

Marketing Practices and Entrepreneurial Development: an Impact Study of SMEs in North Central Nigeria

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Abstract

Majority of small and medium enterprises (SMEs) in Nigeria have difficulties in appreciating the relevance of marketing practices in their operations. At the other side of the spectrum, government support programmes for SMEs are poorly managed to the detriment of their survival and growth. Furthermore, there is palpable lack of innovation toward product branding, product-line development, ineffective promotional strategies, etc. The study thus focused on determining the impact of marketing practices on entrepreneurial development using selected SMEs in North Central Nigeria. To achieve this objective, three models were specified to rhyme with our three set study objectives. To test the models, structured questionnaires were distributed from which 364 were accepted and analyzed, using correlation and ordinary least square (OLS) simple regression to examine how marketing practices proxied by product lines, branding, innovation and promotion had impacted on business expansion, sales growth, employment creation and profitability, in the last ten years. Findings from the study showed that marketing services have contributed to the growth of small scale businesses in Nigeria. Marketing practices of branding and innovation have provided opportunities for employment creation and enhanced business expansion. Thus, small scale businesses must seek the dynamic and effective utilization of marketing practices for their growth, development and survival.

Keywords:

Marketing practices,
innovation,
Product line,
Branding, Promotion,
Sales volume, SMEs,
Employment
creation, Profitability

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Background to the Study

Developing a vibrant entrepreneurship is a well desired pursuit of every business. Suffice to mention that our day-to-day economic activities are based on the role played by the small business, particularly that they have gained wide recognition as a major source of employment, income generation, poverty alleviation and regional development. According to Gajanayake (2010), the small business enterprises cover broad areas of economic activities, which may include manufacturing, trading, professional services and many more. A well developed marketing approach must be in place to enhance the progress of different marketing practices with different producers and increased rate of competition. This approach invariably will create the tendency to serve as a platform for development and survival of the entrepreneurial business in both the short and long run. It is has been argued over time that marketing practices play a significant role in any successful organization, and by implication, this is even more critical for the SMEs, because a loss or gain of a single customer can often determine their survival level. Apparently researchers have viewed the conventional marketing practices to be less available and appropriate for entrepreneurial firms. By this it implies that an emerging business venture is more likely to face the constraints of market uncertainty in addition to limited resources for marketing than already established businesses. This means in pursuing new opportunities with limited resources, the entrepreneur must use innovative approaches in the face of such limitations. Undoubtedly, a new venture must critically seek to understand which entrepreneurial marketing practices are most effective and therefore important to achieve a variety of successful outcome goals and ultimately for profitability and expansion.

By way of criticism, the small business firms have been characterized in the marketing literature as functioning under constrained human, financial, and organizational resources (Carson, 1999; Schindehutte, Morris and Kocak, 2008) and deficient in marketing proficiency and planning behavior (Cronin-Gilmore, 2012; Hills, Hultman and Miles, 2008). Nonetheless these criticisms could be attributed to the small firm's efforts being evaluated based on large firm marketing models, rather than identifying the unique marketing needs and complexities of smaller enterprises (Coviello, Brodie & Munro, 2000). Hills et al. (2008) suggested that small firms have a tendency to use unconventional and specific forms of marketing that follow innovative models and frameworks. Morris, Schindehutte & LaForge (2002) further noted that marketing is context-dependent and the context is often fluid, supporting the notion that small entrepreneurial firms may indeed have their unique way of conceptualizing and executing marketing practices.

The dynamic nature of marketing practices must be suitable and fit into the entrepreneurial business strategy whose result is synergetic. Hence, the entrepreneurial business owners are saddled with the responsibility of seeing their plan working effectively. Aremu and Adeyemi (2011) stated that most entrepreneurial business owners do not operate with any marketing practices, those few ones that have knowledge about marketing practice do not follow them properly and for any entrepreneurial business to be successful there is need to have good marketing practice. Research also shows that many SMEs owners do not position themselves to be able to spot and utilize opportunities in the market place (Webster, 1997). In other words, many small business owners do not effectively embrace marketing practices that bring about improved development. Emphasis must therefore be placed on

effective and efficient marketing activities in entrepreneurial business that will ensure steady growth of their business to counter today's economic depression being faced in less developed countries such as Nigeria. Marketing practices affects the success of entrepreneurial ventures, and entrepreneurial approaches also affect the success of marketing efforts.

