THE RELATIONSHIP BETWEEN MARKETING MIX AND CUSTOMER DECISION-MAKING OVER CHOICE OF CLOTHING APPAREL

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Abstract

In the world economy today, textile manufacturing and marketing is playing a very critical role in the revenue output of countries. The purpose of the study is to investigate the relationship between the 4ps, namely product, place, price and promotion and the effects on customer decision in the purchase of fabrics in Kano Nigeria. The textile and apparel business are the subject of investigation to draw attention to major marketing mix variables that producers and marketers should pay attention to. A total of 100 respondents were selected using a convenient sampling method in Kantin Kwari market Kano. The data collected were analyzed using correlation coefficient and chisquare. The analysis indicates that there is significance relationship between product and price as customers are relating the product quality to price. The analysis also shows that product, place, prices and promotion also influence buyer decision for fabrics.

Keywords: Marketing Mix Variables: Products, Place, Price and Promotion.

Background to the study

The world's leading textile country is China which holds approximately 45 percent of global textile and garment production, while India holds a share of around 20 percent and yet in both countries, their textile SMEs are the biggest contributors to the National economy (National Union of Textile Garments and Tailoring Workers of Nigeria Publication 2008). The textile industry in Nigeria was the third largest in Africa after Egypt and South Africa (Eneji, Onyinye, and Kennedy & Rong 2012). The global textile and garment market is valued at around \$400 billion which is an interesting figure (OECD, 2013). Traditional textiles (handmade) have been produced in Nigeria for many years, but real industrial production of textiles is a recent activity (Aguiyi, Oroha, Onyegbulam & Nwankwo, 2011) The textile sector produces a variety of fabrics annually and markets the goods within the country and also extends the marketing to neighboring West African countries,. The fabrics range from African prints, shirtings, embroideries, guinea brocades and wax prints. The industry raises millions of middlemen, marketers of finished goods, tailors and garment makers within what can be referred to as the micro, small and medium textile industry.

The popular traditional fabrics include the "asooke", adire, whasa, Akwete, Okene and traditional material. In 1995, the World Trade Organization (WHO) enacted the agreement on textiles and clothing (ATC). The purpose of the ATC, a multi-lateral agreement was to eliminate textile quotas for all members by 2005. As Uduak (2009) says, with China is strong emergence on the apparel/textiles world map, it flooded other countries domestic markets, across the globe, with its cheap imports. Again, the Chinese did not spare Nigeria's domestic market. The Chinese mastered and produced Nigerian designs such as "Ankara" and asooke" stamped "made in Nigeria" as local products (Uduak, 2009).

Purpose of the Study

An earlier study was carried out by Satit, Tat, Rasli, Chin and Sukati (2012) where they looked into the relationship between marketing mix and customer decision making over travel agents in Indonesia. Their study results showed that product had the strongest correlation with customer decision making. This present research however seeks to replicate the study using the same independent variables but in a different setting and in a different sector; the textile and garment sub-sector to find out if similar results will be achieved. The purpose of this study is to investigate the preference of consumers between domestic and foreign fabrics and the internal marketing factors that register the highest and lowest ratings in the consideration of the purchase of such fabrics.

Hypothesis

The following hypothesis will be tested:

H1: Product will influence customer's decision to buy fabrics.

H2: Channels will influence consumers to buy fabrics.

H3: Price will influence consumers to buy textile fabrics.

H4: Promotion will influence consumers to buy fabrics.

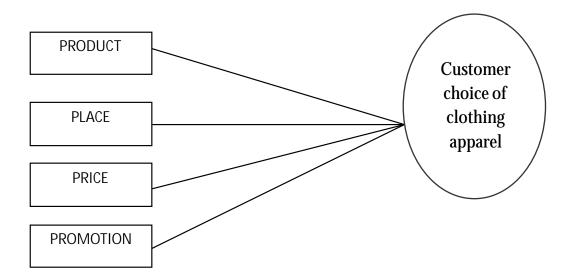
Theoretical Framework

Dorfman-Steiner (1954) Theories in Marketing Mix Optimization emphasizes that a firms is profit depends on almost every way upon the levels and mix of marketing effort chosen by the firm (Kotler 2008:44) the most popular classification today is however that by McCarthy (1964) who popularized the four factors classification marketing decision variables and those marketing mix known as the 4ps. Model, which are product, place, price and promotion (Tellis, 2006). An entrepreneur should be able to design an accepted product, select appropriate channels of distribution, adopt appropriate pricing strategies and use appropriate media. With all these independent sub-variables of marketing optimally combined and directed at the target market, increase sales and profitability will be achieved and hence superior performance (Zhou, 2007) By this theorem, textile entrepreneurs are expected to show understanding of this to raise output, whilst lack of such optimization of the 4ps can constraint growth.

