crops of Nigeria.

¹Ibid.

²Ibid.

³Ibid.

TABLE 2
 PRINCIPAL CROPS OF NIGERIA
 ('000 METRIC TONS)

CROPS	1969	1970	1971
Maize	1,219	1,220	1,220
Millet	2,800	2,800	2,800
Rice (Paddy)	563	550	550
Sweet Potatoes, Yams	12,500	13,500	13,600
Cassava (Manioc)	6,800	7,300	7,330
Cow Peas	700	710	700
Palm Kernels	261	295	307
Palm Oil	425	488	500
Groundnuts (in shell)	1,365	780	850
Cotton Seed	110	184	78
Cotton (Lint)	55	92	39
Copra	2.1	2.1	2.1
Coffee	3.0	5.4	3.9
Cocoa Beans	191.8	222.9	304.8
Tobacco	10.3	12.0	17.5
Natural Rubber	56.8	59.3	50.2

Source: Africa South of the Sahara, 1974, p. 595.

Manufacturing

Manufacturing production has been growing more rapidly since the country gained independence in 1960. Building and construction have more than doubled their production during the 1960's, growing at an annual rate of 11 per cent.¹ This has more than doubled the growth of the gross national product which stands at about five per cent during that period.

Production has centred on nondurable consumer goods such as dairy products, beer, and cigarettes. Encouraging steps have also been made in such industrial segments as textiles, cement, rubber, aluminum and foods. Of these industries, the textile industry is the most important, producing a total of about 500 million square yards per year.² The duty on foreign produced textiles has been increased to protect this local industry.

The production of consumer durable goods has not increased its share of the market. This may partially be explained by the fact that this industry group is relatively mature and fairly competitive. Considering the cost disadvantage in the production of these goods, investors have apparently preferred to seek the less competitive, less developed industries as enumerated above. For this reason, there has been no reduction in the import quota of these goods.

The real importance of manufacturing to the economy lies in the contribution it can make to the growth process. It has a strong

¹Ojetunji Aboiyade, "Nigeria-Economy," Africa South of the Sahara, 1974 (London: Europa Publications Ltd.), p. 587.

²Ibid.

impact on the character and quality of capital formation and the promotion of skilled and high level manpower. Thus public policy in the country is designed to accelerate the process of rational industrial development, and this is reflected by the increasing direct and indirect participation by the public sector in manufacturing ownership, control and management.¹ Table 3 gives an idea of manufacturing production in Nigeria.

Mining

Nigeria is blessed with mineral resources, and these include tin, columbite,* lead, zinc, gold, iron, ceramic clays, quartz, feldspar, silica sand and limestone, as well as carbonaceous fuels. Since the early fifties, the Nigerian government has encouraged foreign investment in this sector. Until the discovery of crude petroleum in 1956, tin mining formed the backbone of the country's mining industry. The production of crude petroleum since 1956, has however, brought a turning point in the history of mining in the country. In that year the production of crude petroleum stood at 13.3 million tons, and this was increased to 88.3 million tons in 1972.²

Exploration is carried out mainly in the southern part of the country: in the Southeastern, Rivers, Midwest, East Central, and Lagos States, and on off-shore fields. The major companies involved in oil

¹Ibid.

²Ibid., p. 588.

*Nigeria is the largest world producer of this mineral. For details see Directory of the Federal Republic of Nigeria, 1962, op. cit., p. 114.

TABLE 3
 MANUFACTURING INDUSTRY
 OUTPUT AND EMPLOYMENT 1972
 (ESTABLISHMENTS WITH 10 OR MORE EMPLOYEES)

	NO. OF ESTABL.	PERSONS ENGAGED	GROSS OUTPUT IN PRODUCERS' VALUES (£'000)
Food Products	219	21,073	77,546
Beverages	16	4,338	46,721
Tobacco	5	4,263	28,342
Textiles	61	32,942	83,874
Clothing	45	7,478	11,805
Leather Products	10	1,647	4,240
Foot Wear	15	2,900	7,666
Wood Products	106	10,054	9,450
Furniture	66	5,937	3,418
Paper, Paper Products	12	2,910	10,367
Printing, Publishing	65	7,965	13,873
Industrial Chemicals	5	513	3,768
Other Chemicals	36	6,650	32,751
Misc. Petroleum	3	423	29,214
Rubber Products	27	6,031	14,981
Other Plastics	19	2,991	8,576

TABLE 3
(CONTINUED)

	NO. OF ESTABL.	PERSONS ENGAGED	GROSS OUTPUT IN PRODUCERS' VALUES (£'000)
Pottery, Glass	6	1,659	1,866
Other Nonmetallic	29	5,760	14,410
Metals, Products	76	17,468	58,169
Machinery	8	631	1,157
Machinery (Electric)	4	844	2,769
Transport Equipment	7	9,371	903
Scientific Equipment	8	723	4,457
Other Manufacturing	22	2,431	3,760
Total Manufacturing	870	148,568	9,474
Metal Ore Mining	95	50,560	9,474
	58	7,897	22,636

Source: Africa South of the Sahara, 1974, p. 597.

mining are Shell-BP, Mobil Oil, Texaco, AGIP, and many others including three Nigerian Oil companies: Delta Oil, Henry Stephens, and the state-owned Nigerian National Oil Corporation. It is expected that as the country develops, more of its mineral resources will be tapped.

THE FOREIGN TRADE SECTOR AFTER INDEPENDENCE

Like most developing economies, Nigeria is highly dependent on its external trade sector which aside from the disruption caused by the

civil war, has continued the upward trend began after the Second World War. As Nigeria has insufficient production facilities to meet its internal demand, especially for capital goods, Nigeria depends upon foreign sources for the supply of these goods. The foreign exchange required for the payment of these purchases comes directly from Nigeria's exports. Hence export earnings play a vital role in the economy. The level of these exports stood at N1,434.2 million, approximately \$2,151.3 million, in 1972.¹

Whereas prior to independence Nigeria was reserved in its commercial dealings even with some countries of the free world, the trend has changed since independence was attained in 1960. More and more countries have registered to do business in Nigeria today. American, British, Dutch, Swiss, Japanese, Canadian, Brazilian, Indian, French, German, Lebanese, Chinese, Italian, and Hungarian businessmen are struggling to build successful business enterprises in the country.²

Although the United Kingdom and the United States still remain top on the list of Nigeria's most important customers, its exports also go to such other countries as Norway, the Netherlands, Italy, Ghana, the Federal Republic of Germany, France, Eastern Europe including Czechoslovakia, German Democratic Republic, Finland, Hungary, Poland and the U.S.S.R, Belgium and Luxembourg.³ Other countries not included

¹London Times, op. cit., p. VII.

²Raymond W. Baker, "Marketing in Nigeria," Journal of Marketing, Vol. 29, July, 1965, p. 40.

³Aboyade, op. cit., p. 602.

in this list are Japan, and the People's Republic of China.

The breakdown of imports for 1971 and 1972 (Table 4) is very similar to that for exports (Table 4). Both tables show the United Kingdom and the United States emerging as the most important trading partners.

TABLE 4
NIGERIA'S TRADING PARTNERS (1971-1972)
('000 naira*)

IMPORTS	1971	1972
Belgium and Luxembourg	18,200	19,000
China, People's Republic	20,200	17,400
Eastern Europe	33,600	21,000
France	44,000	58,400
Germany, Federal Republic	131,400	134,800
Hong Kong	17,400	17,800
India	13,600	10,800
Japan	91,000	98,000
Netherlands	37,200	45,200
Norway	6,600	5,200
United Kingdom	344,200	292,000
United States of America	151,400	103,400
Total including others	1,078,900	990,600

*Note: The Nigerian decimal currency was introduced on January 1, 1973. The naira is the largest unit: 100 kobo = 1 naira, and 100 naira = £62.89 = \$152.00.

TABLE 4
NIGERIA'S TRADING PARTNERS
(CONTINUED)

EXPORTS	1971	1972
Belgium and Luxembourg	6,200	7,200
Eastern Europe	36,800	21,400
France	190,400	208,200
Germany, Federal Republic	70,600	65,000
Ghana	8,400	4,600
Italy	56,600	64,600
Netherlands	176,000	194,000
Norway	17,800	6,800
United Kingdom	280,600	299,800
United States of America	225,600	298,400
Total including others	1,280,800	1,421,600

Source: Africa South of the Sahara, 1974, p. 602.

CHAPTER IV

THE NIGERIAN MARKETING ENVIRONMENT

Marketing is inseparably linked with the environment in which it operates. Such an environment can be complex and may undergo continuous and sometimes cataclysmic change.¹ Hence variables such as geography, population, social tradition, the political system, and levels of education shape marketing practices to a notable degree. These and the factors which make up the marketing infrastructure set the parameters within which marketing practices and strategies operate.

Geographical Factors

As already noted, Nigeria covers an area of 356,647 square miles, an area that almost triples that of the United Kingdom. With a population that far exceeds that of any other African country, Nigeria is physically a land of great geographical contrasts. The savanna belts of the north, the high forests of the humid south and the swamp forests of the coastal belt represent the three basic vegetation zones of the country.

The Swamp Forest

The swamp forest comprises the mangrove and coastal vegetation

¹Philip Kotler, Marketing Management: Analysis, Planning and Control (Englewood Cliffs, New Jersey: Prentice Hall, Inc.), p. 51.

developed along the greater length of the coastline. It attains its maximum extension in the maze of creeks and inlets in the Niger delta. The forest abounds in timber, but owing to difficulties of extraction, the forest is of limited importance in the export lumber economy of the country. However, its mangrove trees, besides being used as railway sleepers, are an important source of energy. Fishermen use them in the drying of their catch; the people living on the creeks obtain their supply of firewood from the forest for cooking and heating purposes.

Despite the seeming inhospitality of the land, this section of the country is thickly populated and developed. Lagos, the federal capital, lies within this vegetation zone. Other important towns in the zone are Bonny, an oil terminus, Burutu, a sea port as well as boat building centre, Port Harcourt, an industrial and commercial centre, and Calabar, a sea port as well as a historic town.

Because of the presence of sea ports and petroleum deposits, the swamp forest is of great economic importance to the country. Almost all the major oil fields of Nigeria are located in the swamp forest zone. Thus the present economic potential of the zone should ensure that the coastal markets will continue to play a dominant role in the Nigerian economy for years to come.

The High Forest

A second principal geographic area of Nigeria is the high forest zone. This zone forms the climax vegetation over most of the humid south, and has almost everywhere been modified by man. The zone is

noted for its abundance in tropical products such as palm oil and kernels, cocoa, natural rubber, bananas, and copra. It comprises the rain forest belt, the oil palm bush, the dry forest belt, and the derived savanna zone,¹ and is thus the main source of Nigeria's export timber. The primary forest industries of Nigeria are fed with raw materials from this forest belt. Being a tse-tse infested region, it is unsuitable for cattle breeding, although some cattle are bred at government ranches. Agriculture and trading remain the main occupation of the people of this zone. Hence towns like Aba, Onitsha, Ibadan, and Benin have emerged as commercial, agricultural, and industrial centres.

The Savanna

The remaining sixty per cent of Nigeria's land area lies towards the north of the country, where as a result of the decrease in rainfall and the lengthening of the dry season, the rain forests pass gradually into savanna. This region is greatly influenced by its geography. Lying south of the Sahara, it had for centuries attracted traveller and invader alike, and whatever influence this has had on the marketing system of Nigeria is left to the student of history for further investigation.

Like other grasslands of the world, the tropical grasslands of Nigeria play a significant role in the country's agriculture. Because a greater part of the savanna, unlike the southern forests,

¹K. M. Buchanan, and J. C. Pugh, Land and People in Nigeria (University of London Press, 1956), p. 34.

is tse-tse free, cattle rearing is practised on a larger scale. A greater part of it besides the Niger-Benue trough, consists of a fairly level plateau the highest part of which is the Jos Plateau with an elevation of 4000 feet.¹ Such level land including the plains of Sokoto, is utilized for agriculture and cattle breeding. The main export crops of the zone are cotton, groundnuts,* beniseed, and soya beans. Grains like maize, millet, guinea corn, sorghum, rice and cow peas are also grown for local consumption.