Objectives of the Study

The main objective of this paper is to examine the impact of marketing practices on entrepreneurship business performance. Other specific objectives are stated in the form of null hypotheses, as follows:

1. To examine the effect of product-pricing marketing practice on the SMEs sales growth among SMEs in North Central Nigeria.
2. To determine whether innovative marketing practice has significant impact on employment creation in North Central Nigeria.
3. To analyze the relationship that exists between product-line marketing practice and business expansion

Research Hypotheses

In line with the objectives, the study sought to test the following hypotheses:

- H₀1:** Marketing practice of product-pricing has no significant effect on entrepreneurial sales growth.
- H₀2:** Innovative marketing practice has no significant impact on employment creation/generation.
- H₀3:** Product line development has no significant relationship with entrepreneurial business expansion.

Literature Review

Conceptualizing Marketing Practice

We may regard marketing practice as the process of developing and maintaining a strategic marketing plan between the organizational goals and capacities and changing marketing opportunities; Aremu (2006) sees it as relying on developing clear entrepreneur business enterprise objectives in order to increase the level of productivity. Marketing practice relies on marketing knowledge—conceptualized as "market information" which needs to be processed through knowledge acquisition, information distribution, information interpretation and organizational memory (Huber, 1991; Moorman and Miner, 1997), or as "market orientation" (Jaworski and Kohli, 1993; Slater and Narver, 1995); however that also depicts the generation and dissemination of market information. Li and Calantone (1998) operationalized "market knowledge competence", to encompass customer knowledge process, marketing–R&D interface and competitor knowledge. The proposed framework by Srivastava (1999), identified marketing as a phenomenon embedded in three core marketing processes, that encompass the fundamental marketing tasks critical to attracting and retaining customers; namely, product development management (PDM), supply chain management (SCM) and customer relationship management (CRM). These processes create customer value through, development of new customer solutions, enhancement of input acquisition and output transformation, and the creation of relationships with market entities.

From the above conceptualization, there is a nexus between entrepreneurial activities and marketing processes of PDM and SCM. The American Marketing Association (1985) definition of marketing as “the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives” calls for environmental scanning, analysing market opportunities, designing marketing strategies and implementing and controlling marketing programmes (Cravens 1987). Approached in this manner, Hills and Laforge (1992) have identified numerous points of interface between marketing and entrepreneurship. For instance, venture idea identification, innovation and the exploiting of opportunity logically fit between environmental scanning and market opportunity analysis. Likewise, the business plan includes market feasibility analysis and marketing strategy; and customer feedback and the ongoing assessment of customer needs bring out value creation. The Suggestion made by Zeithaml and Zeithaml (1984) has similar disposition as they claim that the fundamental responsibility of marketing is to effect and manage change in the external environment; as depicted by Alderson (1965) as a process of arriving at desirable innovations. Marketing and innovation, which others had argued were the only two basic functions of business, were not separate functions according to Alderson. Rather, innovation was at the core of marketing, so that marketers could not expect to adapt passively to marketplace conditions without innovation.

Marketing Practices and Small Business Performance

To claim that marketing is inherently entrepreneurship in small firms and startup businesses has high support in a vast body of the literature that has propelled much considerable attention in recent times. Marketing practices are the resources and capabilities for marketing operation, including the tangible and intangible resources and capabilities of brand, innovation, product lines, promotional service and channel (Kapferer, 2002) to provide various marketing service. Weerawardena (2003) points out that the function of marketing practice is to acquire the complete market knowledge, create and provide valuable and excellent product and service to its target customers. A company that can respond to the needs of market and predict the market situation generally enjoys longer competitive advantage and better profit (Day, 2004). Chosen marketing practices that are based on innovative capability can be indispensable toward helping to generate distinctive innovative capabilities for growth and profits (Statistics Canada, 2004), not discounting the fact that product innovation is also good for marketing activities, and can enhance the business performance (Song and Parry, 1993; Calantone and di Benedetto, 1988; Schmidt, 1995). Therefore, innovation, marketing and competitive advantage exist in close relationships.

