

Marketing Draw less Infrastructural Project for Sustainable Development

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Abstract

The processes leading to the products of infrastructural projects stimulate positive macro-economic activities, parading goods and services which penetrate and nourish the roots of most human needs and other tremendous multipliers. However, this priority sector in the economic development for a healthy nation is treated with a high degree of levity especially by countries with developing economics. They have further aggravated the situation by allowing a few existing facilities to decay without maintenance and leaving a glaring and disturbing gap of consumers' needs which could be procured and delivered at a cheaper cost and relatively without drawings (drawless projects). Drawless project development is not new in Nigeria-used in Petroleum Trust Fund era but appear seldom in use. Hence, the need to remould this mode of procurement with a lot of decorations of market segmentation and appropriate product repositioning. This paper examined marketing the attributes of tangible and intangible products of drawless infrastructural project for sustainable development in Nigeria and identified unutilized or undualization or misutilization including unrealistic economy, dualistic financial and capital markets as retrogressive forces affecting drawless project development. It was further noted that non-transparency and other policy summersaults adversely affected sustainable procurement of infrastructure through drawless project development. The paper recommended among others that government should improve the function ability of the financial and capital markets, sustainable policies with transparency and the use of professionally qualified Quantity Surveyors while embarking on uninterrupted drawless project development.

Keywords: *Drawless Infrastructural Project, Marketing, Intangible Products, Sustainability, Developing Economy.*

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Background to the Study

The ability of one commodity (product or service) to command another (money, goods etc.) in exchange is a function of its value and this gives impetus to the quantitative measurement of its utility. Exchange is usually effected among tangible and/or intangible attributes which have undergone certification and ascertained to possess all the ingredients needed for want-satisfaction of present and potential consumers besides providing the optimum return on capital employed. However, the satisfaction, which a consumer derives from any exchange is dynamic and to a reasonable extent, time-dimensioned. This is explained as overtime, most products and/or services whose exchange values had been known by consumers experience fluctuation(s) in the amount of utility they command at the point of exchange (often referred to as the market) due to certain environmental and other forces such as life-style, science and technology, economics, politics, legal, ethical and social forces.

Furthermore, competition and mass production techniques abound resulting that consumers are now exposed to the multitude of similar goods and services and thus, the need to continuously ensure that a given product or service maintains a high amount of utility at the point of exchange-market. The market is a veritable determinant in the realization of the above objective. The market, Stanton (1981), refers to people with needs to satisfy, money to spend and the willingness to spend it. The ability to buy is dependent on income, assets, and credits. The willingness to buy, however, results from individual motives, attitudes, expectations, felt needs and wants.

Objective of the Study

Infrastructural projects are highly in need by everybody especially among the underdeveloped countries. However, this is affected by dearth of funds. This is perhaps, the growth of net national product is not only lean, but also slow and often times even negative. Ideas generated by a client are transformed into brief for the project team to articulate as contract documents. Part of the contents of this packaging is design/drawings document. However, there are certain project packaging's whose contents may not necessarily accommodate drawings/designs but procured and delivered without loss of quality or cost overrun and time overrun. These are referred to as drawless projects. These types of construction project (drawless projects) have been in the market but appear not in popular use. Perhaps, being affected by undesirable forces, such as high costs of funding insincerity of government in budgetary affairs, fluctuations occasioned by macro-economic forces, political instability and other summersaults. As a reaction, there is the need to remould this product with a lot of decorations such as product differentiation, market segmentation and appropriate product repositioning with a view to effecting continuous availability and acceptability in the market for sustainable development.

Literature Review

Developing Economy

A developing economy exists when she is associated with problems of developing unused resources, even though their uses are well known.

Schumpeter (1934) defined a developing economy in the context of development to mean a discontinuous and spontaneous change in the stationary state, which forever alters and displaces the equilibrium state previously existing.

Contributing, Myrdal (1990) posit a growing economy to relate to quantitative changes in economic wants, goods, incentives, institutions, productivity and knowledge or the upward movement of the entire social system. As a matter of fact, a developing economy often embraces both growth and decline. Thus, an economy can grow but it may not develop because poverty, unemployment and inequalities may continue to persist due to the absence of technological and structural changes.

As a concomitant, Ray (1983), stated that growing economies are noted for low level or fundamental disequilibrium of the economy, with adverse balance of payments, a low or even adverse net national product, a parallel economy bedeviling the performance of the official economy, and finally an inequitable distribution of income and concentration of wealth.

Nigeria as an underdeveloped country is saddled with not only growing but also triplistic economy. In other words, the system breeds and sustains market economy, often operating near and around the towns, relatively developed and parades ultra-modern amenities of life. This arrangement uses capital-intensive techniques and produces variety of capital and durable consumer goods. There exist also, a subsistence economy, underdeveloped, backward and predominantly reigning in the rural areas. As a characteristic, the system is engaged in producing agricultural commodities through traditional techniques. The third are foreign-directed enclave highly capitalistic and are mainly found in petroleum, mining and other related industries. This triplistic nature of our economy is not conducive to healthy economic progress. This is perhaps, occasioned by the fact that the primary sector inhibits the growth of the secondary and tertiary sectors by putting a limit on their expansion and development.