The regional and seasonal differences in the quantities of many of these crops make for temporary local shortages and surpluses alike and so emphasize the importance of distributive trade. Hence towns like Sokoto, Kano, Kaduna, Jos, Vom, Zaria and Maiduguri have developed as commercial, agricultural and industrial centres within the savanna zone.

DEMOGRAPHIC FACTORS

Statistics compiled from a country's population have much to say about the country. In this study they have been organised in a way that will portray the market potential of Nigeria as well as reveal some of the problems facing Nigeria as it seeks economic growth and development.

Population Growth

The estimated total population of Nigeria was 31.5 million according

¹J. A. Perkins and Jasper Stenbridge, Nigeria: A Descriptive Geography (Ibadan: Oxford University Press, 1966), p. 18

*Nigeria is the largest producer of this product and averages about 300,000 tons per year.

to the 1952-53 census. It rose to 55.6 million during the 1963 census. Demographers have generally rejected the results of this census as highly inflated, pointing out that, despite the probable undercount in the 1952-53 census, the indicated average annual rate of growth of about 6.3 per cent during the intercensal period was much too high to be acceptable. However from the evidence gathered from the statistical field returns of the mass vaccination campaign, the figure may well be nearest the truth.¹

In the last twenty years Nigeria has experienced a very high rate of population growth. The problem of raising gross national production faster than the growth of population therefore becomes extremely difficult. Worse still, the number of dependents i.e. children below the age of 15, comprises over 40 per cent of the population.² Hence the preponderance of these younger age groups places a burden on the older groups who, out of necessity, must work to support them.

Table 5 shows the number of those who are in the country's labour force, and who are therefore classified as economically active elements. This table shows that in 1963 about 17,030,098 people were in the nation's labour force. This is a little less than 31 per cent of the populace.

Ethnic Groups and Languages

The 1963 census recognized the existence of more than 200 ethnic groups in the country. This population, barring a few exceptions is

¹Ojetunji Aboyade, op. cit., p. 587.

²Ibid.

TABLE 5
ECONOMICALLY ACTIVE POPULATION
(1963 Census)

Agriculture and Fishing	10,201,328
Sales	2,806,071
Crafts, Production, Labouring	2,190,073
Services, Sports, Recreation	870,884
Professional, Technical, etc.	440,613
Transport, Communications	279,255
Clerical	228,018
Mining, Quarrying, etc.	13,856
Unspecified	891,415
Unemployed	344,921

purely negroid. Physical variations are generally not sufficient to permit individuals to be identified as a member of a specific ethnic group; primary distinctions, however, are based on language, religion, customs, and history. This ethnic complexity results from the mixture of cultures, language stocks, and religions of West and Central Africa that have occurred within Nigeria's borders.¹

Lack of a common language can and often creates problems for marketers. This is very true of Nigeria where although English is

¹Harold D. Nelson, and others, Area Handbook for Nigeria, 1972 (Washington, D. C.: U.S. Government Printing Office), p. 103.

considered to be the official language of the government, hundreds of other native languages are widely spoken. Among them Hausa, Fulani, Ibo, Yoruba, Efik, Tiv, Kanuri, Edo, and Ijaw are the most widely spoken. However a trade language in the form of "pidgin English" is widely used by businessmen throughout the country.

Because most of the men and women who speak "pidgin" can neither read nor write, linguistic barriers still remain substantial to general marketing communication as well as to the transmission of information.

Migration to the Cities

Migration rate from rural to urban areas is high in Nigeria. According to a rural sample survey conducted by the Federal Office of Statistics in 1965 and 1966, a net migration rate of 1.3 per cent was found.¹ This rate was about half the estimated rate of population increase.

People move from rural to urban areas for various reasons. The search for an opportunity to better their economic and educational status was the major reason revealed by the sample survey mentioned above. What other reasons people might have for migrating from rural to urban centres are more of a concern to anthropologists and sociologists than marketers. What concerns the marketer, indeed the businessman, is that migration process accounts for the growth of the internal market even though the discretionary income of most of the migrants is relatively small.

¹Ibid., p. 85.

Level of Education

At present a significantly small percentage of Nigeria's population can be regarded as literate in any admissible sense. Realizing this weakness, and the fact that a rise in the educational level of the population is essential to increasing productivity, the federal and state governments have geared their efforts toward producing graduates who will possess high professional, technical, and administrative skills with an increasing bias towards the pure and applied sciences. With this idea in mind, the planners of the Second National Development Plan have allocated a total of £139 million to education.¹

Cultural Differences

The cultural patterns of a country rather than the geographical characteristics and economic structures influence the ideas and values of its people. Hence cultural differences, the third major component of the Nigerian marketing macro-environment, contribute to the complexity of this environment. It is therefore essential to note some of the more significant variations in Nigerian cultural traits which anthropologists and sociologists have found. This now leads to the question, "What is culture?"

Culture as defined by Edward B. Tyler, an English anthropologist, is that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities acquired by man as a member of

¹Aboyade, op. cit., p. 592.

society.¹ From this classic definition, it can be inferred that culture is something learned rather than something taught. Applying this definition to Nigeria, one can see in what ways the various cultures of the country are different. To do this, it will be necessary to identify the four broad types of cultures namely the Moslem-Sudanic cultures of the Northern states, the diversified forest and coastal cultures of the southeast, the forest kingdom cultures of the southwest, and the urban cosmopolitan culture of the cities.* This division, it should be noted, does not take cognizance of the marked cultural variations that exist among the various ethnic groups.

The Moslem Sudanic Culture

The Moslem Sudanic culture permeates the lives of the major ethnic groups that inhabit the Islamic emirates of the Northern States of Nigeria. Comprising this cultural bloc are the Hausas, Fulanis, Kanuris, and Nupes. The Hausa-Fulani traits remain the most predominant as a result of their numerical strength.

The Hausa population consists mainly of two ethnic groups, the Fulani, and the Habes or original Hausa. Their basic pursuits are farming and trading, and their food staples are grains such as sorghum, maize, millets, and rice. Having been converted to Islam in the twelfth century, and conquered by the Fulanis during the Jihad or Holy War in

¹Edward B. Tyler, Primitive Culture (London: John Murray, Ltd., 1871), p. 1.

*Taylor Cole groups Nigerian cultures into Negro, Arab and West European. The author has modified this to the above groups. For details see R. O. Tilman and R. Cole, The Nigerian Political Scene (Durham, North Carolina: Duke University Press, 1962), p. 61.

the early nineteenth century, the Hausas imbibed Islamic culture and religion. Most of their towns evolved in part through migration from other regions of the continent.

Socially, the Hausas are rather quiet and reserved. Their values and attitudes are shaped largely by the teaching of Islam. Conventional norms define and control many aspects of their life including the type of clothes they wear, their occupation and entertainment. Age and sex tend to weigh heavily, but not exclusively, in the assignment of occupational roles. Purdah wives for instance, are rarely seen outside their confines.

Viewed from the outside, the Moslem-Sudanic culture might be thought of as a closed and static system. This is not the case. Rather, there is considerable evidence which indicates that it is open to change and to contacts with the larger social system of the nation at various points.

Through the local and urban markets, Hausa businessmen interact with the world beyond the Islamic faith. In the principal commercial centres of the country, Hausa businessmen have proved their mettle as aggressive and successful businessmen. In most of the cities, they have established businesses in direct competition with foreigners and other Nigerians alike. No margin of profit is too great or too small for Hausa businessmen; no type of exchange is unsuitable as long as it gives a good return on their investment, and is not against the will of Allah. With this ethic the Hausas have emerged indefatigable and honest traders, having a flair for bargaining.¹

¹Michael G. Smith, "Exchange and Marketing Among the Hausa," Markets in Africa, op. cit., p. 313.

The Eastern Forest and Coastal Culture

The major tribes of the eastern states are the Ibos, Ibibios, Efiks, and Ijaws. Although the Ibos and the Ibibios seem to have similar cultural traits, yet most of the values often attributed to them are identical with those of the majority of peoples living in the eastern forest and coastal belt.¹ Their competitiveness and drive are not brought on them by sheer economic necessity or inherent energy but by a value system that attaches great importance to the competitive spirit in all fields, and self-improvement for individuals and groups. Thus people of this culture seek success widely, and distinction in all fields remains their ultimate goal.

Their occupational structure varies widely from farming, fishing, artisan trades, commercial enterprises, the professions and government to blue-and white-collar employment in the private sector. Generally speaking, the people of this culture have always been open to the acceptance of new cultural forms and ideas. Because they were the first to accept Christianity and European education, they were quick to adapt to the value system of their colonial rulers. Their major organizing principles have always been based on mutual dependence and cooperation. Because equality is a basic ideal, domination by a few powerful men is usually deeply regretted. Hence the man who helps others to improve their lot commands prestige, respect, and often times obedience.

¹Harold D. Nelson, op. cit., p. 275.

The Culture of the Southwest Kingdoms

The Yorubas, Edos, and Urhobos form the major ethnic groups that occupy the southwestern part of Nigeria. Their cultural outlook differs substantially from those of other negroid groups either in the east or north. While the negro cultures of the rest of the country do not recognize the supremacy of an individual as king, the Yorubas and the Edos are ruled by an elected King (Oba) chosen by the ward chiefs from a hereditary line. Some Yoruba states, however, are ruled in other ways including elected councils of chiefs.¹ Underlying these distinctions is the common adherence to an identical set of values by the people of this culture.

Historically, the Yorubas and the Edos regard Ife as their spiritual progenitor.² Both are partially Christians and Moslems, and their values and beliefs are thus shaped by the teachings of these religions. Like other Nigerians, the people of this culture aspire to be wealthy through hard work, astute trading, farming, the professions, government and other pursuits in the private sector. To the Yoruba, saving wealth rather than spending it conspicuously and generously is something to be frowned upon.³ This and other similar attitudes single out the Yorubas as one of the most liberal and outgoing Nigerians.

¹Ibid., p. 273.

²Robert O. Collins, op. cit., p. 133.

³Harold D. Nelson, op. cit., p. 273.

The Urban Cosmopolitan Culture

The last but not the least important of the cultural blocs of Nigeria is the urban cosmopolitan culture. Centering in the elite groups of Lagos, but with increasing emulation by those occupying lower socioeconomic positions in other urban centres of the country, is this fourth general life style which takes many of its cultural patterns from abroad. People of this subculture tend to be pompous, to marry from foreign cultures, and to reach them entails the employment of marketing practices and strategies that are used in more industrialized societies.

To round up this cultural picture of Nigeria, we must note that there are attitudes and values that are not encompassed by the broad cultural divisions presented above. For example, though the Tivs are located in an area considered to be part of the Moslem-Sudanic bloc, as Christians their values and attitudes differ significantly from those of the Hausas and Fulanis. In Nigeria therefore, there is a cultural melting pot where cultural influences from all directions have met to produce a most virile cultural complex.¹ Thus marketing in Nigeria must be considered with an appreciation for the tribal and cultural background as well as the education and income of the local people.

POLITICAL SYSTEM

The impact of politics on marketing stems from laws, regulations, and other government actions that restrict or direct the way in which

¹Okoi Arikpo, "Is There a Nigerian Nation?" West Africa Review, XXXI, (February, 1960), p. 53-54.

business may be conducted.¹ In almost all democratic regimes, the government of the day derives its power from the constitution, and any action that violates the provisions of the constitution can be declared by the courts as unconstitutional. This can happen only if the Judiciary is independent of the executive branch of the government.

Constitution and Voting Rights

As a federal Republic, Nigeria comprises twelve autonomous states. At the time of this study, each of these states is being ruled by a Military Governor. The Head of the Federal Military Government, General Yakubu Gowon, plays the role of the President. The constitution in force is the Constitutional Decree published in Lagos on March 17, 1967.²

Prior to the coup de'tat of January 16, 1966, the Independence Constitution of 1960, upheld in the Republican Constitution, was in force. Under this constitution, which showed clear influence of its British counterpart, there was an "exclusive list" whereby the Federal Government alone could retain sole power in such areas as external affairs, aviation, banks, census, maritime shipping, mines, and minerals, defence, trunk roads and railways; and a "concurrent list" of matters falling within the powers of both the Federal and Regional Governments.³ But the 1967 Constitutional Decree replaced all earlier Constitutional Decrees which provided for the vesting of legislative and executive

¹John Fayerweather, International Marketing (New Jersey: Prentice Hall), p. 27.