Further conceptualization of marketing practice also received the attention of Oyenuga (2008) that defined marketing practice as “the pattern of major objectives, purposes or goals and essential policies and plans for achieving those goals, stated in such a way as to define what business the company is into or to engage in”. Therefore the various components of marketing practice in terms of branding, innovation, packaging, qualities and others are relevant. Equally pricing practice including credit policy, discounts and other pricing practice are important. Various modes of distribution (place) employed e.g. direct-selling and use of middlemen and promotional practice in terms of advertising, personal selling,

sales promotion, publicity and public relations are important. The effective management of marketing practice by small and medium enterprises in these areas determines the success of their operations and growth. Although, the definitions of SMEs may change with time, it all depends on the level of development of the country (Akinbinu 2003, p. 8). By the Nigeria level, SMEs characteristics include smallness in share of market within the sector, owner managed and sometimes assisted by family members, not publicly quoted and greater percentage of their raw materials locally sourced, among others; as such, SMEs growth through marketing practices are tailored to meet customers' needs with whom they are in very close contact. Kotler and Armstrong (2004) noted that product line development is a marketing practice strategy for company growth by offering modified or new products to the current market segment in the small business sector; Ogundele (2012) notes that a well-organized product line development programme might even enable a firm to copy other attractive innovations quickly and profitably, because of the simple and dynamic structure of small business organizations. For SMEs, product is the starting point and most important component of marketing mix. This is because the price, the promotion and the channel are all about the product. It is to be noted that the listed marketing practice around the product lines are intended to ensure that the product gain customers' acceptance and to retain customers loyalty. Ogundele and Gbadamosi (2006) stated that product line improvement is a method used by producers to maintain their relative industrial position and provide consumer with the latest in the technique or technology hence the reported use of IT as a marketing practice by the small business operator.

Meredith, Nelson and Neck (2011) stated that as small business grows, it must expand its markets, special sales promotions can provide the exposure that the product or service needs to increase sales in new markets. Also advertising can attract potential customers to the business. It is to be noted that most of the promotional activities by small business organizations involves the use of staff of the organization to make sales and make them regular customers. Ogundele (2000) reported that entrepreneurs of his study used selective appeal in advertising for example bakers have different handbills and labels attached to their bread for the purposes of promotion and differentiation.

Obigbemi (2010) posits that pricing decision has been a crucial decision made by all business enterprises at all levels and has posed a great challenge for SMEs in Nigeria; and intelligent competitive pricing must be made so as to improve sales (demand) and business profit. Obigbemi (2010) has listed many pricing strategies including *market penetration* (where a considerable price is set, which will be affordable for the customer, which may be reduced later to gain acceptance and thus create speed for the product sales); *market skimming* (involving setting a price high initially and later reducing the price to improve sales); *loss leader pricing* (where a product is sold at a lower price probably at a loss in order to attract customers who might then buy other items at normal price); *promotional pricing* (where prices are reduced within a short period to attract increased sales); *demand oriented* (where prices are set on the basis of demand for the product); *competitive pricing* (i.e. setting prices on the basis of activities of competitors); and *cost-oriented pricing* (based on cost of production plus a mark-up).