The Power of Marketing

Many firms in today's business have come to acknowledge the power of marketing (Kotler 2002:5-6). The American Marketing Association offers the following definition: "Marketing is 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 goods" (quoted in Kotler 2002:9). Judging from the above definition, the textile firms are supposed to be able to achieve their goals through the development of their marketing strategies in respect of the conception of types of fabrics to be designed, the pricing to reflect the socio-economic power of their target market and at the same time creating place and time utilities. where a firm fails to identify a market niche which would have enabled it to come out with desired designs, it becomes unfocused as its marketing strategies become uncoordinated leading to the loss of sales as the small firm struggles to maintain a hold (Zacharahis, Meyer & Decastro, 2004)

Conceptual Background A conceptual framework was developed to guide the study



Product

Product is an important element of the marketing mix which an entrepreneur must consider. Product consists of all the physical attributes including packaging, design, colour typology and including all the intrinsic attributes which might be considered by a potential customer before purchase decision is made. In product marketing, the role of branding and brand management is primarily to create differentiation and preference for a product or service in the mind of the customer. (Knox and Bicterton, 2003). H1 – Product will influence customer's decision to buy fabrics.

Place

Place in the 4ps concept also refers to channels of distribution. The systems of flow identifies product flow, promotion flow, negotiation flow, ordering and payments flows (Rosenbloom, 2007). According to Larsen (2008) the channel flows do not exist as a force of nature but that they are created in which case, both large firms and SMES all create channels of distribution, as long as marketing activities are carried out. But McCarthy (2005) recommends the use of web-site based e-commerce systems as it gives many firms direct access to customers and also reduces cost. H2-Channels will influence consumers to buy fabrics.

Price

There has been an assumption that the role of price varies due to different elasticity at different stages of the product life cycle. In their review of the relationship between price and the product life cycle, Schaffer and Roper (1985), conclude that on introducing a new product, the price should be set as high as possible, while downward movements in price takes place according to the various elasticity of the situation. In the world textile trade, for example, China's textiles prices dropped in 2003, thus leading to a considerable increase in volume. H3 – Price will influence consumers to buy textile fabrics.

Promotion

The four main elements of the promotion mix include advertising, sales promotion, personal selling and public relation publicity. By far, advertising is a highly significant element that can be used successfully to increase brand awareness (900, B, Donthu, N, Lees, 2000; Rajh, 2005). There is a positive correlation between investment in advertisement and perceived quality (Aaker and Jacobson, 1994), implying that consumers are vividly to ascribe quality to advertised goods than products that are not advertised. H4 – Promotion will influence consumers to buy fabrics.

Research Methodology

The study was carried out in Kantin – Kwari Market, Kano state of Nigeria. The market is popular as a textile market drawing buyers from surrounding states as well as from neighboring countries such as Niger Republic, Chad and Cameroon. The population of the market cuts across all ethnic nationalities in Nigeria which present an ideal setting for such a study.

The study drew a sample of 100 consumers with equal number of males and females. The study further employed a convenience sampling method by administering a simple questionnaire containing both structured and semi structured questions on only willing respondents. The data were analyzed using Kendall's correlation and chi-square. The basis of choosing this method or analysis (Kendall) was that the data were ordinal and needed to correlate more than two variables, while the chi-square provided the effect of promotion, price, place and product on customer's choice. The main question in- which marketing variable influences decision was ranked from 1-4 depending on the intensity.

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Results Correlations

			Product	Price	Place	Promotion
Kendall's tau – b	PRODUCT	Correlation Coefficient	1.000	-1.000**	.015	.015
		Sig. (2-tailed)	•	•	.852	.852
		N	149	149	149	149
	PRICE	Correlation Coefficient	-1.000**	1.000	-015	-015
		Sig. (2-tailed)	•		.852	852
		N	149	149	149	149
	PLACE	Correlation Coefficient	.015	-015	1.000	1.000**
		Sig. (2-tailed)	.852	.852		
		N	149	149	149	149
	PROMOTI ON	Correlation Coefficient	.015	-015	1.000* *	1.000
		Sig. (2-tailed)	.852	.852		
		N	149	149	149	149

^{**} Correlation is significant at the 0.01 level (2-tailed)

There is significant relationship between product and price at 190 level of significance. This indicates that customers are always relating the product quality to the price of it.

Test Statistic

	PRODUCT	PRICE	PLACE	PROMOTION
Chi-Square	408.342a	4.083E2a	4.470E2a	447.000 ^a
Df	3	3	3	3
Asymp. Sig	000	.000	.000	.000

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 37.3. Using the Chi Square, the analysis indicates that products, (P), price (pr) and promotion are significant. This shows that they can all influence the decision of the customers. It was also found that most of the consumers prefer imported fabrics because they feel the imported fabrics have higher quality.

Conclusion

Based on the analysis the findings reveal that product and price amongst the 4ps, constitute the most important marketing mix variables that customers' decisions to buy are based. This study corroborates others such as that by Satitet al (2012). Equally so, the other entire marketing mix variable appear significant in their influence on customer decision. Based on these findings, manufacturers and marketers of textile fabrics should consider all the attributes associated with product quality, including texture, colour configuration and branding, whilst pricing decisions should be such that will be in consonance with product quality and other non-physical attributes such an the psychology of the buyers and socio economic status of the target population. Also to be evaluated is the channel of distribution; because out lets the customers buy from require aesthetics and convenience to attract customers, whist promotion such as the use of various above the line and below the line media can boost awareness.

Recommendation

From the study result, it is recommended that Nigerian textile producers should pay premium attention to the quality of these products, if they remain competitive in the textile marketing without neglecting the importance of price, channels of distribution and the power of the media.

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