EVALUATION OF MARKETING STRATEGIES IN THE TELECOMMUNICATION INDUSTRY
A STUDY OF INTERCELLULAR NIGERIA PLC

BY

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DECLARATION

I hereby declare that this project is a product of my research findings, a partial requirement for the award of master of business Administration (MBA) of Ahmadu Bello University Zaria. All References made to texts, journals and Articles have been duly acknowledged.

_____	_____	_____
Name	**Signature**	**Date**

CERTIFICATION

This project entitled “EVALUATION OF MARKETING STRATEGIES IN THE TELECOMMUNICATION INDUSTRY. A STUDY OF INTERCELLULAR NIGERIA PLC” meets the regulation governing the Award of the degree of masters of Business Administration, Ahmadu Bello University, Zaria and is approved for its contribution to knowledge and literary presentation.

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DEDICATION

This research project is dedicated to my parents. Late Muhammad Idris Ahmad (May His Soul rest in peace) – who had shown me the importance of knowledge.

And, Khaule Ismail (Goshi), who has always been there when I needed someone.

I LOVE YOU ALL.

ACKNOWLEDGEMENT

Praise be to **ALLAH**, **LORD OF THE WORLD**; the Omnipotent, the Omniscient and Glorious peace and blessings be upon His most beloved Prophet MUHAMMAD (S.A.W.). Auspicious prayers be for the pure AHL-AL-BAIT and for the just and faithful of the exalted prophet.

Dedication itself is not enough unless one is successful in life. Success however comes only through hard work, patience and perseverance. When it comes however, it is in many facets and does not always come through single handed efforts only. Infact, hardly in history had success come single handedly, it must be a combination of efforts. It is inspite of this I wish to thank a number of people for their support and their contribution to the successful completion of my work.

My special thanks goes to my father Late MUHAMMAD IDRIS AHMAD (May His soul rest in peace) who has been my source of inspiration, and my mother KHAULE ISMAIL, who is always there to pick me up whenever I am down.

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Once more, Glory is to ALLAH who threw light on the long dark path thereby making the journey easy and a successful one.

ABSTRACT

This research study was carried out with the purpose of evaluating the marketing strategies adopted in Nigerian Telecommunication industry paying particular attention to Intercellular Plc. The study tried to ascertain the effectiveness and efficiency of the company's marketing strategies in meeting customer's needs, want and expectations.

The findings of the study clearly revealed that successful design of marketing programs and strategies must begin with an understanding of customer satisfaction. And that in marketing telecommunication services, promotional activities and good pricing strategy helps to influence sales, hence intercellular need effective promotional activities and efficient pricing system and policy to be able to market its services.

The study comprises five chapters, and data used were mainly primary and secondary data. And for the purpose of analysis, the tools employed were the percentage and chi-square methods. Finally recommendations were made for better performance in the industry.

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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Man since creation has learned communication by instinct through spoken words, signs and signals. In the ancient African communities, war messages were communicated to the entire community through the use of drums and songs (perhaps from the center of the town or the chief's palace).

However, communication nowadays do not only enhance mutual understanding and social integration of disperse communities, but also fosters harmonious relationship which contributes immensely to the overall socio-economic, political as well as cultural developments of human society.

The recognition of this dynamics in the overall development of any nation has unrestrictedly inspired man in search for more sophisticated and yet simplified means and methods of communicating.

High risks of road accidents and plane crash on a simple transaction have become avoidable.

Telecommunication industry right from the colonial period was under the civil service bureaucracy, for that reason, it could be said that the

sector within that period never experienced modern marketing management. But with the commercialization of the industry, it has become very much necessary for the organizations to have full business re-orientation to enable them achieve the basic objectives of commercialization, i.e. service efficiency, reliability and profitability.

The industry therefore needs the adoption and proper application of marketing principles.

This calls for everyone in the industry to think of customer satisfaction in his or her duties. In marketing, the customer always takes the first place, therefore the personnel of communication industries must receive the orientation to behave and act towards their customers' satisfaction.