²Nigeria Year Book, op. cit., p. 35.

³Ibid.

powers in the Supreme Military Council.*

Many fundamental human rights are entrenched in the Nigerian Constitution, but these rights are subject to any laws which are reasonably justifiable in a democratic society in the interest of defence, public safety, public order, public morality, public health or the economic well being of the community, or for the purpose of protecting the rights and freedom of other persons.¹

Besides these human rights, the constitution also provides that every citizen who is of the age of 21 or over is entitled to vote. In the former Northern Region however, only male citizens were so entitled.²

Political Parties

At the time of this study, there were no political parties in the country as all political activities were suspended following the army take-over in 1966. But prior to this date, there were three major political parties in the country. Apart from the National Council of Nigerian Citizens (N.C.N.C.) which represented both the Midwest and Eastern Regions, each of the remaining parties represented the governments of each of the regions. The Action Group (A.G.) represented the government of the West when it was headed by Obafemi Awolowo and later by Samuel Akintola until the crisis which led to the formation of Akintola's United People's Party (U.P.P.). The Northern People's Congress (N.P.C.) as the name implies, represented the Northern

*This Council ruled the country after the January, 1966 coup.

¹L. K. Jakande, Editor, West Africa Manual, 1970 (Lagos, John West Pub. Ltd.), p. 240.

²Ibid.

Region.

Whether the above political parties will return under different names no one can say for sure at the moment. But with the return to civilian rule as envisaged in 1976, there are bound to emerge political parties that will once again vie for political leadership in the country.

Government and Business

The role of government in marketing and other business activities in Nigeria is, in the main, confined to regulation, through Acts and Decrees, of business practices to ensure freedom of competition, protect the consumer from abuses, and alleviate the foreign investor's concern over his investment security.

Foreign businessmen are encouraged to invest in the country through liberal incentives offered them by the Federal Government. For example, under the Income Tax Act, companies may be allowed to write down their capital assets in the early years of operation, so as to enable them to amortize their capital assets during the formative years.¹

Mention should also be made of the latest moves by the Nigerian government to increase local participation in foreign-owned businesses without scaring off potential investors. These moves are embedded in a decree promulgated in February, 1972, and known as the Nigerian Enterprises Promotion Decree.² According to this decree, 22 business

¹Efiong Essien, "Foreigners' Concern Over Investment Security," London Times, op. cit., p. VIII.

²Ibid.

areas are reserved entirely for Nigerians, and at least 40 per cent participation by Nigerians is a requirement in another group of 33 businesses.¹

Because the government intends to exercise the provisions of this decree with extreme flexibility, the decree has won praise not only from "fair-minded Nigerians, but even more surprisingly from many of the victims too."² With this approach it is hoped Nigeria will continue to provide fertile grounds for foreign investment which is badly needed for economic growth and development.

¹Ibid.

²Ibid.

CHAPTER V

MARKETING INFRASTRUCTURE

In the previous chapter, the influence of geography, demography, culture, and politics on the Nigerian marketing environment was considered. Since the marketing practices of Nigerian manufacturers are also influenced by other factors besides those of the environment, this chapter will examine some of these other factors that influence marketing in Nigeria. Such other factors are here referred to as marketing infrastructure.

Marketing infrastructure include all those things that form the underlying foundation or basic framework of any marketing system. They include transportation and marketing communications facilities, wholesaling, retailing, societies concerned with marketing, fairs, and collective markets. These various aspects of the marketing infrastructure are examined below.

TRANSPORTATION AND COMMUNICATIONS

The importance of an efficient system of transportation and communications to marketing needs no special emphasis. The intentions of the Nigerian government on this is declared in the following words:

It is the firm intention of the Federal Government to open up the country and thereby facilitate the movement of goods from one part of the country to another in order to enhance interstate commerce and to boost external trade. This is based on the policy of regional economic development, which is sine qua non for the exploitation of the

vast agricultural and mineral resources by the people for the common good of all.¹

Transportation facilities in Nigeria therefore include roads, railways, waterways, and air transportation.

Roads

In the late 1960's, there were about 55,228 miles of roads traversing the country. Approximately 14,174 miles of this road network had bituminous surfaces, and about 41,054 miles were surfaced either with gravel or earth. Table 6 tabulates this road network into types of surface, miles of highway, and percent of total mileage of roads each surface covers. At the time of this study, there are about 88,000 kilometers of motor roads in the country, of which over 9,500 miles are bitumen surfaced.²

The Nigerian road network can be divided into three major categories. The first category consists of major roads designated Trunk A. These Trunk A roads link the twelve state capitals, certain other large towns and ports, and Lagos, the federal capital. Included in this category are roads connecting important points in adjacent countries. Some of them form part of the Inter and Trans African Highway systems. Maintenance of all Trunk A roads remains the responsibility of the federal government.

The second category of roads are those designated Trunk B. These connect the provincial and divisional administrative centres with other

¹The Times of London, p. VII.

²Ojetunji Aboyade, op. cit., p. 615.

TABLE 6

ROADS IN NIGERIA BY TYPE AS OF MARCH 31, 1966

Type of Surface	Miles of Highway	Per Cent
Bituminous surfaced	14,174	26
Earth or gravel surfaced	41,054	74
	55,228	100%

Source: L. K. Jakande, West Africa Annual, 1970, p. 264.

larger towns. They also provide access to the Trunk A roads and the railway stations. Trunk B roads are maintained by the various state governments.

The remaining percentage of the road system connect small towns and villages with one another. Their maintenance remains the responsibility of the local authorities. In some cases, state governments offer financial assistance to the local authorities for the maintenance of such roads.

The federal military government is gearing its effort toward the opening up of the country by means of a system of super highways. At present there are road plans to link Nigeria with Niger Republic by means of the Sokoto-Ilella road.¹ These roads when completed will greatly improve the distribution system of the country.

¹London Times, p. VII.

Railways

The Nigerian railway infrastructure consists of two single track lines, the Eastern and the Western Railway Lines (Figure 3). Both originate in the two national ports of Lagos and Port Harcourt to which they bring produce for export and from which they carry imported goods for distribution up-country.

The Western Line runs from Lagos in a north-easterly direction, through Ibadan, Oshogbo, Ilorin, across the Niger at Jebba. From Jebba the line continues through Minna, Kaduna, and Zaria to Kano. Branch lines connect the main line to Kaura Namoda which serves as a rail head for cotton and groundnuts; and to Nguru, an area noted for cattle rearing, cotton and groundnuts. Another branch line provides a link from Minna to Baro, a port on the Niger. This line will become increasingly important with the development of shipping on the Niger.

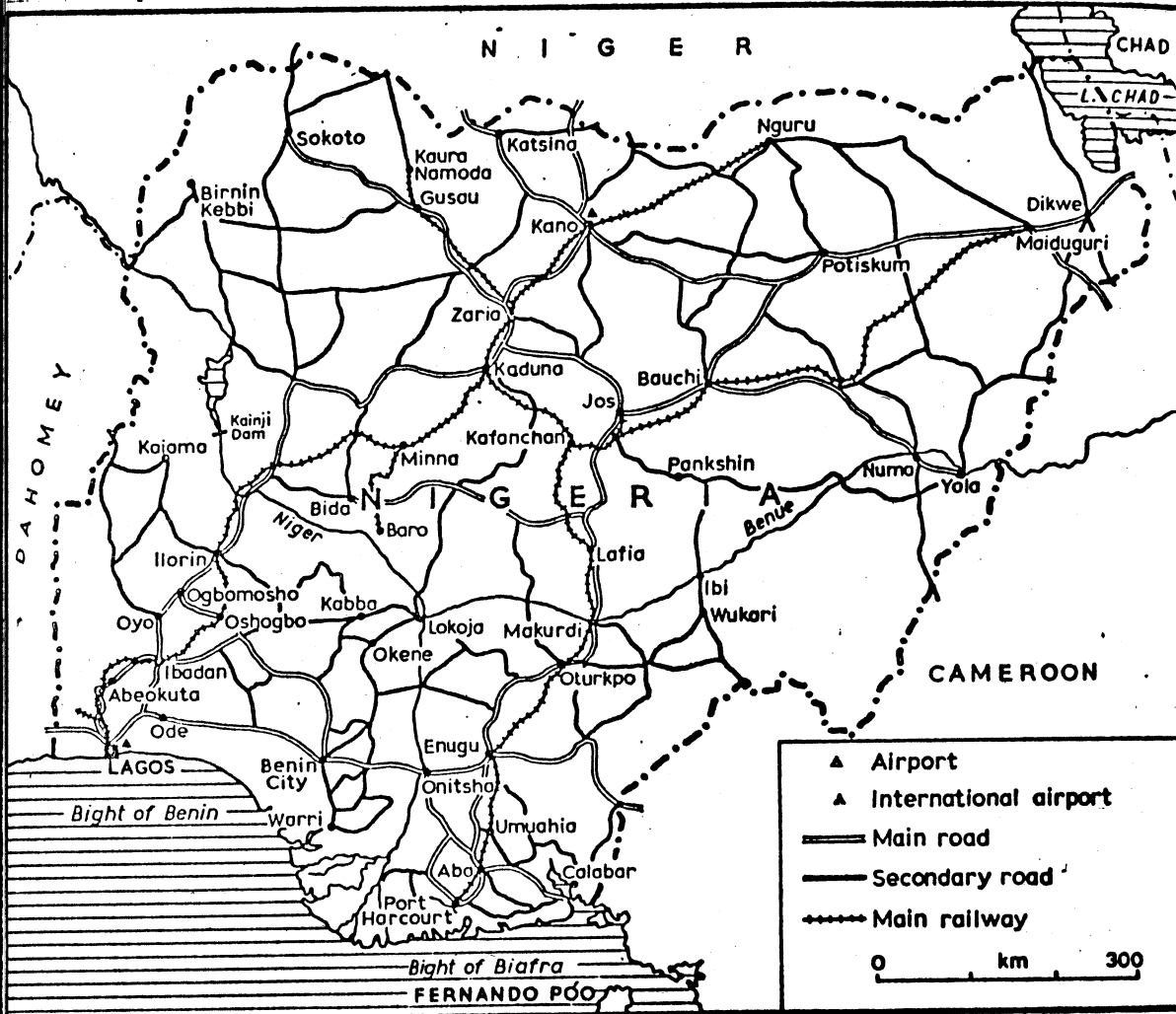
The Eastern Line on the other hand, runs from Port Harcourt through Umuahia to Enugu, and crosses the Benue at Makurdi to join with the Western Line at Kaduna. At Kafanchan however, the line branches to Jos, the centre for tin mining in the country, and to Maiduguri, capital of the Northeastern State. Altogether there are about 2,178 route miles of railway track, all being 3 feet, 6 inch gauge.¹

Nigerian railways are undergoing modernization, chiefly involving replacement of steam locomotives with diesel locomotives. The only exception is the Port Harcourt-Kafanchan line which continues to use

¹Nigeria Railway Annual, 1971, p. 3.

FIGURE 3

TRANSPORTATION SYSTEMS OF NIGERIA



Source: Adapted from Africa South of the Sahara, 1974, p. 596.

coal from the Enugu coal mines. Further conversions to diesel however, are being carried out through the purchase of 34 additional locomotives in the early 1970's from Japan.¹

Water Transportation

Water transport is one of the oldest means of transport in Nigeria. When there were no motorable roads, railways, and airports in the country, passengers and goods were often moved by river. Hence water transport is very significant to the commercial life of the country.

There are two major seaports in the country. These are Lagos, the capital, and Port Harcourt. Lagos, which lies on the west coast, handled all imports and exports for Lagos state, Western state, Mid-western state, and for a large part of the Northern states. Port Harcourt, located on the Bonny river about forty miles from the mouth of the Bonny estuary, handled exports and imports for the three Eastern states as well as northeastern section of the Northern states. Both Lagos and Port Harcourt handle about 90 percent of the country's imports and about 80 percent of the total exports.² The rest of the exports and imports pass through other smaller ports such as Calabar, Bonny, Degema, Forcados, Burutu, Warri, Akassa, Koko, and Sapele. As of 1971 the ports of Lagos, Port Harcourt, Calabar, and Warri formed a national system under the control and operation of the Nigerian Ports Authority.