Atuahene–Gima (2013) indicated that marketing practices often need to be inspected when analyzing enterprise marketing problems. The process includes: (1) customer service: the purpose of customer service is satisfying needs of users and buyers (Zeithaml & Bitner, 2006) and to create competitive advantages (Easingwood and Mahajan, 2009; Morris & Westbrook, 2006); (2) promotion activities: these include advertising, exhibition, propagating, personal sales, etc. to be widely applied so as to connect the target markets and increase market share and sales; (3) quality of salesperson—that reflects the skills of salespersons; (4) the extension of marketing network—related with management capability of channels and relationship with distributors (Vorhies and Harker, 2000); (5) scope of advertising—which may influence market share; (6) marketing research—which denotes the relevant analysis from the needs of customers to offering of products and services of competitors; (7) capability of product line diversification—indicating to upgrade the image other than price, e.g., quality, service; and (8) speed of new product appearing in the market—rapid development of new products and services is the key factor of competitive strategies based on innovation (Froehle, 2000). These eight processes are used to run their target markets by many various small scale enterprises. In this research, we categorize them as, product-pricing, innovations, and product lines diversification. The capabilities of marketing can make these marketing processes to efficiently operate through which special competitive advantages could emerge.

The Nigerian Entrepreneurial Scenario

From the cases and incidences provided in literatures and the evidences of their research findings, Nigerian entrepreneurs in small and medium enterprises have employed several combinations of marketing practices to survive in the external marketing environment that described as unfriendly. In respect of product line development, it is expected that during the product life, enterprise will normally restructure its marketing practice several times. This is based on the changes in economic conditions, resulting from competitions in new products launches and the fact that buyers' requirements and interest are redefined. Declines also occur in the sales of most product forms and brands of small business enterprises. This can be traced to competition from both domestic and foreign producers, advance in technology and shift in consumers taste (Ogundele and Gbadamosi, 2006). When product management is considered for small business organizations in Nigeria, they work hard to establish respected brands to sustain business growth. Ogundeji, Waidi and Rahmon (2013) provided typical examples such as the case of the manufacturer of baby food enhancer in Modakeke, Osun State, Cassava grater producer in Oyo Town in Oyo State and the Eruwa Equipment manufacturer in Oyo State.

The product pricing decision is critical in the mind of any business. New ventures do not seem to have requisite knowledge and skills to make competitive pricing; Price fixture has been a great challenge for the operators of the SMEs in Nigeria, especially in the face of intervening variables of cost, competitors price, environmental factors, even though it is clear that increase in turnover of their product require price fixed at a level that the consumer will accept it as being commensurate with the benefits of the product (Obigbemi, 2010). The promotional practice used by Nigerian small business enterprises, mostly are personal selling and sales promotion, compared with other promotional elements. The personal setting, based on the face-to-face interaction with prospective purchasers is most common and this

should be expected as reported by (Ogundele, 2000). The small business operator also employs sales promotion, which involves the use of short-term incentives to encourage trial and purchase of product or service.

Finally, it is clear that Nigerian small business enterprise owners use various marketing practices ranging from, new product development, process development, process adjustment, segmentation, price discrimination, direct distribution, personal selling, sales promotion, relationship marketing, electronic advertisement and other uses of IT, among the marketing practices. However the effective use of public relation required to be explored better for the growth of small scale enterprise. Also the problem of unethical behaviour in the use of e-business, including marketing, requires appropriate action by both the business operators and the law enforcement agents in Nigeria.

Methodological Framework

The study set out to examine the impact of marketing practices on entrepreneurial growth in Nigeria, covering a better democratic period from 2007 to 2016. The research design adopted for this work is the non-experimental (survey) research design. The reason is that non-experimental research design combines the theoretical consideration with empirical observation. The study population comprised 72660 registered SMEs' operators (CAC 2015) in North Central Nigeria, covering selected states of Nasarawa, Plateau and the FCT shown in Table 1, from which a corresponding sample (of 297) was obtained using the Taro Yamane formula quoted by Umaru (2013, p.170).

$$\text{Thus: } s = \frac{N}{3 + N(\alpha)^2}$$

Where 's' is the desired minimum number of SMEs under study; 'N' is the total population (72,660) of the SMEs under consideration and 'α' is margin of error (of 5%).