Staying successful in business requires constant analysis and adjustment of changes in what customers want and competitors offer. It is therefore apparent that firms will have to be market oriented, tightly focused on customer needs and desires, and highly adaptive to succeed and prosper.

Thus, the effective performance of marketing activities particularly those associated with tracking, analyzing and satisfying customers needs have become even more challenging and critical for the successful

formulation and implementation of marketing strategies, especially in the telecommunications industries. It is these challenges that have prompted the choice of this research work.

1.2 STATEMENT OF THE PROBLEM

The telecommunication industry in Nigeria is fast developing a marketing management system, which allows for coherent coordination of the entire activities involved. But unlike the marketing of tangible goods, services marketing are yet to gain grounds in Nigeria. Most people do not seem to appreciate the idea, while a lot more find no satisfaction in the whole concept and as such do not see anything of interest therein. As a result, the industry is saddled with problems of proper coordination of the entire activities. Thus, this research study hopes to provide answers to the following questions, which form the statement of the research problems.

(a) Whether there are any genuine benefits that telecommunication companies in Nigeria will gain by initiating and implementing marketing driven strategies.

(b) Whether the implementation of marketing strategies of Intercellular Nigeria Plc have any impact on her customer's buying behaviour and purchase decisions.

1.3 OBJECTIVES OF THE STUDY

Generally, the objective of this study is to evaluate the marketing strategies of telecommunications companies in Nigeria and especially Intercellular Nigeria PLC. The study will also attempt the following;

(1) To ascertain the effectiveness and efficiency of the company's marketing strategies in meeting customer's needs, wants and expectations.

(2) To Identify and examine some pitfalls and barriers to effective formulation and implementation of marketing strategies by Intercellular Nigeria plc.

(3) To make recommendations for improvement where necessary.

1.4 SIGNIFICANCE OF THE STUDY

This research study will be useful and meaningful to the telecommunication companies especially intercellular on the need to understand consumer market in Nigeria, the threats and opportunities it possess. An understanding of this will not only help to identify and select their principal target segments but also provide inputs to all the elements in the marketing mix, thereby fine-tuning the implementation of their marketing strategies.

The study will also be significant because it will highlight the general marketing problems of the company under study and proffer solutions based on findings; as such the owners of the organization will find it useful as well as the competitors and customers.

Finally, the study will be a useful reference material for future scholars and researchers in the field of marketing.

1.5 SCOPE OF THE STUDY

This study is limited in context. As a case study research, it will only be limited to its objectives, which is to critically evaluate the marketing strategies of telecommunication industry, laying particular emphasis on Intercellular Nigeria PLC.

The categories, which this study encompasses, are the selected customers and marketing staff of Intercellular Nigeria Plc, in Abuja, Kaduna and Zaria. The study covers the period of 2001 – 2005

1.6 STUDY HYPOTHESES

Based on the objectives of this study work, the following hypotheses have been advanced to address the issues raised in the statements of the research problem.

1. H_O: Intercellular marketing strategy does not allow maintaining and gaining more customers from other competitors

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H_1: Intercellular marketing strategy allow to maintain and gain more customers from other competitors.

2. H_O: Intercellular sales promotion, advertisement, pricing and distributional areas of services are not sound enough to maintain and push the company to higher level of sales and profit respectively.

H_1: Intercellular sales promotion, advertisement, pricing and distributional areas of services are sound enough to maintain and push the company to higher level of sales and profit respectively.

3. H_O: There are no genuine benefits that telecommunication companies in Nigeria especially intercellular will gain by initiating and implementing marketing driven strategies.

H_1: There are genuine benefits that telecommunication companies in Nigeria especially intercellular will gain by initiating and implementing marketing driven strategies.

1.7 LIMITATIONS OF THE STUDY

For every research work, there are bound to be constraints and limiting factors, which do not enhance smooth research process. This research work is not an exception as the researcher encountered some problems which include-

- Time was the greatest constraints to the researcher, as the research work has to be combined with other activities.
- Finance was another constraints to the researcher. The cost of transportation and other materials needed are higher thereby making things difficult for the researcher in carrying out the research work.
- On some occasions, the respondents were not co-operating; they declined to divulge certain information, which they considered confidential.