¹Ibid., p. 5.

²Nigeria Yearbook, 1972, op. cit., p. 179.

Inland waterways are another growing aspect of the water transportation system. Ferry services are run by the Inland Waterways Department from Marina across the Lagos Lagoon to Apapa Wharf. Similar services are also offered along the Cross, Niger and Benue rivers. Shipping services are provided by the Nigerian National Shipping Lines and various European, Far Eastern, and North American shipping lines.

Air Transportation

Air transportation has been used in Nigeria for at least two decades. The country's two international airports--Lagos and Kano, have modern airport terminals and are large enough to accommodate the increased traffic brought about by the country's continued economic development. Besides the two international airports, there are several local airports for local flights. These airports are at Calabar, Port Harcourt, Benin City, Ibadan, Kaduna, Jos, Sokoto, Yola, and Enugu. Enugu airport was destroyed during the civil war, but it has since been reconstructed. There are several other smaller airports, and these are used mainly by oil companies and private concerns.

Much of the local air transportation is provided by the Nigerian Airways. It along with several other international lines such as Pan Am, BOAC, TWA, Air France, offer international services.

WHOLESALING

The Nigerian marketing system can be classified into two broad types: importing and exporting. Since facilities for producing most of the consumer and industrial goods are in most cases limited, these goods have to be imported into the country. This makes it necessary

for foreign manufacturing firms to establish representatives or agents to oversee the importation and distribution of their products.

Once the goods have been manufactured in some foreign country, they are shipped in bulk to the distributors or agents in Nigeria. These agents in turn assemble, break up the shipments, and pass them on to retailers who provide an assortment of goods in convenient units for the ultimate buyers (Figure 4). Many of the distributors or agents operate on an "indent" and commission basis, and their chief functions include handling of orders, documents, import licenses, and arranging for direct shipment to trading firms and other buyers.¹ Wholesaling is therefore the major phase of importing goods into the country.

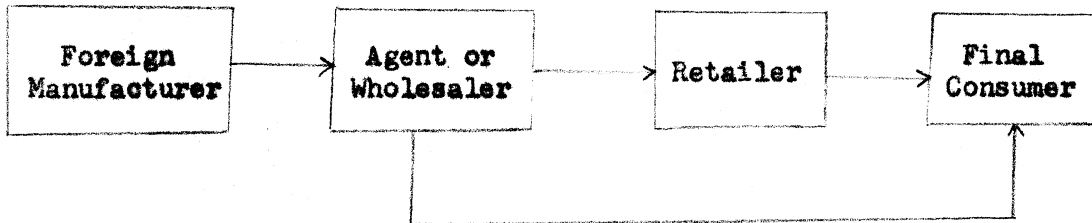
A number of wholesalers act as importers, wholesalers, distributors, and even retailers, and this makes it difficult to characterize wholesaling with any degree of certainty. Thus the large trading firms are engaged both in wholesaling and retailing, while the small indigenous traders act mainly as retailers and deal directly with the ultimate consumers.

Indigenously produced goods pass through similar channels of distribution. Agricultural products, for example, are generally bought by Nigerian traders (both men and women) in the producing areas, and resold to an urban wholesaler, who in turn sells again to smaller wholesalers and retailers. From these small wholesalers and retailers the product finally reaches the final consumers.

¹Raymond W. Baker, op. cit., p. 44.

FIGURE 4

DISTRIBUTION CHANNEL FOR IMPORTS



Commodities for export including palm produce, cotton, groundnuts, timber, rubber, cocoa, beniseed, soya beans, coffee, and copra are bought by the Nigerian Produce Marketing Company (NPMC) through the States Marketing Boards. Prices paid for these products by the various State Marketing Boards are fixed by the Federal Government. Minerals such as tin, columbite, and oil are exported either by the extracting concern or by a large trading company.

Other wholesaling is done by combination import-distributor companies. Most of these companies such as Henry Stephens Group of Companies, the United Africa Company of Nigeria, and Kingsway Stores maintain offices in Lagos and various other state capitals. Some retailing is done in these outlying offices. Some of them, too, like Henry Stephens Group, own substantial, if not controlling interests in mining, manufacturing, or agricultural operations whose products they may distribute or export to foreign countries.

RETAILING

Retailing in Nigeria takes a variety of forms. The large stores located mainly in the big towns and state capitals, consist of department

stores such as Kingsway Stores, U.T.C; K. Chelarams and Bhojsons, Collins Mba, I.T.C. and many others. In Lagos alone, there are more than eight such department stores and five supermarkets. These stores, owned jointly by Nigerian and foreign investors, are well stocked with a wide variety of products to appeal to both Nigerian and foreign nationals. In addition there are a number of other retail chains especially in such fields as shoes and textiles, and some of these are owned jointly with manufacturing facilities.

More numerous in the country are the independent and usually quite small retailers having one to three employees. Usually such concerns are father-son, brother-brother or husband-wife combinations. But the largest group of retail outlets consist of the small peddlers or hawkers, who move from place to place with or without pushcarts to sell their commodities. Besides these various retail outlets, there are some company-operated or company-owned stores which, in various plantation and mining communities, supply the residents with a range of simple consumer goods.

Trade Fairs and the Collective Markets

In discussing the origin of markets in Nigeria, mention was made of the role of women as traders. It is in retail trading that the expertise of Nigerian business women remains unsurpassed. And since a greater volume of the goods sold at retail are not sold through department stores and branch outlets, but through collective markets, these markets thus constitute the mainstay of the Nigerian marketing system.

As noted by Raymond Baker, the collective markets represent an effective adaptation to the needs and facilities of the people to the

environmental setting of the land.¹ They therefore exist primarily for the purpose of collecting, bulking, and distributing local food products, products of local food processing plants, products from local craft industries as well as foreign made products. Thus in rural areas where access to large stores and supermarkets is extremely limited, fairs and the collective markets provide avenues for commercial activities.

Fairs are important outlets for retail trading in that they act as temporary markets for buyers and sellers to gather and do business. Their importance as an instrument of economic development gathered momentum after 1960 when Nigeria could participate independently in international trade fairs. As a marketing infrastructure, trade fairs therefore create a forum for the local manufacturers, craftsmen, women, as well as Nigerian and foreign businessmen to come into direct contact with one another.

Not the least important aspect of the domestic trade fairs is their role as a major link in the communications systems of the various states of the country. Considering the widespread illiteracy and limited telecommunications facilities, one can really appreciate the role of these fairs as a means of transmitting information about prices, local products and services, consumer preferences and events of general interest through direct personal communication. Thus the Federal and States governments attach considerable importance to trade fairs and exhibitions as a means of fostering economic development.

¹Raymond W. Baker, op. cit., p. 45.

Societies Concerned With Marketing

Business enterprises in Nigeria are generally handicapped by lack of professionals in business careers and business education. These shortcomings are in recent years being accepted as challenges by a few professional associations. Such associations are not only concerned with marketing but with all phases of business activity in the country.

The Nigerian Institute of Management is somewhat comparable to the American Management Association and has as its major publication Management in Nigeria, published twice monthly. The Chambers of Commerce and the Nigerian Institute of Chartered Accountants are more comparable to two American professional Organizations--The Chambers of Commerce and the American Institute of Certified Public Accountants.

There are about fourteen chambers of commerce in the country including the Association of Chambers of Commerce, Industry and Mines of Nigeria. Members of this Association include the Chambers of Commerce of Lagos, Calabar, Ibadan, Kano, Jos, Warri, Benin, Sapele, and Enugu.¹ These Chambers of Commerce formulate policies that guide the activities of the businessmen. Besides this they usually finance local trade fairs.

The nine state Marketing Boards are responsible for fixing the legal minimum buying price of primary produce for a whole season as well as minimizing price alterations from season to season. They are

¹Aboyade, op. cit., p. 612.

also responsible for maintaining and improving the quality of export produce, aiding economic development and research by grants, loans and investments, and supplying produce to industries processing local primary produce.

MARKETING COMMUNICATIONS INFRASTRUCTURE

A description of the Nigerian marketing infrastructure would not be complete without mentioning the facilities available for marketing communications. In light of this fact, this last part of the section will examine the Nigerian marketing communications infrastructure.

Advertising Agencies

In 1972, there were nine advertising agencies in the country. These agencies were located mainly in Lagos, the hub of the economy. In other urban centres especially in industrial and commercial ones, there are also several other firms that prepare cinema, outdoor, direct mail, and other types of marketing communications.

Advertising Media

Marketing communications media in Nigeria ranges from newspapers, radios, cinema, and posters to television. The following data about communications media in the country describe the situation as it was in 1972.

Television

This was inaugurated in October, 1959 when Western Nigeria Television Service (WNTV) became the first network to televise in the country. Other stations were built later, and these include Radio Television Kaduna (RKTIV), and the two federally owned NBC Television (NTS)

stations located at Ibadan and Lagos. These four stations provide services to the whole federation. However, the second National Development Plan envisioned an extension of television services to the Eastern States and other states in the north.

A very small percentage of the Nigerian population has television sets. As of December 1971, there were only 75,000 sets in use in the whole country. This indicates that Nigerian television faces a major challenge, and that is, to attain an audience large enough to attract advertisers.

Radio

There were approximately 3 million receivers in use throughout the country in 1972. Seven medium-wave and seven short-wave radio stations provided the services. Nigerian radio programmes are geared to meet the demands of three distinct types of audience namely: a small group of educated, English speaking listeners, a large group of listeners who understand simple English including the local "pidgin" English and other local languages, and lastly a very large group of listeners who understand only the local languages. In order to capture the attention of these groups, advertisers use English, "pidgin" English and other local languages in their commercials. This makes radio a particularly effective advertising medium in the country.

Newspapers

Nigeria has more than forty newspapers, both dailies and weeklies. Figures for the total daily press run of these papers are not available at the time of this study, but most of the newspapers and magazines enjoy

extremely high readerships. The Daily Times alone has a daily circulation of 205,000 copies.¹

Magazines

There are well over forty-three trade, consumer and professional magazines sold in the country. Of these Drum (172,000 copies), Film (220,000 copies), and Trust (100,000 copies) have the largest monthly circulation.²

Cinema

In the late 1960s, there were 27 motion picture theatres in the country, with a total seating capacity of 67,292.³ There were also three drive-in theatres. This number has increased significantly in the 1970s although no exact figures are available at the moment.

Motion picture advertising is very popular as a marketing communications media. All cinema houses, therefore, have from five to ten-minute periods for advertising before the feature begins. Sometimes movie shorts are shown in which the advertising is of very high quality. Frequently, however, poorly prepared slides are often used. Such slides crowd the information about a particular advertiser into fifteen seconds of film. The result of such a "commercial" is often disappointing.

Outdoor Advertising

This is one of the most popular advertising media in the country.

¹Ibid.

²Ibid., p. 613.

³Harold D. Nelson, op. cit., p. 208.

Paper, cardboard, and metal posters and signs nearest the point of sale are widely used. Billboards are equally effective.

Direct Mail

The Nigerian postal system has certain flaws, and these limit the use of direct mail advertising in the country. The mail is often too slow due to poor methods of sorting. Hence, most firms use direct mail advertising sparingly. Those that use direct mail often utilize personal messengers for such services. The importance attached by Nigerian businessmen and manufacturers to advertising as a whole will be evaluated in Section II of this thesis.

SECTION II

**MARKETING PRACTICES AND STRATEGIES OF INDUSTRIAL
MANUFACTURERS IN NIGERIA**

CHAPTER VI

RESEARCH DESIGN

Section I of this thesis provided background information for understanding the Nigerian commercial system. With this as a perspective, it is now possible to plunge into the actual research investigation. This chapter will therefore examine the research design for this study.