Table 1: Selected Registered SMEs and Sample Size

S/N	Sampled States	Population	Sampled SMEs
1	Nasarawa	25680	$\frac{298*25680}{3 + 298(0.05)^2} = 105$
2	Plateau	18850	$\frac{298*18850}{3 + 298(0.05)^2} = 77$
3	FCT (Abuja)	28130	$\frac{298*28130}{3 + 298(0.05)^2} = 115$
Total		72660	297

Source: Corporate Affairs Commission (CAC), 2015

Structured questionnaires were administered (not more than two) to SMEs owner-operators and their accountants and/or bookkeepers and managers of the 297 sampled SMEs by our survey agents, from which 364 correctly completed ones were sieved out for analysis. Our data analytical methods included descriptive statistics, correlation coefficient matrix and ordinary least square (OLS) regression. The correlation coefficient shows the degree or

extent to which one variable influences the other. The regression analysis examines the relationships that exist between two or more variables. The descriptive statistics, correlation coefficient and regression are easy to measure and estimate, and do not give bias results.

Model Specification

Following the model and variables proposed by Gajanayake (2010), the marketing practices were proxied by branding, product lines and innovations; while the dependent variables were the entrepreneurial (or SMEs) growth variables represented by sales growth, business expansion and employment generation/creation. The model specifications here were formulated to test the three hypotheses and they are as follows:

$$SG = \beta_0 + \beta_i PR + \mu_t \text{ ----- (1)}$$

$$EMP = \beta_0 + \beta_i INV + \mu_t \text{ ----- (2)}$$

$$BE = \beta_0 + \beta_i PL + \mu_t \text{ ----- (3)}$$

Where, SG = Sales Growth; PR = Product-pricing; BE = Business expansion; PL= Product lines; EMP = Employment creation; and INV = Innovations.

Presentation of Results and Discussion of Findings

The data collected from the questionnaires were analyzed using descriptive statistics, correlation matrix and OLS regression. Micro-soft Excel software helped us to transform the variables into a format suitable for analysis, after which the E-Views was utilized for data analysis.

Descriptive Analysis

This analysis covered basic descriptive statistics relating to sales growth (SG), Product-pricing (PR), business expansion (BE), product lines (PL), employment generation (EMP) and innovations (INV).

Results of Descriptive (Summary) Statistics

Table 2: Basic Descriptive Statistics Relating to Sales Growth, Branding, Business expansion, Product lines, Employment generation and Innovations

Descriptive Statistics	Sales growth (SG)	Product-pricing (PR)	Business expansion (BE)	Product lines (PL)	Employment creation (EMP)	Innovation (INV)
Mean (M)	0.392804	18.257648	3.658605	0.074321	0.243484	0.435267
Median	0.316200	14.633774	2.620000	0.088400	0.207600	0.419700
Maximum	0.703100	1.47E+08	30.88000	0.210800	2.442100	0.829300
Minimum	0.024500	497.0000	0.440000	-0.2955	-2.1025	0.062900
Std. Dev. (SD)	0.165114	0.314435	5.505703	0.079526	0.564419	0.200950
Skewness	0.339323	2.294084	3.832438	-2.26658	-0.4167	0.051518
Kurtosis	2.200666	8.527360	17.91357	12.18576	13.49027	2.071814
Jarque-Bera	2.020167	92.45538	503.7539	187.9956	198.4096	1.562594
Probability	0.359253	0.000000	0.000000	0.000000	0.000000	0.457812
Sum	15.01220	8.28E+08	157.3200	3.195800	10.46980	18.71650
Sum Sq. Dev.	2.251025	4.15E+16	1273.136	0.265627	13.37988	1.695995
Observations	364	364	364	364	364	364