Furthermore, the economy is soaked with financial dualism, comprising unorganized money market, which is noted for very high cost of capital and the organized money market with relatively low cost of capital that often prove to be unfavourable to the construction industry. As a matter of fact, their financial and capital markets are still in the developing stages thereby being associated with a lot of administrative bottlenecks. The syndrome has affected the inability of many clients to actualize most viable, profit/result oriented projects and indigenous contractors as explained in their incapacitation to commence work effectively even after several weeks of taking possession of the site.

Jhingan (2003) appears to be in association with the above submission as he concludes that the natural resources of underdeveloped country are underdeveloped in the sense that they are either unutilized or underutilized or miss-utilized. In other words, the economy is said to be developed because they have not been successful in overcoming the scarcity of natural resources by appropriate changes in technology, social, economic and managerial organizations.

Drawless Infrastructural Project

A project usually contains cost and time schedules to provide specified products. It is characterized by a definite lifespan, defined objectives, unique and not-repetitive endeavor, cost and times schedules and finally, it cuts across organizational and functional lines. The above definition appears to be general and for the purpose of this subject it is imperative to view a project from the windows of the construction industry,

The construction industry as opined by ISIC (UN 1968), comprises all those organizations and persons conceived with the process by which building and civil engineering works are procured, produced, altered, repaired, maintained and demolished.

This includes companies, firms, individuals working as consultants, main and sub-contractors, material producers, equipments suppliers and builders merchants. The industry has a close relationship with clients and financiers Arising from this definition, it follows that the construction industry renders services which are needed for the production of durable products such as buildings and works. The industry is unique especially when cognizance is accorded to the physical nature of the product; the structure together with the organization of the construction process; the determination of demand; and the method of price determination

Fundamentally, the planning and execution of construction project require that certain documents such as design/drawings, bills of quantities, feasibility study reports, instructions, specifications, conditions of contract and other contractual arrangements be used for its actualization. This may not always be the case.

As a reference, construction project refers to structures which are erected in accordance with the idea or design of the structure already stated either in sketches, drawings, directives or mathematical instructions to satisfy its purpose functionally, structurally and aesthetically exhibit a high degree of complexity in nature bring together many skills and conditions which are already variable.

Resultantly, structures in accordance with the idea already stated in directives or instructions and devoid of sketches or drawings could be erected and still pose all the attributes of a construction project. Procurement and delivery of projects associated with renovation, remedial, ameliorations expansion, alterations, restorations, conservation, building and/or some other engineering works are the examples of construction projects which may not necessarily require drawings for its realization. Hence, drawless projects refer to construction projects whose procurement and even delivery could be actualized using such documents as specifications, conditions of contract/contractual arrangements, instructions, bills of quantities, feasibility study reports and the exclusion of drawings.

In Nigeria, the use of draw-less project is not new in the construction environment. A few years back, and towards the end of last century, the Petroleum (special)) Trust Fund embarked on massive rehabilitation projects which relatively did not attract much drawings in its execution. In addition, most private projects often do not necessarily make use of

drawings towards its realization. Clients such as property developers, whose main business and primary income derive from constructing buildings and other works are known in the procurement of infrastructure through drawless projects.

Product Marketing

Several reasons such as changes in taste, technology, income, et cetera may explain why people could want more than they could provide for themselves or could produce more than they could consume thereby creating a gap. Hence, the need to close this gap by pursuing a better understanding of the consumers wants and needs including attempting to create products which the consumer would be motivated to choose.

However, the accomplishments of certain activities are deemed essential. Onwusonye (1990), articulated these:

- i. Identification of the consumers' needs and the implications
- ii. Needs transformation into products.
- iii. Products promotion.
- iv. Products distribution to customers.

The totality of these activities is a project-a marketing project. Marketing, according to Hart (1975), starts in market place with the identification of the customer's needs. It then moves on to determining a means of satisfying that need and of promoting, selling and supplying a satisfaction. Contributing, Stuterille and Roberts: (1975), sees marketing as the creation and delivering of a standard of living. They added that marketing increasingly involves the tricky act of figuring out what people really want, the making it and selling it at an acceptable price and return all within the context of constraints imposed by channels of distribution, existing trade practices, economic considerations, law, politics, logistics, competitors action and possible reactions and of course, the firms own product.

The above appear not to have provided anchor for marketing. Hence Okafor (1988), explained that marketing occurs anytime one unit or individual strives to exchange something of value with another unit. It therefore, consists of all the activities necessarily designed to make the exchange happen. Something of value that is usually presented for exchange is in the form of a product. A product, Stanton (1981) is a set of tangible and intangible attributes including packaging, colouring, pricing, manufacturers' prestige, retailers' prestige and manufacturers' and retailers services, which the buyer may accept as offering satisfaction of wants and needs. This paper shall consider the intangible attributes to represent services as rendered by Quantity Surveyors may be used by an investor as a product for exchange in a market for actualizing timely drawless infrastructural project.