The design for this study utilizes the survey research method. According to Fred Kerlinger in his book, Foundations of Behavioral Research, published in 1964 by Holt, Rinehart and Winston, "survey research is a useful tool for educational fact finding and is probably best adapted to obtaining personal and social facts, beliefs and attitudes." The structural pattern for this study therefore includes sources of information and method of gathering data, sample selection, and survey procedure.

The development of the preconceived hypotheses will form the groundwork for the construction of the questionnaire. The sample selection and survey procedure used will be examined to vindicate the basis for evaluating the findings to come.

Source of Information and Method of Gathering Data

Information used for this thesis came from two main sources, primary and secondary. Both of these sources are utilized in Section I. The data in Section II came mainly from primary sources. The universe

from which they were collected was limited to Nigerian manufacturing firms which:

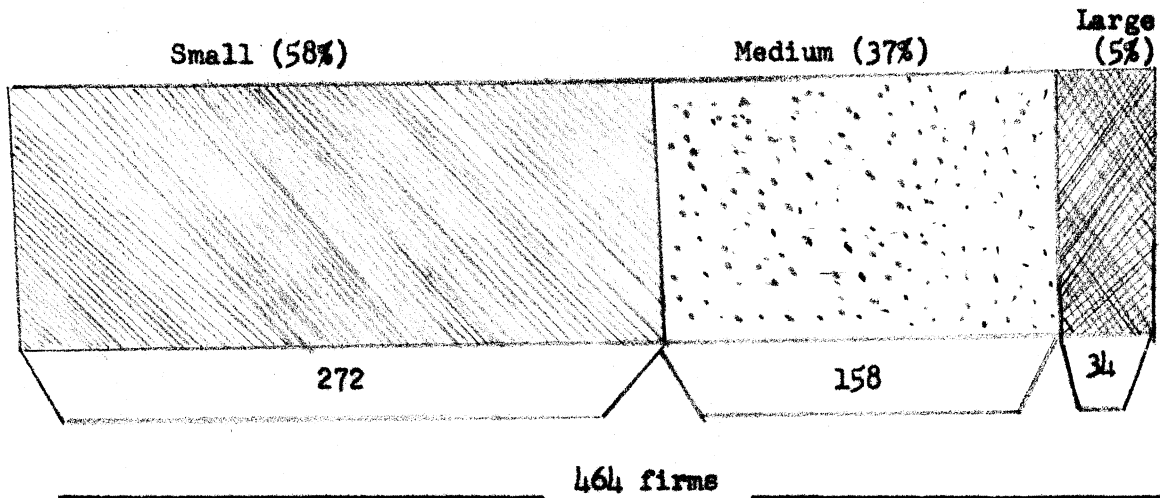
1. Are involved in producing industrial and consumer goods from domestic and imported materials solely for the domestic market and;
2. Those which process products from domestic materials for other domestic industries and also for exports.

The size of this universe is approximately 464 manufacturing firms. Figure 5 illustrates the location of this universe within the estimated total of 464 manufacturing establishments reported in 1966. This figure indicates the various sizes of Nigerian firms according to the number of employees in each firm. The 272 firms that employ 100 people or less are considered small, the 158 that employ 100 or more are considered medium, and the 34 that employ 500 or more are considered large.

Several sources were used to gather and screen the names and addresses of these firms. The 1962 Trade Directory of the Federal Republic of Nigeria, provided the original list from which the names and addresses of the manufacturing firms were obtained. These were cross-checked with the list available in the 1971 Asian African Directory of Exporters-Importers and Manufacturers, published by Trade Publications of New Delhi, India. Finally, the 34 names of the largest manufacturing firms were cross-referenced from the list available in the 1974 edition of Africa South of the Sahara.

Having obtained the names and addresses of the firms, attention was next turned to the official to whom the questionnaire should be addressed. Because most of the Sales Executives in Nigeria are addressed either as Sales Managers or Marketing Managers, the questionnaires were

FIGURE 5
 CLASSIFICATION OF MANUFACTURING
 FIRMS ACCORDING TO SIZE



addressed to Sales/Marketing Managers of the respective firms.

The Mail Questionnaire

For several reasons, the mail questionnaire was considered the best method for collecting data for this study. Not only is it extremely expensive in time and money to attempt telephone interviews from the United States with Nigerian marketing executives, but poor telephone facilities in Nigeria would make it almost impossible to establish any contact with these executives. Besides being the cheapest method to gather data considered special to this research project, the mail technique made it possible to use an address in Nigeria to which replies were sent. By so doing, the rate of response was greatly stimulated and possible bias avoided.

Mention should also be made of the disadvantages associated with the mail approach. While it still remains the most effective method for obtaining the desired data, certain flaws associated with this approach are beyond the control of the researcher. Incomplete data for instance, are one of the major problems associated with the mail technique. Inasmuch as the success of any survey depends on the response of the participants, non response can therefore thwart any research effort. But despite these difficulties, the mail questionnaire was the most effective technique for obtaining the desired data for this study.

Development of Hypotheses

Since the major objective of this study is to obtain a reasonably adequate description of the marketing practices and strategies of Nigerian industrial manufacturers, it is essential to generate some general hypotheses for this purpose. And since comparative research investigations on the marketing practices and strategies of Nigerian manufacturers are almost non-existent, the formulation of these hypotheses seemed particularly difficult, but they will form the bases upon which the data will be examined and reported.

Hypothesis 1: About forty per cent of Nigerian industrial manufacturers sell their products directly to final consumers.

Hypothesis 2: About fifty per cent of Nigerian manufacturing firms employ salesmen.

Hypothesis 3: Advertising "media mix" commonly used by Nigerian manufacturers are newspapers, posters, and radio.

Hypothesis 4: Among major marketing policy areas, product development ranks highest among the priority areas of Nigerian manufacturers.

Hypothesis 5: In choosing middlemen, Nigerian manufacturers pay particular attention to good business morality and financial strength of the middlemen.

Hypothesis 6: Foreign owned firms tend to possess greater knowledge of marketing techniques and to be more aggressive in their marketing than indigenously owned firms.

Hypothesis 7: Marketing research is mostly used by Nigerian firms that manufacture consumer goods.

The following hypothesis concerning the over-all marketing practices and strategies of Nigerian businessmen will also be examined in this study:

Hypothesis 8: The nature of marketing depends on the character of the economy and the level of the country's development.

Questionnaire Design

The questionnaire was designed such that it would require minimum time and effort to complete. Since only very few indigenously owned firms are familiar with research studies of this type, the questionnaire was structured in such a way that adequate research data could be obtained from the participating firms with minimum time and effort. Most of the questionnaires were therefore structured to be answered by the use of a check mark. Because variety and balance is necessary in a questionnaire of this type, one fill-in question and a few ranking questions were included to satisfy this requirement.

Sample Selection

Selection of the sample used in this study involved several decisions. Since this survey was conducted outside Nigeria, much attention was given to the method of sample selection that will reduce cost of the survey and yet give a sample size that would give adequate information about the marketing practices of Nigerian manufacturers.

Marketing practices and strategies are directly related to the size of the firm. Hence with an error of not more than 5 per cent and a level of confidence of 90 per cent, it was necessary to estimate the proportion of manufacturing firms whose marketing practices and strategies would be representative of the whole country. The appropriate sample size was therefore determined in accordance with pre-established precision requirements.

Monthly or annual sales figures of Nigerian firms are very difficult to obtain. Because of this, an alternative method had to be used to estimate the required proportion of firms to use in the survey. The only available data giving information about the size of firms are the number of employees in each firm. From available data, only 5 per cent of Nigerian firms are considered large, and therefore able to employ advanced marketing technology. Therefore, the universe proportion of those firms that apply advanced marketing management techniques is 0.05. The required sample size is thus computed using the formula for the interval estimate of π .¹

¹Charles T. Clark, and Lawrence L. Schkade, Statistical Methods for Business Decisions (Cincinnati: Southwestern Pub. Co.), p. 313.

$$N = M(1-M) \left[\frac{Z \alpha}{E} \right]^2$$

$$N = (0.05) (0.95) \left[\frac{1.64}{0.05} \right]^2$$

$$N = 52$$

E = tolerable error of 0.05

Z α = level of confidence of 90 per cent (1.64)

M = universe proportion of 0.05

N = sample size

From the above, the appropriate sample size is 52 firms.

Method of Sampling

In order that each firm in the universe would have an equal chance of being selected, the universe was stratified into three homogeneous groups. Group I consisted of firms that employ 100 people or less; Group II consisted of those that employ from 100 to 499; and Group III consisted of firms that employ 500 or more people.

Three lists were formed from the above three groups. The firms in each of the three lists were numbered consecutively beginning from 01, 02.....n. From these three lists, comprising a total of 464 firms, 52 samples or firms were to be randomly selected using Robert Ferber's direct random selection method.¹

¹Robert Ferber, Statistical Techniques in Market Research (New York: McGraw Hill Book Co., 1949), p. 224.

In order to obtain this desired sample, a specified sampling interval was desired. This interval was set at 9. Thus every ninth name from the first list was selected until the whole list was completed. The same procedure was used to select the samples from the other two lists till the whole 52 respondents were randomly selected.

Survey Procedure

In order to avoid participation bias in answering the questionnaire, and to ensure a high percentage return, the questionnaires were to be returned in care of Mr. E. S. Essien, Planning and Research Section, Ministry of Education, Calabar, Southeastern State, Nigeria. The object of the questionnaire and the study was carefully explained in the cover letter that accompanied the questionnaire. It was the task of the respondent to first supply some basic information including type of industry (whether industrial goods or consumer goods), and the specific name of industry or business. A copy of the cover letter and the questionnaire appear in Appendices A and B.

It was not possible to offer the participating firms a summary of the survey findings. However, since very little data is available on the marketing strategies of industrial firms in Nigeria, an opportunity to share market knowledge is in itself an incentive. As businessmen in a developing country, the understanding that the survey would be of great benefit not only to them but also to the national economy, was enough incentive for participation. A stamped, self-addressed envelope was furnished for the firm's convenience.

Collecting Data from the Sample

As already indicated, a sample size of 52 Nigerian manufacturing firms was used in this study. The distribution of the questionnaires to the various firms was entrusted to the author's father-in-law, Mr. Edet S. Essien. After all of the envelopes were addressed to the respective firms, they were mailed en bloc to him on November 20, 1974. Because it takes at least seven days for a first-class air letter to travel from the United States to its destination in Nigeria, the cover letter was dated November 29, 1974, so as to allow some days for stamping before they were finally mailed to the various firms. By December 1, 1974, Mr. Essien had mailed all of them to their respective addresses.

It was feared that if the participants kept the questionnaires with them for too long, they might misplace them or lose them. Hence December 31 was set as the cut off date. According to Mr. Essien, the responses started coming in as from December 17, 1974. But since he had to mail them back in one envelope, he delayed until January 22, 1975, when most of the firms had returned their questionnaires. Altogether, 33 firms returned their questionnaires. Two of the 33 questionnaires returned were rejected for incomplete data. This means that 31 firms participated in the survey to give a return of 59.61 per cent. Three of the firms, besides supplying the requested data, attached additional materials that gave more information about their marketing practices and strategies.

Editing, Coding, and Tabulation

As soon as the 31 questionnaires were received, they were edited for legibility, completeness, accuracy, and consistency in answering

the questions. The data were then sorted into categories and coded accordingly. Finally, the number of responses in the various categories were counted and tabulated into frequency distributions. The data were now ready for analysis and interpretations.

Chi Square Analysis

In order to test the representativeness of the sample, the non-parametric chi square test was applied to the three manufacturing groups that formed the universe for this study.

Chi square analysis is an appropriate technique for measuring or testing "the significance between two continuous frequency distributions, at least one of which is based on sample data."¹ In this study, it was used to test how representative the sample was to the three groups of manufacturing firms that formed the universe from which it was drawn. This test was based upon the ratio of the sample (observed) distribution to the universe (expected) distribution. Its main purpose was to determine " . . . the maximum differences that could be expected to occur due to sampling variation,"² and to accept or reject the null hypothesis depending, of course, upon whether the measure falls within or outside the allowable limit. A slight difference within this allowable limit was considered a result of sampling variation.

Algebraically, the chi square denoted as χ^2 is expressed in the following mathematical formula:³

¹Ibid., p. 261.

²Ibid.