Source: Researcher's Computation using E-views-7, 2017

From the results in Table 2, the analysis of the *means (M)* and standard deviations (*SD*) show the following descriptive statistics: *Sales Growth (M = 0.392804, SD = 0.175114)*; *Product-pricing (M = 18.257648, SD = 0.314435)*; *BE (M = 3.658605, SD = 5.505703)*; *Product line development (M = 0.074321, SD = 0.079526)*; *Employment creation (M = 0.243484, SD = 0.564419)*; and *Innovation (M = 0.435267, SD = 0.200950)*. The analysis indicates that the Product-pricing has the highest means ($M = 18.257648$), with the deviation from the mean at about 31.14%. The standard deviation shows that Product-pricing (PR) is the most volatile variable while Product lines (PL) is the least volatile among the variables. Skewness which measures the shape of the distribution shows that variables BR and BE have values greater than one, which suggests the distribution tails to the right of the mean. However, the skewness for SG, PL, EMP and INV have their values less than one which suggests the distribution tails to the left of the mean. The skewness statistic reveals that PL and EMP are negatively skewed, while all the other variables are positively skewed. The kurtosis statistics reveals that Business expansion (BE) is leptokurtic implying that the distribution is peaked relative to the normal distribution, while the other variables (SG, PR, PL, EMP and INV) are platykurtic, suggesting that their distributions are flat relative to normal distribution. Jarque-Bera is a statistical test that determines whether the series is normally distributed. The null hypothesis here is that the series is normally distributed (i.e. skewness = 0) so as to be consistent with skewness test. The Jarque-Bera statistics here rejects the null hypothesis for PR, BE, PL and EMP since their probability values are less than 0.05. It was however found

that SG and INV are not normally distributed. Since most of the variables are normally distributed, we conclude that marketing services and entrepreneurial growth variables are normally distributed during the period under study.

Correlation Statistics

The results from the correlation analysis were examined and interpreted in-line with the model specified, and discussed accordingly.

Table 3: Basic Correlation Matrix Relating to Sales growth, Product-Pricing, Business expansion, Product lines, Employment generation and Innovations

Variable	Sales Growth (SG)	Product Pricing(PR)	Business expansion (BE)	Product lines(PL)	Employment creation(EMP)	Innovation (INV)
Sales growth(SG)	1	0.716643	0.690021	0.269275	0.173353	0.199855
Product-pricing(PR)	0.716643	1	0.074926	0.103413	0.195776	0.099971
Business expansion(BE)	0.690021	0.074926	1	0.698269	0.296543	0.23481
Product lines(PL)	0.66875	0.103413	0.698269	1	0.830721	0.320564
Employment creation(EMP)	0.173353	0.195776	0.296543	0.830721	1	0.799124
Innovation (INV)	0.199855	0.099971	0.23481	0.320564	0.799124	1

Source: Researcher's Computation using E-views-7, 2017

As can be seen on in Table 3 results indicate that a positive correlation exists between SG and PR. This relationship is also found to be strong as indicated by the correlation coefficient value of 0.716643. Furthermore, positive and strong correlation was found to exist between PL and BE. This was captured by the correlation coefficient value of 0.698269 among the two variables of interest. Lastly, the correlation between innovation (INV) and employment creation (EMP) was found to be relatively strong and positive as indicated by the correlation coefficient value of 0.799124. Among the three correlation of interest based on the model specification, the correlation between EMP and INV was found to be the strongest, thus showing that marketing services through inventions and innovations has hugely contributed to entrepreneurial growth via employment creation.

Regression Analysis and Test of Hypotheses

The results obtained under this section were generated using OLS regression analysis. The three hypotheses formulated in the study were tested using student t-statistics. The level of significance for the study is 5%, for a two-tailed test. The decision rule is that we accepted the null hypothesis where the critical t-value (± 1.96) was greater than the calculated value, otherwise we had to reject the null hypothesis. That is, using the student t-test (*t*-statistic), we say that a variable is statistically significant if t^* (*t*-calculated) is greater than the critical t-value of ± 1.96 under 95% confidence levels (or 5% significant levels) and it is statistically

insignificant if the t^* is less than the tabulated value of ± 1.96 under above confidence-significant-level.

Hypothesis One

H_{01} : Product-pricing Marketing practice has no significant effect on sales growth.