1.8 DEFINITION OF RELEVANT TERMS

***MARKETING*:**

Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchange and satisfy individual and organizational objectives.

MARKET:

A market consists of all potential customers sharing a particular need or want and who might be willing and able to engage in exchange to satisfy that need or want.

EXCHANGE:

It is the act of obtaining a desired product from someone by offering something value in return.

PRODUCT:

A product is anything that is seen as being able to satisfy a need or want.

SERVICE:

A service is any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything.

STRATEGY

It refers to action by management to offset actual or potential actions of competitors.

MARKET SEGMENTATION

This means the analysis of a particular market demand on the basis of its constituent parts, so that sets of buyers can be differentiated.

CDMA; Code division multiple access

NCC: Nigerian Communication Commission

PRE-PAID: This is mobile telecommunication services where a subscriber pays for airtime before usage.

POST-PAID: This mobile telecommunication services whereby the subscriber is given access to airtime and is being charged to pay at a later period.

BTS; Base transiver station

CHAPTER TWO

LITERATURE REVIEW

2.1 CONCEPTUAL FRAMEWORK OF MARKETING

Based on the significance of marketing as a business activity it has been defined in several ways by difference people depending on how they perceive it to be in relation to their own position of responsibility, circumstances and also as marketers in the marketing activities.

The American Marketing Association (AMA, 1985)[1] official definition of marketing, "is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchange and satisfy individual and organizational objectives."

Mc Nair (1968)[2] defined marketing as "the creation and delivery of a standard of living." This definition takes a macro or social view of marketing. However, it does not reveal the fundamental and universal nature of marketing.

Kotler P. (1980)[3], on the other hand, made a broad definition of marketing as "human activity directed at satisfying needs and wants through exchange process." He further advanced that marketing means working with markets" (Kotler, 1991)[4], which means attempting to actualize potential exchanges for the purpose of satisfying human needs

and wants. But in order to satisfy human needs and wants, certain things or activities must be carried out. Considering the day-to-day exchange process, these activities will include product planning, pricing, promotion and distribution.

According to Morden (1991)[5], marketing is an activity which is directed at satisfying the needs and wants of customers through exchange processes, which occur in the market.

Martin, Christopher et al (1975)[6] define marketing as "the ways in which an organization matches its own human, financial, and physical resources with the wants of its customers."

Rosenberg (1977)[7] views marketing as a matching process, based on goals and capabilities, by which a producer provides a marketing mix (product, services, advertising, distribution, pricing) that meets consumer needs within the limits of society".

Since marketing is seen as a matching process and the satisfaction of needs and wants through exchange of products and value, it therefore appears natural that any mis-match will lead to a failure. It follows then that, a business, whether private or public, exists by selling its products and services. By doing this, it seeks to achieve its profit and other

objectives. To be able to achieve this, the marketer has to adopt a method of carrying out his marketing activities effectively.

2.2 MARKETING CONCEPT

The marketing concept could be seen to be a common sense managerial orientation that understands the needs and wants of customers in the market, and adopts the operations of the organization to deliver the right goods and services more effectively than company's competitors.

Kotler (1991)[4], puts this into two practical perspectives namely; company management remaining sensitive to market needs and wants, and company management operating the enterprise in a market-oriented manner.

This concept focuses on the satisfaction of the consumer's need as the key to satisfying organizational goals. To achieve these objectives, the emphasis is on the orientation of the firm's product toward consumer satisfaction. The philosophy holds that the consumer is the lifeblood of the organization, since if he does not buy, firms cannot sell and the aim of the firm is to produce and sells so as to be in business. Profits are to be derived if customers are satisfied. Therefore controls for programs desired to bring about desired exchanges with target audiences should be

analyzed, planned and properly implemented, for the purpose of mutual gains.

Butch and Houston (1985)[8] thus defined the concept as "the managerial philosophy that maintains that an organization must integrate and co-ordinate its objectives.