³Donald S. Tull and Gerald S. Albaum, Survey Research: A Decisional Approach (New York: Intext Educational Publishers), p. 198.

$$X^2 = \sum_{i=1}^m \frac{(O_i - E_i)^2}{E_i}$$

where:

O_i = observed number of cases in i th category

E_i = expected number of cases in i th category

m = number of categories

In this case, O_i represents the 31 sample returns, and E_i the actual universe of 464 manufacturing firms.

Using a probability of 0.05 as a critical level, the criteria for determining if the sample is representative of the manufacturing firm universe in the three groups is based on the following procedure:

- (1) Hypothesis 1: The observed distribution is representative of the manufacturing firm universe if the computed X^2 value is equal to or less than 5.991
- (2) Hypothesis 2: The observed distribution is not representative if the computed X^2 is greater than 5.991.
- (3) Using $n-1$ or 2 degrees of freedom requires a chi square value of 5.991.
- (4) Criterion: Accept H_1 if $X^2 \leq 5.991$.

Thus observed differences arise due to sampling variation.

Accept H_2 if $X^2 > 5.991$.

Thus observed differences are believed to be real differences beyond the accepted sampling variations.

In order to obtain the accurate values for O_i , it was necessary to adjust the observed values of O_i to fit the 464 manufacturing base. The O_i value was obtained by multiplying the observed returns from the three groups by 14.967. Using the observed and expected distributions, the χ^2 computations appear in Table 7. The computed χ^2 value is 20.773 which indicates that the probability of obtaining a value of χ^2 lesser than or equal to 5.991 is greater than 0.05. We must therefore reject the first hypothesis and accept the second one since the χ^2 value in this second case is larger than 5.991 and greater than 0.05.

From the above results, we can conclude that the observed differences between the universe distribution and the sample return distribution from the three groups are believed to be real differences beyond the accepted sampling variations. Certain reasons account for these differences. The number of small firms that returned their questionnaires did not measure up to expectations. This made the sample returns unequally distributed. Whereas there are 272 firms in Group I alone and 192 in Groups II and III, 16 firms from Groups II and III participated in the survey, while only 15 from Group I did. We can conclude that the sample return is more representative of the large and medium firms than the small ones. And because the marketing strategies and practices of the small firms are limited by size, it is assumed that the findings of this study are representative of the large and medium sized Nigerian manufacturing firms.

TABLE 7
 COMPUTATION OF χ^2 FOR FREQUENCY DISTRIBUTION OF THE
 SAMPLE AND UNIVERSE FROM THREE GROUPS OF
 NIGERIAN MANUFACTURING FIRMS

Groups	Sample Return	Sample O_i	Population of Firm E_i	$(O_i - E_i)$	$(O_i - E_i)^2$	$\frac{(O_i - E_i)^2}{E_i}$
1	15	224	272	-48	2304	8.551
2	13	195	158	37	1369	8.664
3	3	45	34	11	121	3.558
Total	31	464	464	0	-----	$\chi^2 = 20.773$

Degrees of freedom = $n-1$ or 2

O_i = Sample return multiplied by 14.967 (Manufacturing firm
 population divided by sample return = 14.967)

$P = 0.05$

CHAPTER VII

FINDINGS OF THE STUDY

This chapter forms the climax of the research survey. Hence the tabulated research data from the 31 returns will now be analyzed and interpreted on the basis of pre-established hypotheses and objectives. It should be carefully noted here that the percentages projected in this analysis are larger than they should be if the sample size were larger than it was.

In handling each of the questions, the following procedure will be followed:

1. Comparative analysis of the data in terms of industry, size of firm, nationality of ownership, and how these affect the marketing practices and strategies of Nigerian manufacturers.
2. Measurement of actual findings to the pre-established hypotheses.
3. Summary of responses and pertinent applications to the Nigerian marketing system.

QUESTION NO. 1: WHICH OF THE FOLLOWING DISTRIBUTION CHANNELS DOES

YOUR FIRM USE? PLEASE CHECK MORE THAN ONE IF APPLICABLE.

Only firms involved in manufacturing for the domestic market and for exports through Nigerian-based intermediaries were involved in this study.

TABLE 8
 MOST IMPORTANT DISTRIBUTION CHANNELS OF
 NIGERIAN MANUFACTURERS (PERCENTAGE)

Channels	Industrial Goods	Consumer Goods	Totals
Directly to Consumers	16	3	19
Retailers to Consumers	7	16	23
Wholesalers to Retailers to Consumers	0	58	58
None of these	0	0	0
Totals	23	77	100

The responses from the 31 returns indicated that only a few consumer goods manufacturers sell directly to consumers. Fifty-eight percent of Nigerian manufacturing firms as indicated in the table above, distribute their manufactured goods directly to wholesalers, from wholesalers to retailers, and from retailers to consumers. However, no industrial goods manufacturers use this channel of distribution. Rather, five of these industrial goods firms, or 16 percent of the respondents, said they sell directly to consumers. Only one firm manufacturing consumer goods or 3 percent of the respondents said they sell directly to consumers. Five firms manufacturing consumer goods, or 16 percent of the sample firms, also said they sell directly to retailers who in turn sell

to the ultimate consumers. Only two industrial goods firms, or 7 percent of the total firms, said they utilize this channel of distribution. There was no response to item (d) of this question.

When the figures in Table 8 above are compared to the original hypothesis, it indicates that less than 40 percent of Nigerian manufacturers sell their products directly to the final consumers. These figures actually indicate that 19 percent of Nigerian manufacturers that participated in this study sell directly to consumers. Hence the distribution channel most popular to Nigerian manufacturers appears to be the "traditional" marketing channel--manufacturer to wholesaler to retailer to consumer. Fifty-eight percent of the firms surveyed use this distribution channel.

According to George Wandinambiaratchi, the channels of distribution a country uses in distributing its products reflect the stage of economic development in that country.¹ In the case of Nigeria, the popularity of the "traditional" channel of distribution could be attributed to the fact that most of the foreign firms that used to export their products to Nigeria before the inception of manufacturing activity in the country, used this distribution channel. This channel of distribution was eventually handed to the indigenous firms as a legacy when products started to be produced locally. As the country develops, the levels of income will also become higher and transportation and communication facilities will be improved. These and similar market forces will influence the change and development of Nigerian marketing

¹George Wandinambiaratchi, "Channels of Distribution in Developing Economies," The Business Quarterly, Winter 1965.

institutions and in turn marketing channels.

QUESTION NO. 2: DOES YOUR FIRM EMPLOY SALESMEN?

Findings indicate that 74 percent of the firms that participated in this survey employ salesmen. Only 26 percent said they did not employ salesmen.

Size did not have much influence on the employment of salesmen by the respondents. However, the use of salesmen varied considerably among industries. Salesmen were used most by firms manufacturing consumer goods such as cigarettes, beer, biscuits, and least by pharmaceutical and agricultural industries like rubber production and meat canning. Reasons for these differences could be due to the fact that the average purchase value for consumer goods like cigarettes is low. Hence firms in such industries required wide distribution, and therefore more salesmen to make the necessary contact with middlemen mostly retailers.

It was hypothesized that about fifty percent of Nigerian manufacturing firms employ salesmen. Actual findings show that 74 percent of the firms that participated in the survey employ salesmen. This hypothesis although not statistically tested, seems to be true.

QUESTION NO. 3: PLEASE USE ONE OR MORE OF THE FOLLOWING TO DESCRIBE
THE CATEGORY OF SALES TRAINING OFFERED BY YOUR FIRM TO
YOUR SALESMEN

This question was included in order to find out the type of sales training offered by Nigerian manufacturers to their salesmen. The number of salesmen employed by a firm is very important to adequate market

coverage. But more important is the quality of salesmen sent out into the field. It is this quality of salesmen that is the major determinant of sales success.

Each respondent was asked to describe the category of sales training offered by his firm to its salesmen. As already noted in Question 2 above, 74 percent of the respondents said they employed salesmen. The categories of sales training offered by these firms are presented in Table 9 below.

TABLE 9
CATEGORIES OF SALES TRAINING
OFFERED BY SAMPLE FIRMS

Type of Training	Consumer Goods Producers	Industrial Goods Producers	Total Firms
No Training	10%	16%	26%
A few days of Informal Training	16%	13%	29%
On the Job Training	39%	28%	67%
Organized Class within Firm	16%	10%	26%
Organized Class outside Firm	19%	9%	28%

Note: Columns do not add to 100 percent because of Multiple answers.

To indicate the importance attached by their firm to sales training, one firm in the plywood industry wrote in that they pay great attention to training salesmen at all levels. As an indication that size did not seem to have an influence on the employment of salesmen, findings indicate that out of a total of eight firms that did not say they employ salesmen, five were medium firms, and only three were small. However, all large firms in the sample said they employ salesmen.

QUESTION No. 4: HOW WOULD YOU RATE YOUR FIRM WITH REGARD TO SIZE TO OTHER FIRMS IN THE SAME INDUSTRY?

Interesting responses were given to this question. Although Nigerian firms were grouped into large, medium and small size for the purpose of this study, findings indicate that some large firms considered themselves very large in Nigeria. One of these large firms commented as follows: "One would describe our company with its more than 3,000 workers as a 'very large' company in Nigeria; see our special booklet please which is attached for your general information." Such firms are considered foreign-owned in view of the fact that less than fifty percent of their total investment is owned by Nigerian individuals or Government.

QUESTION NO. 5: DO YOU CONSIDER ADVERTISING IMPORTANT TO YOUR SALES SUCCESS?

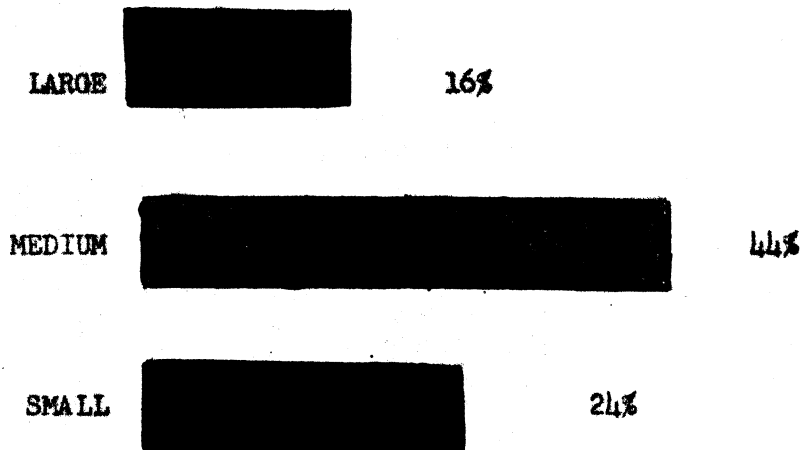
This question was asked to test the attitude of Nigerian manufacturers toward advertising. Findings indicate that 84 percent of the respondents consider advertising important to their sales success. Thus only 16 percent said they did not consider advertising important to sales success. One of such firms commented thus:

We are not as much consumer oriented as others; there is considerable difference in 'beer,' 'soaps,' for the masses, if one considers the millions of users of those items compared with in that respect rather restricted usage of our Sapale-made products-mix.

Findings are illustrated in Figure 6 below.

FIGURE 6

PERCENTAGE OF FIRMS THAT CONSIDER
ADVERTISING IMPORTANT TO SALES SUCCESS



QUESTION 6: PLEASE EVALUATE THE IMPORTANCE OF ADVERTISING TO YOUR SALES SUCCESS USING ONE OF THE FOLLOWING FOUR-POINT SCALE

To evaluate the importance that Nigerian manufacturers attach to advertising, it was necessary to consider both attitudes and behaviour. Since Question 5 simply tested the attitudes of Nigerian manufacturers toward advertising, Question 6 was included to measure these attitudes. To actually measure these attitudes, respondents were asked to evaluate the role of advertising in the success of their sales on a four-point scale, ranging from "of great importance" (4) to "of no importance" (1).

Findings indicate that 74 percent of the manufacturers felt that

advertising was closer to "of great importance" than to "of no importance." However, 13 percent said advertising was "of no importance" to their sales success.