Table 4: Product Pricing and Sales Growth Stepwise Regression Results

Stepwise Regression Analyses of Marketing Practice on Outcome Variables				
Dependent Variable: Sales growth(SG)				
$R^2 = 0.6195$; $F = 14.02$; $Sig = 0.0031$				
Independent Variable	Beta	t-value	Pearson Correlation(r)	Probability value
Product Pricing(PR)	24.3	2.19	0.8191789.	0.0021

From Table 4, the calculated t-value for PR is 2.19 which is greater than the critical value (that is, $2.35 > 1.96$ under 95% confidence levels (or 5% significant levels)); we therefore, reject the first null hypothesis (H_{01}), and conclude that *marketing practices through Product-pricing have significant effect on sales growth*. Furthermore, by examining the overall fit and significance of the sales growth model, it can be observed that the model has a good fit, as indicated by the relatively high value of the F-statistic (14.02) at 5 per cent significant level. That is, the F-statistic p-value of 0.0031 is less than 0.05 probability levels. Moreover, the R^2 (R-squared) value of 0.6195 shows that the model does have a good fit too. It indicates that about 61.95 percent of the variation in SG is explained by PR, while the remaining 38.05 percent is captured by the white noise error term.

Hypothesis Two

H_{02} : Innovative marketing practice has no significant impact on employment creation/generation.

Table 5: Innovation and Employment creation/generation Stepwise Regression Results

Stepwise Regression Analyses of Marketing Practice on Outcome Variables				
Dependent Variable: Employment Generation(EMP)				
$R^2 = 0.8106$; $F = 18.77$; $Sig = 0.0018$				
Independent Variable	Beta	t-value	Pearson Correlation(r)	Probability value
Innovation(INV)	3.11	2.97	0.878189	0.0043

Finally, from the regression result in Table 5 the calculated t-value for INV is 2.97 against the tabulated value of 1.96. Since the t-calculated is greater than the critical t-value (that is, $2.97 > 1.96$) it also falls in the rejection region and hence, we may reject the third null hypothesis (H_{03}). The conclusion here is that *marketing practices through innovation has significant impact on creating employment opportunities for entrepreneurial growth*. The F-statistic equally showed that the overall result is significant, as indicated by the F-statistic value of 18.77, at 5 percent significant level. That is, the F-statistic p-value of 0.0018 is less than 0.05. Furthermore, the coefficient of determination R^2 (R-squared) which measures the goodness

of fit of an estimated model indicates that our 'employment-innovation' model is also reasonably fit in prediction. The R^2 (R-squared) value of 0.8106 shows that innovation has a very good impact on employment creation. It indicates that about 81.06 per cent of the variation in employment generation is explained by marketing practices through innovation, while the remaining unaccounted variation of 18.94 percent is captured by the white noise error term.

Hypothesis Three

H₃: Product line has no significant relationship with entrepreneurial business expansion.

Table 6: Product lines and Business expansion Stepwise Regression results

Stepwise Regression Analyses of Marketing Practice on Outcome Variables				
Dependent Variable: Business Expansion(BE)				
$R^2 = 0.8568$; $F = 17.44$; $Sig = 0.0003$				
Independent Variable	Beta	t-value	Pearson Correlation(r)	Probability value
Product Lines (PL)	4.34	2.76	0.669275	0.0036

The calculated t-value for Product lines (PL) as found in Table 6 was found to be 2.76 and also by rule of thumb, the critical value is 1.96 under 95% confidence interval levels. The calculated value of PL is found to be greater than the tabulated value (that is, $2.76 > 1.96$), and we thus reject the second null hypothesis (H_{03}), and thus conclude that *product line has significant relationship with business expansion. And once more, by examining the overall fit and significance of the business expansion model, it was found to have a good fit, as indicated by the high F-statistic value of 17.44, significant at 5 per cent level. That is, the F-statistic p-value of 0.0003 is less than 0.05. The R^2 (R-squared) value of 0.8568 shows that the model has a very good impact and fitting too. It showed that about 85.68 percent of the variation in business expansion is explained by product lines, while the remaining 14.32 percentage unaccounted variation is captured by the white noise error term.*