Urdell and Laznick (1981)[9] on their own part remarked that the marketing concept has four dimensions:

(i) Profits are the major incentives for being in business and a pre-requisite for being in business. It is the major incentive for the entrepreneur to assume risk.

(ii) The satisfaction of customer's desires through the provision of goods and services is the economic justification for the existence of a business.

(iii) The satisfaction of customer's desires is the means to attaining their patronage and attaining a profit. Thus, both the society and firms try to benefit when management identifies customer's needs and desires with a view to effectively designing, producing and marketing a product.

(iv) The profitability, satisfaction of customer's desires requires an integration and coordination for efficient operation.

Coordination should be both internal and external. Internal coordination is directed at product planning, pricing, promotion and distribution, which are highly interdependent. In addition to this, the marketing programme should be well integrated with the other operations of the firm. This could be achieved through the acceptance of the marketing concept by all departments.

Therefore, the marketing concept is a total philosophy, which provides a common focus for all elements of the enterprise. In so doing, it helps to bring business and society into a meaningful and mutually beneficial relationship. Since its inception, marketing concept has been adopted by many business firms because of the role it plays in the success and progress of business, to the extent that we the marketing scholars and researcher could come to the believe that any firm which fails to employ this philosophy is a business criminal.

The rise of consumerism however, shows that the concept has its own shortfall. In other words, the acceptance of the concept has not eliminated customer dissatisfaction.

Despite the acceptance of the marketing concept, in a sellers marketing like Nigeria, the concept still remains at its rudimentary stage.

This is as a result of lack of mass production of goods and ready substitutes. In addition, there is the lack of awareness of the tenets of the concept, poor consumer education, horizontal collusion by producers and resellers in nearly all industries. The unwillingness of marketers to give the concept a chance is also a contributing factor. The low level of technology, the market structure, planning, organization and style and environmental stability, strive the minds of firm's marketers to give the concept due respect.

The comment of Uche (1980)[10] threw more light as to why the concept is a myth in Nigeria. "It is a country where locally manufactured candles burn out in a few seconds, where locally manufactured bulbs are replaced after every other day, where locally assembled vehicles are but shadows of their present stock, where locally produced fabrics do not stand the first way and where locally manufactured shoes lose their sales after the first use in the rains, the poor consumer is treated like an orphan even before he is born."

Some highly competitive industries have and are still making efforts to practice the concept, for instance, the telecommunication industry.

The benefits of the marketing concept are not only to organizations in terms of corporate goals, but play a vital role in protecting consumers

and ensuring social responsibility. The key role of the concept is attracting public organizations to call for professional marketers.

According to Kotler and Levy (1967)[11]. "The choice facing those who manage non-business organizations is not whether to market or not to market, for no organization can avoid marketing. The choice is whether to do it well or properly". Thus, the choice to market the organization's product and services cannot be successful except if the marketing concept is fully applied.

When the marketing concept is implemented, there are a number of benefits to be derived. Such benefits include:-

(a) Risk Reduction – This arises due to effective market research, the scientific acquisition and analysis of market data relevant to decision making and better market sales forecasting.

(b) Planning of Business – Is improved as a result of identification and assessment of future market trends and opportunities and the acceptance of planning discipline based on defined objectives with which all departments must gear their programmes.

(c) Creation of Competitive power because of marketing skills acquired with the technological advancement.

However, there are some limitations still, such as internal dissension, increased cost and lack of suitable personnel.

2.3 PRODUCTION CONCEPT

The production concept focuses on the factors necessary to manufacture or produce a product. The primary concern is in locating power supplies and machinery, adequate supply of raw materials, and the necessary labour. The idea that “supply creates its own demand” characterized this philosophy.

Kotler (1980) defined production concept as “a management orientation that assumes that consumers will favour those products that are available and affordable and therefore the major task of management is to preserve improved production and distribution efficiency”.

The concept has the following premises;

- Consumers are primarily interested in product availability and low price.
- Consumers know the prices of competing brands.
- Consumers do not see or attach much importance to or on price differences within the product class.