As expected, most of the firms that considered advertising of great importance to their sales success were consumer goods producers. Similarly, all the firms that said advertising was of no importance to their sales success were industrial goods producers. Products of these firms are sold direct to other Nigerian manufacturers who recycle them to produce consumer goods. Hence they regard advertising of no importance to their sales success.

Another important finding is that foreign-owned firms considered advertising more important to their sales efforts than did Nigerian owned firms. This difference in attitude between Nigerian-owned and foreign-owned firms toward advertising can partially be explained by the correlation by firm size and type of management. Foreign-owned firms are larger in size than Nigerian-owned firms, and are therefore able to employ more sophisticated marketing management techniques. Besides, advertising expenditures involve a very tangible input to achieve a less tangible output. Only firms of very considerable capital and expert marketing knowledge can therefore afford to invest a large amount in advertising. Thus Nigerian owned firms did not seem to attach as much importance to advertising as did their foreign counterparts. These findings are tabulated in Table 10.

TABLE 10
 RESPONDENTS' EVALUATIONS OF THE IMPORTANCE OF
 ADVERTISING TO SALES SUCCESS AND THEIR USE OF IT

Classification	Average Point Score ¹
Total Firms	3.4
Consumer Goods Firms	3.1
Industrial Goods Firms	2.3
Nigerian Owned Firms	2.4
Foreign Owned Firms	3.0
Small Firms	3.1
Medium	3.2
Large Firms	3.5

¹Average of respondents, including those who do not consider advertising important to sales success.

Key: 4 = of great importance; 1 = of no importance

QUESTION NO. 7: THE FOLLOWING ADVERTISING "MEDIA MIX" ARE COMMONLY USED BY NIGERIAN BUSINESSMEN. PLEASE CIRCLE THOSE COMMONLY USED BY YOUR FIRM.

Findings indicate that 84 percent of the respondents advertise through the newspapers, 51 per cent said they used posters as an advertising medium, 37 percent through radio, 25 percent advertise through cinema, and only 16 percent said they advertise through television. These percentages do not add to 100 percent because of multiple responses.

From these findings, it appears that television is not a popular

advertising medium to Nigerian businessmen. This can no doubt be due to the fact that few Nigerian homes possess television sets. Hence, businessmen prefer to advertise through the radio instead of television because they can capture a larger audience through this medium.

The original hypothesis stated that advertising "media mix" most popular to Nigerian manufacturers are newspapers, radio, and posters. Actual findings sustain this hypothesis. These findings are tabulated below.

TABLE 11
ADVERTISING MEDIA POPULAR TO NIGERIAN MANUFACTURERS

Media	No. of Sample Firms Using Media	Percentage of Sample Firms Using Media ¹
Radio	12	37
Newspapers	26	84
Television	5	16
Posters	16	51
Cinema	8	25

¹Columns do not add up to 100 percent because of multiple answers.

QUESTION NO. 8: DOES YOUR FIRM INTEND TO STEP UP OR INCREASE ITS
ADVERTISING EXPENDITURE IN THE FUTURE?

Findings indicate that 48 percent of the respondents do not expect their firms to step up or increase its advertising expenditure in the future. On the other hand, 41 percent said they intend to increase their advertising expenditure in the future, and 11 percent said they do not

know if their firms would step up advertising in the future. One of them commented as follows, "Stepping up or increasing advertising expenditure will depend on product-developments."

As expected, most of the firms that intend to increase their advertising expenditure in the future are foreign-owned firms involved in such consumer goods industries as beer, soaps, beverages and textiles. One firm in the pharmaceutical industry also said it intends to step up its advertising expenditure in the future.

QUESTION NO. 9: PLEASE INDICATE FROM THE FOLLOWING REASONS FOR NOT
INCREASING YOUR ADVERTISING EXPENDITURE

This question is directly related to Question 8, and was included to find out what reasons manufacturers might have for not increasing their advertising expenditure in the future. Only those firms which said they did not intend to step up or increase their advertising expenditure in the future checked the items in this question.

The question was also aimed at checking the consistency of the respondents in answering Question 8. Thirty-two percent of the firms checked item (a) which says, "Don't need more advertising." Ten percent checked item (b) which says, "Advertising costs too much," and only 3 percent checked item (d) which says, "Lack of qualified advertising agencies." Item (c) which says, "There are no good media" was not checked by any of the firms.

The over-all findings in Questions 5, 6, 7, and 8 seem to sustain the original hypothesis that foreign-owned firms tend to possess greater knowledge of marketing techniques, and to be more aggressive in their marketing than Nigerian-owned firms.

QUESTION NO. 10: WHICH OF THE FOLLOWING CRITERIA GUIDE YOU IN THE
CHOICE OF YOUR MIDDLEMEN?

The selection of the channels of distribution is an important marketing decision. This question was asked to find out the major criteria that guide Nigerian manufacturers in the choice of middlemen.

Findings indicate that the most important single factor considered by Nigerian manufacturers in the selection of particular middlemen is financial strength, as indicated in Table 12. One company in the tobacco industry made the following remarks,

It is not only the financial strength of our 'Dealers,' but also their standing, their well-located, well kept storage facilities, their activities, their turnover, their good business morale.

Another important criteria is good business morality. Fifty-four percent of the respondents were concerned with the good business morality of their middlemen. Three of them replaced business morality with business 'acumen.'

It was originally hypothesized that in choosing middlemen, Nigerian manufacturers pay particular attention to good business morality. Actual findings disprove this hypothesis. Rather, the findings disclose that instead of paying particular attention to good business morality of the middlemen, Nigerian manufacturers pay particular attention to the financial strength of the middlemen. Good business morality, therefore remains a secondary criterion.

TABLE 12

MANUFACTURERS' CRITERIA FOR SELECTING MIDDLEMEN

Criterion	Percentage of Manufacturers Using Criterion
Shares held by Individual in the Firm	3
Financial Strength	65
Good Business Morality	55
No Criteria--Sell to All with Credit Standing	10
No Answer	16

QUESTION NO. 11: WHAT PERCENT OF YOUR FIRM'S TOTAL INVESTMENT IS OWNED BY NIGERIAN INDIVIDUALS OR GOVERNMENT?

The purpose of this question was to find out which firms were Nigerian-owned and which were foreign-owned. Firms in which foreign investors owned more than 50 percent of the total investment were considered to be foreign-owned; similarly, those with 50 or more percent investment by Nigerian individuals or Government were considered Nigerian-owned. This question should have been placed at the top of the questionnaire, but it was feared that this might bias the responses of foreign-owned firms.

Findings indicate that seventeen of the participating firms or 55 percent of them were Nigerian-owned (individuals and Government),

while eleven or 35 percent of them were foreign-owned. Three of the participating firms or 10 percent failed to answer this question.

QUESTION NO. 12: PLEASE CHECK ALL THE FACTORS FROM THE FOLLOWING THAT YOUR FIRM CONSIDERS BEFORE ESTABLISHING PRICES.

Pricing management in Nigeria, as in any other developing country, can be especially difficult. As noted by A. A. Sherbini, "domestic manufacturers in developing countries often face a dual problem in setting their prices."¹ Respondents were asked to check the major factors they considered before establishing the prices of the products. Five factors were suggested to the respondents. Their responses appear in Table 13.

TABLE 13
MAJOR FACTORS CONSIDERED BEFORE ESTABLISHING PRICES

Factors	Percentage of Respondents
Production/Transportation Costs	87
Prices of Competition	63
Agreement with Other Firms	27
Tariff Protection	27
What the Consumer is Willing to Pay	22

¹A. A. Sherbini, "Marketing in the Industrialization of Underdeveloped Countries," Journal of Marketing, XXIX, Jan. 1965, p. 30.

Findings from the responses indicate that production/transportation costs, checked by 87 percent of the respondents, were by far the most important factor considered by manufacturers before establishing prices. This held true for all categories of firms. The second most important factor in price setting was prices of competition. Sixty-three percent of the firms checked this item.

The factor "What the consumer is willing to pay" was the least important factor considered by manufacturers in setting prices. Only 22 percent of the respondents checked this item. One of these respondents made these remarks, "Of course the key is what the consumer/the market wants/at what price--then see if it would be profitable, to go ahead, yes or no."

Tariff protection and agreement with other firms in the industry were considered important factors in pricing by 27 percent of the respondents. Firms that checked these items were in such industries as textiles and soaps. Products from these industries compete directly with those imported from abroad. To a great extent however, the prices of such domestic goods are often set below the tariff-laden import prices.

QUESTION NO. 13: MARKETING RESEARCH IS WIDELY USED IN OUR FIRM.

In a market such as that of Nigeria, the objective need for marketing research would appear to be great. Yet no statement could be made on this without sufficient data as evidence. It was therefore necessary to include a question that would reveal the importance attached by Nigerian manufacturers to marketing research.

Findings reveal that only 65 percent of the respondents agreed that they used marketing research. One of them remarked that their

marketing research was of a very elementary nature, and consisted of informal observation and daily fact gathering on competitive conditions in the market.

Analyzed on comparative basis, these findings reveal that consumer goods producers and foreign owned firms were more interested in marketing research than industrial goods producers and Nigerian owned firms. In light of these findings, the stated hypothesis that marketing research is mostly used by firms that manufacture consumer goods was proven to be true. The number of consumer goods manufacturing firms that use marketing research exceeded that of industrial goods manufacturers by 15 percent. These findings are illustrated below.

TABLE 14

CATEGORIES OF FIRMS USING MARKETING RESEARCH

Classification	Percentage Using Marketing Research
Total Firms	65
Nigerian owned Firms	26
Foreign owned Firms	39
Consumer Goods Producers	40
Industrial Goods Producers	25

QUESTION No. 14: PLEASE ALLOCATE 100 POINTS AMONG THE FOLLOWING MAJOR
POLICY AREAS ACCORDING TO THEIR RELATIVE IMPORTANCE
IN YOUR MARKETING STRATEGY.

The previous questions were limited to the investigation of specific marketing practices of Nigerian manufacturers. Question 14 was specifically designed to examine the overall marketing strategies of Nigerian manufacturers.

Findings indicate that Nigerian manufacturers perceived product efforts as being more important than either sales efforts, distribution, or pricing. They allocated 32 percent of their points to product efforts.

Distribution was perceived as the second major policy area. Manufacturers allocated an average of 26 points to this facet of their marketing strategy. Sales efforts received an average of 25 to rank third, while pricing strategy with an allocation of 17 points ranked fourth. Thus the pre-established hypothesis that among major policy areas, product development ranks highest among the major policy areas of Nigerian manufacturers has been proven to be true.

TABLE 15
RELATIVE IMPORTANCE OF MAJOR POLICY AREAS
OF NIGERIAN MANUFACTURERS

Policy Area	Average of Points Allocated
Product Efforts	32
Distribution	26
Sales Efforts	25
Pricing	17
Total Points Allocated	100

Analyzed on a comparative basis, the findings of this study reveal that Nigeria's present level of economic development seems to have a great influence on the marketing practices and strategies of its manufacturers. This conclusion is reached by comparing the findings of a similar study conducted by John G. Udell with those of this study.

According to Udell's study,¹ United States manufacturers allocated 41 percent of their points to product efforts while Nigerian manufacturers allocated only 32 percent of their points to the same policy area. Similarly, American manufacturers allocated only 12 points to pricing strategy while Nigerian manufacturers allocated 17 points to it.

These differences between the marketing strategies of American manufacturers and those of Nigeria could be attributed to different levels of economic development attained by these countries. While only very few products have been developed in Nigeria because of the limited product research done there, very many products have already been developed, and are being developed and marketed in the United States.

Many Nigerian firms act as innovators and adapt products that were developed elsewhere to the local economy. This makes firms more product-oriented than market oriented. They therefore produce and sell new products with little marketing effort and scant regard for product inferiority. Such products could hardly be sold in more industrialized countries where competition would be keener than it is in Nigeria.

¹John G. Udell, "The Importance of the Elements of Competitive Strategy," Journal of Marketing, XXXII, I, January, 1968.

Hence the nature of marketing depends on the character of the economy and the level of a country's development.