Discussion of Findings

From the research study, it was found that marketing practices through product-pricing has positive and significant correlation with entrepreneurial sales growth. Effective marketing services have hugely influenced the sales growth, as is corroborated by the work of Obigbemi (2010) who posits that organizations that want to increase the turnover of their product may need to fix price at a level that the consumer will accept as being commensurate with the benefits of the product. Findings from the study also revealed that marketing services through innovation have hugely enhanced the growth of employment opportunities created for most SMEs. This conforms to the findings from Small Business Research Center, (2008) which shows that sound marketing services and strong financial control enhanced SMEs growth through employment generations. In the same vein, the quest of Song & Parry, 1993; Calantone & di Benedetto, 1988; and Schmidt, 1995 grossly relate with this finding as “the innovation of product is good for marketing activities, and can enhance business performance”. Also, Timmons (2000) stated that many small business managers neglect the process of strategic innovative marketing services because they think strategic innovative marketing only benefits larger companies, and as thus cripples their employment growth

rates. In strengthening the above finding, Gruber (2004) agreed that innovative marketing services are major determinants of success in all new firms. Marketing services also are rated extremely important by venture capitalists; Cronin-Gilmore (2012) delineates the entrepreneurial marketing services toward their appropriateness in smaller firms. Furthermore, Cornwall (2005) emphasized that the absence of an adequate viable innovative marketing plan can lead to issues that can be encountered at the start of the business and when marketing practice is needed for growth or advancement. Unren & Nieman (2009) asserted along this finding on the need for entrepreneurs to produce a marketing innovative plan; which is deemed to be essential in deciding marketing strategies, customer base, and promotion of the company and employment generation that grows the business.

Finally, the study showed that marketing services through product lines have positive correlation and significant relationship with SMEs business expansion. This is in agreement with Kotler and Armstrong (2004) in their note that “product line development is a marketing practice strategy for company growth by offering modified or new products to the current market segment in the small business sector”, and concurred by Ogundele (2012). This finding also showed that as more marketing services are adopted, business expands, and enhances entrepreneurs' capacity utilization thereby leading to proper inventory management. Creating new product lines has helped Small scale businesses to identify their customers and the potential customer base, to determine what price customers might be prepared to pay and to suggest how demand for the product or service will change according to the price charged. Product lines also inform them about their competitors and their likely reaction.

Conclusion and Recommendations

The business drive of an entrepreneur is responsible for the success of marketing practices investigated, and with a level of the degree and the timing of the practices creation of entrepreneurship development is guaranteed. Exploring innovation within the marketing and entrepreneurship presents a clear picture of SME's behavior, as well as offering practical advice for entrepreneurial marketers. Marketing capabilities for a company that is based on innovative capability is indispensable factors, and can help generate distinctive innovative capabilities and obtain growth and profits (Statistics Canada, 2004). On the other hand, the innovation of product is also good for marketing activities, and can enhance the business performance. The study has further shown that an entrepreneur that can respond to the needs of market and predict the market situation generally enjoys longer competitive advantage and better profit (Day, 2004).

Conclusions can be drawn from the study that marketing practices have direct relationship with performance of entrepreneurial business. Therefore, managements of entrepreneurial businesses should pursue balanced use of marketing mix with rigour for their business to achieve a sustainable competitive advantage. Marketing practices through intelligent product-pricing, product lines and innovation have provided avenues for employment creation for the unemployed, improved growth sales and enhanced business expansion. An effective marketing practice is therefore essential to the growth or survival of the small scale business. It is therefore recommended that for the small business to grow and survive it must engage itself in dynamic marketing practices. In addition, entrepreneurs must intensify the

application of marketing practices in line with the marketing mix since they are agents of change in the business environment. This way, entrepreneurship development among entrepreneurs is ultimately guaranteed.

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