The Role of the Quantity Surveyor

Marketing of the intangible attributes seeks to showcase professional services, packaged in readiness for exchange. Some of the services are industrial goods and are usually procured so as to become part of the process of producing other goods. For example, in the procurement of rehabilitation projects (draw-less projects), the services of the Quantity Surveyors to produce bills of quantities and/or feasibility study reports (essentially needed to complement other documents for the realization of the project) are used to exchange for

something of value (fee). The market places of the industrial goods (professional services) are the clients who also can be regarded as consumers in the first place but later required to market the draw-less project on completion to other final consumers. But the identification and the time of needs of these professional services and subsequent exchange exercise(s) by the customers are functions of economic, political and sociological forces underpinned with the profile and classification(s) of the client.

Discussion

Primarily, the needs of clients are stimulated by the environment of their organization, presenting opportunities to which they respond. The respond is in the form of opportunity for profit or chance to respond to social needs or a combination of different classes of stimulus. The effect of forces in the client's environment leads to trigger the needs for the professional services of the Quantity Surveyors (marketable industrial goods) and the articulation of the client's brief. The investors' brief is the first step towards transforming the client's needs into product(s). The brief is an expression of the client's objectives, although, the degree of detail and reliability for packaging project documents is relative and revolves on the nature of the client, among others. Hence, the strategic level of the brief must not be overlooked. Primarily, price, quality and time are central to the client objectives. The weight different client give to each of these factors is a function of functions. They will require value for money but on their own particular terms. For instance, a public client with a low capital budget but high revenue budget may wish to suppress the initial price at the expense of quality; a rich client may see the time for completion as paramount at the expense of price but not of quality and so on.

Intangible Product Promotion/Distribution

Finance, most of which are externally borrowed for project development in a growing economy remains imperative in the promotion of Quantity Surveyor's services and by extension the draw-less projects.

Some of the strategies include the sponsorship of documents that will assist the client to raise money externally and/or project financing, which include:

- a) Bills of the Quantities
- b) Technical feasibility
- c) Financial feasibility
- d) Market feasibility

The details of these documents as stated are by requirement articulated in a feasibility study report. Project feasibility study report seeks to conduct for building a knowledge base required for further consideration of the project proposal.

Project feasibility study report is a synthesis of market, technical feasibilities, depending on the type of client and/or beneficiary(s). Thus, for government projects, financial and technical feasibilities maybe less emphasized while social and economic feasibilities are considered highly. However, good feasibility study report is expected to contain clearly defined project formulation criteria revolving on: objectives of the project, developed brief, technical specifications, cost estimates, programme of implementation, benefits and risks.

With the availability of feasibility study report, the client now employs the Push-Strategy needed in direct marketing. Push strategy in marketing, Baier (1985), involves selling in person eye ball-to-eye ball or with electronic intervention. Basically, the strategy is effective when products or services involved are technical in nature, requiring demonstration or if the potential buyer needs a high degree of persuasion. In addition, a push strategy is workable for very high quality products that are high priced.

Thus, the client now shops for funds or project financing at the various market places using the feasibility study report as a basis for exchange. The success of this activity parades the client as the promoter of the project having relied on external financiers. Distribution seeks to move goods or services from producers to users employing channels(s), which ensures the delivery of the right product to the right place and at the right time. However, the distribution of the intangible products is said to have been accomplished when the feasibility study report has been successfully promoted and draw-less project procured and delivered.

Conclusion

It is the opinion of this paper that, when clients have responded positively to environmental / variety of stimulus and appropriately packaged their briefs (price, quality and time) and eventual promotion / distribution of feasibility study report towards ensuring uninterrupted marketing of drawless projects will achieve sustainable development.

Recommendations

Government should embark on serious rehabilitation and upgrading programmes similar to the era of the Petroleum (special) Trust Fund with a view to providing construction infrastructural goods and services for the benefits of both rural and urban areas. It is hoped that these will result to reducing the cost of doing business, transportation, urban migration, creation of wealth through foreign inflow of capital investment culminating to the demolition of trichotomy in the economy and promoting sustainable development. The government should improve on the function ability of the financial and capital markets through the intensity of awareness, improvement on the regulatory environment including improvement on the business climate. These actions are viewed advantageous as the construction projects will benefit from low cost of capital; timely and uninterrupted flow of funds during site activities; and hence the ability of many clients to actualize result-oriented projects.

Government should exhibit transparency in his policies especially on budgetary affairs so as to instill confidence in many categories of local and foreign clients towards investing on the much needed infrastructural draw-less projects. These are necessary as clients who rely on the release of counterpart component of the budget to sponsor or finance already approved draw-less projects can perform as earlier programmed.

Investors should ensure that only professionally qualified and experienced Quantity Surveyors are commissioned to undertake the production of bills of quantities and/or feasibility study reports towards procuring and delivering of draw-less projects. This is

necessary as the production and efficacy of these documents are highly technical and result-oriented and any deviation remains counter-productive.

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