CHAPTER VIII

CONCLUSIONS AND RECOMMENDATIONS

The findings of this study reveal several things about the marketing strategies and policies pursued by Nigerian industrial firms. From these results, it is clear that the industrial marketing practices and strategies of Nigerian firms are influenced by, if not contingent upon, the following basic variables:

- (1) Size of firm
- (2) Nationality of ownership
- (3) Type of industry and;
- (4) Type of management

To summarize the findings: the size of the firm greatly influenced the marketing practices of the sample firms. Large firms considered advertising very important to their sales efforts, small firms did not. From all indications, the large firms appeared to be more aggressive in their sales efforts than the small firms. However, size did not seem to have any influence on the employment of salesmen by the sample firms. As to nationality of ownership, findings indicate that this variable showed the widest variations in answers to the questions. These variations reveal the differences that exist between the marketing techniques employed by foreign-owned firms and those employed by the Nigerian-owned firms. These variations tend to support the conclusion that foreign-owned firms employ more advanced marketing technology than Nigerian-owned firms.

The type of industry the firms were in had the greatest impact on the marketing practices and strategies of these firms. Cross-tabulations of responses to several questions that dealt with these practices reveal that the type of industry a firm was in seemed to be the most influential variable in determining the marketing policy of such a firm. Firms in the consumer goods industries showed more evidences of marketing aggressiveness than those in the industrial goods sector. Fifty per cent of the firms in the consumer goods industries used marketing research while only twenty five per cent of firms in the industrial goods sector used marketing research. Similarly, consumer goods producers ranked the importance of advertising to their sales success higher than did the industrial goods producers. More consumer goods producers offered sales training to their salesmen than industrial goods producers.

CONCLUSIONS

Based on these findings, the following conclusions and interpretations appear to be warranted:

1. Foreign-owned firms in Nigeria appear to be more aggressive in their marketing efforts than Nigerian-owned firms.
2. Firms manufacturing consumer goods appear to employ more advanced marketing technology than industrial goods manufacturers. Their marketing practices and strategies closely parallel those of the industrially advanced countries.
3. There appears to be possibilities for the growth and expansion of industrial markets in Nigeria in the near future. As a result of this growth, more firms that will be jointly owned by Nigerians and

foreign investors will be established. This will lead to more interaction between foreign managers and Nigerian managers. In turn this interaction will greatly improve the over-all marketing practices and policies of the whole country.

4. More product research will be conducted, and this will lead to the development of new products. As these products are developed, keen competition will be stimulated among the various manufacturing firms. This will induce the manufacturing firms to be more market oriented than they are at present. This will lead to the propagation of the marketing concept and the advancement of business ethics.

RECOMMENDATIONS

The findings of this study reveal that a sizable portion of manufacturing firms in Nigeria are foreign-owned since more than 50 per cent of their investments is owned by foreign investors. The employment by these firms of marketing technology that is more advanced than that of their Nigerian counterparts is clear evidence that they have greatly helped to shape the marketing practices and strategies of the nation as a whole. Effort should therefore be made to ensure more interaction between foreign-owned firms and the indigenous firms. The 1972 Nigerian Enterprises Promotion Decree should be exercised to achieve this objective.

Since the findings of this study give general ideas about industrial marketing practices and strategies of Nigerian manufacturing industries, future investigation is recommended in the following major areas:

1. Investigation of the production policies of Nigerian firms

to determine the new products that have actually been developed in Nigeria. Findings indicated that product policies is the most important facet of the marketing strategies pursued by Nigerian manufacturers.

2. Conduct a survey to determine the attitude of Nigerian consumers toward specific products made in Nigeria. Such a study would provide feedback to the manufacturers as to product quality and prices.

It is also recommended that the Federal and States Governments pay particular attention to marketing in their development plans. Without an efficient marketing and distribution system, a country's efforts toward industrialization might not yield the expected results. Marketing is the root of any industrial economy.

APPENDIX

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APPENDIX A. SURVEY LETTER

EFIONG J. ETUK
c/o Mr. E. S. Essien
Planning and Research Unit
Ministry of Education
Calabar, Nigeria.

November 29, 1974

Dear Sir:

I am conducting a survey to determine the marketing practices and strategies of Nigerian businessmen/manufacturers for my thesis. It is my hope that this study would supplement the limited fund of knowledge about our marketing system, and that the results of the study should not only be of great benefit either directly or indirectly to our businessmen, but also to our national economy.

I have attached along with this letter some set of questions designed to obtain general information about your marketing practices and strategies. There are no right or wrong answers to the questions as such, but your response to them should be based upon the answers that best apply to your company.

You will neither identify yourself nor your company on the questionnaire which should take from 5 to 10 minutes to complete. Your response, I assure you, will be held in strictest confidence, and will go a long way in helping me complete my thesis.

If you could return the questionnaire using the enclosed stamped addressed envelope before December 31, 1974, you shall have contributed significantly to my success.

I thank you for your cooperation.

Sincerely yours,

Efiong J. Etuk

APPENDIX B. QUESTIONNAIRE

Please supply the following information before completing the questionnaire:

Type of Industry: ---Industrial Goods. ---Consumer Goods.

Specific Name of Industry/Business: -----

Below are several questions about marketing practices in your firm. Please check the answer that best applies to your firm.

1. Which of the following distribution channels does your firm use? Please check more than one if applicable.
a)---directly to consumers. b)---directly to retailers and from retailers to consumers. c)---directly to wholesalers, from wholesalers to retailers, and from retailers to consumers. d)---None of these.
2. Does your firm employ salesmen? a)---Yes. b)---No.
3. Please use one of the following to describe the category of sales training offered by your firm to your salesmen. a)---No training. b)---A few days of informal training. c)---On the job training in field or office. d)---Organized class within firm. e)---Organized class outside firm.
4. How would you rate your firm with regard to size to other firms in the same industry? a)---Large. b)---Medium. c)---Small.
5. Do you consider advertising important to your sales success? a)---Yes. b)---No.
6. Please evaluate the importance of advertising to your sales success using one of the following four-point scale. a)---4 = of great importance. b)---3 = of little importance. c)---2 = of less importance. d)---1 = of no importance.
7. The following advertising "media mix" are commonly used by Nigerian businessmen. Please circle those most often used by your firm: radio, newspapers, television, posters, cinema.

APPENDIX B. QUESTIONNAIRE (CONTINUED)

2

8. Does your firm intend to step up or increase its advertising expenditure in the future? a)---Yes. b)---No.

9. Please indicate from the following reasons for not increasing your advertising expenditure: a)---Don't need more advertising. b)---Advertising costs too much. c)---There are no good media. d)---Lack of qualified advertising agencies.

10. Which of the following criteria guide you in the choice of your middlemen? a)---Shares held by the individual in the company. b)---Financial strength of the middlemen. c)---Good business morality. d)---No criteria--sell to all with credit standing.

11. What per cent of your firm's total investment is owned by Nigerian individuals or Government? a)---About 50 per cent. b)---More than 50 per cent. c)---Less than 50 per cent. d)---All of it.

12. Please check all the factors from the following that your firm considers before establishing prices: a)---Production/transportation costs. b)---Prices of competition. c)---Agreement with other firms in the industry. d)---Tariff protection. e)---What the consumer is willing to pay.

13. Marketing research is widely used in our firm. a)---Agree. b)---Disagree.

14. Please allocate 100 points to the following major policy areas according to their relative importance in your marketing strategy.

a)---Product efforts: includes product planning, product research, and development, and the services accompanying the product.

b)---Sales efforts: includes sales management, personal selling, advertising, promotion and other marketing communications.

c)---Distribution: includes the selection, coordination, and evaluation of channels, transportation and inventory control.

d)---Pricing strategy: includes price determination, and pricing policies.

THANK YOU VERY MUCH!

APPENDIX C

NAMES AND ADDRESSES OF SAMPLE FIRMS USED IN THIS STUDY

1. African Timber and Plywood (Nigeria) Ltd.
P. M. B. 4001, Sapele, Nigeria
2. Amalgamated Tin Mines of Nigeria
Jos, Benue-Plateau State
3. Henry Stephens Group of Companies
40 Balogun Street, Lagos
4. I. C. I. (Nigeria) Ltd.
P. O. B. 1004
24 Commercial Road, Apapa
5. Lever Brothers (Nigeria) Ltd.
P. O. B. 15, Apapa
6. Nigeria Breweries Ltd.
P. O. Box 545, Lagos
7. Nigerian Metal Fabricating Ltd.
P. O. B. 23, Kano
8. Nigerian Oil Mills Ltd.
P. O. B. 342, Kano
9. Nigeria Sugar Co. Ltd.
P. M. B. 65, Bacita Estate
Jebba, Kwara State
10. Nigerian Textile Mills Ltd.
P. M. B. 1051
Ikeja, Lagos
11. Nigerian Tobacco Co. Ltd.
P. O. B. 137, Lagos
12. The West African Portland Cement Co. Ltd.
P. O. B. 1001, Lagos
13. The Ibru Organization
P. M. B. 1155, Lagos

14. Foster Wheeler (Nigeria) Ltd.
18th Floor, Western House
Yakubu Gowon Street, Lagos
15. Asbestos Cement Products (Nig.) Ltd.
P.M.B. 1032, Ikeja, Lagos
16. Metropolitan Industries (Nig.) Ltd.
P. O. Box 1239, Lagos
17. Associated Industries, Ltd.
F. O. Box 226, Aba
18. Calabar Cement Co. Ltd.
P. O. Box 219, Calabar
19. Guinness (Nigeria) Ltd.
P. M. B. 1071, Ikeja, Lagos
20. The Nigerian Canning Co. Ltd.
Kano, Nigeria
21. Dunlop Nigerian Plantations Ltd.
P. O. Box 184, Calabar
22. President Clothing Co. Ltd.
P. O. Box 905, Lagos
23. Jaybee Industries (Nig.) Ltd.
P. O. Box 2774, Lagos
24. Danish Nigerian Agricultural Co.
P. O. Box 205, Calabar
25. Biscuit Manufacturing Co. of Nigeria, Ltd.
P. M. B. 1056, Ikeja, Lagos
26. Raleigh Industries Ltd.
Fort Harcourt, Rivers State
27. Tarpaulin Industries (W.A.) Ltd.
7 Dock Yard Road, Apapa
28. Pepsi-Cola Plant
Onitsha, E. C. S.
29. Nigerian Plastics Co. Ltd.
P. M. B. 5145, Ibadan
30. The Nigerian Tarpaulin Manufacturing Co. Ltd.
Kano

31. Afprint Nigeria Ltd.
P. O. Box 3623
Lagos
32. Odutola Tyres Co. Ltd.
P. O. Box 419, Ibadan
33. Independence Breweries Ltd.
Umuahia, E. C. S.
34. Swiss-Nigerian Wood Ind. Ltd.
P. M. B. 1009, Epe, Lagos
35. Nigerian Distilleries Ltd.
3 Marina Rd. Apapa
36. I. C. I. (Nig) Ltd.
P. O. Box 829, Kano
37. Aluminum Manufacturing Co. of Nigeria Ltd.
P. O. Box 2734, Lagos
38. The Nigerian Cement Co. Ltd.
Nkalagu, E. C. S.
39. Nigerian Breweries Ltd.
P. O. B. 80, Kaduna
40. Lever Brothers (Nig.) Ltd.
Soap Factory, Aba
41. Nigerian Industrial Co. Ltd.
P. O. Box 653, Port Harcourt
42. Nigerian Petroleum Refining Co. Ltd.
Alose Eleme, Port Harcourt
43. Texaco Nigeria Ltd.
P. O. B. 166, Lagos
44. West African Umbrella Factory
P. O. B. 2811, Lagos
45. Electricity Headquarters
23-24 Marina, Lagos
46. Woollen and Synthetic Textiles Manufacturing Ltd.
P. O. Box 3281, Lagos
47. Bhojsons and Co.
P. O. Box 867, Lagos

48. Kingsway Stores of Nigeria Ltd.
P. O. B. 562, Lagos
49. G. Kewalrams & Sons (Nig.) Ltd.
P. O. Box 320, Lagos
50. Blackwood Hodge
P. O. B. 109, Apapa
51. Calabar Veneer and Plywood Ltd.
P. O. Box 333, Calabar
52. Niger Mills Co. Ltd.
P. O. Box 339, Calabar

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