- The organization's task is to keep improving production and distribution efficiency and lowering costs as the key to attracting and holding customers.

Management uses the production concept when there is more demand than supply and manufacturers are able to sell all that they can produce. The attention of management here is focused primarily on improving production methods.

2.4 PRODUCT CONCEPT

In this concept management assumes that consumers will favour technically sophisticated products. Kotler saw this concept as a management orientation that assumes that consumers will favour those products, which offer the most quality for the price, and therefore the organization should devote its energy to improving product quality.

He started the following assumptions;

- Consumers buy products rather than solution to needs.
- Consumers are primarily interested in product quality
- Consumers know the quality and feature differences of competing brands.

- Consumers choose among competing brands on the basis of obtaining the most quality for their money.

A product is a set of tangible and intangible attributes, including packaging, colour, price, manufacturers prestige, retailer's services, which the buyer may accept as offering, want - satisfaction. The key idea in this definition is that consumers are buying more than a set of physical attributes. Fundamentally, they are buying want – satisfaction.

2.5 SELLING CONCEPT

This concept focuses on methods, which are to simulate consumers to buy. Thus, it starts with a firm's existing products and considers the task as one of using selling and promotion to stimulate profitable volume of sales. Also as competition increases and buyers became more aggressive the producers try in their effort to persuade the customer to buy their products. This concept depends on the hard sell technique, which uses emotional appeals and pressure tactics.

Kotler (1980) defined this concept as "a management orientation that assume that consumers will either not buy or buy enough of the organization's products unless the organization makes a substantial effort

to stimulate their interest to resist buying most things that are not essential. That:-

- Consumers have a normal tendency to resist buying most things that are essential.
- Consumers can be induced to buy more through various sales stimulating devices.
- The organizations task is to organize a strong sales oriented department as the key to affecting and holding customers.

2.6 MARKETING STRATEGY

Nigerian telecommunication business environment in recent years has become very competitive so that without the use of strategies, success in business may not be achieved. Business operations are becoming harder, more competitive and more intensive because of notable changes being experienced in our society today. With this nature of business environment, marketers must take a stand. Business organizations regardless of their sizes must endeavour to keep their present customers and struggle for more prospective ones with their offerings to the markets.

Nigerian society is influenced by complex environmental factors such as social, political, cultural, religious and economic forces where

interactions create new business environment. To achieve an appreciable degree of success in operation in Nigerian competitive business environment, marketers must devote a lot of time, money and energy to their development and implementation of marketing strategies.

At this stage, the clarification to make is to examine the term "strategy".

The word strategy, is derived from a latin word "strategies" used in military to mean, "the art of a general". This term has been adopted to solve marketing problems.

Andrew (1971:28)[12] defined strategy as: "The pattern of major objectives, purpose or goals, stated in such a way as to define what business it is in or it is to be and the kind of company it is to be. In a changing word, it is a way of expressing a persistent concept of the business so as to exclude some possible new activities and suggest entries into others."

The definition spelt out the concept and the process that can lead to the concept.

Furthermore, Gluek and Joach (1984:8)[13] see strategy as "a unified, comprehending and integrated plan that relates the strategic advantages of the firm to the challenges of the environment and that is designed to

ensure that the basic objectives of the enterprises are achieved through execution by the organization."

On the other hand, Hofer and Schendel (1978:25)[14] defined strategy as "the fundamental pattern of present and planned resource deployment and environmental interactions that indicate how the organization will achieve its objectives."

A strategy is therefore concerned with the long-term survival and growth of an organization. It involves the choice of objectives; the search for opportunities and the identification of the opportunities must be feasible given existing resources.

Rase and Keni (1973:132)[15] outline the important of strategy as "without a strategy the organization is like a ship without a rudder, going around in circles. It is like a tramp, it has no place to go."

With increasing risk and uncertainty of time in the business environment, organizations are turning to strategic marketing as a means for combining growth, profitability and validity of their firms.

According to Kotler (1980:272)[16] marketing strategy is "a consistent, appropriate and feasible set of principles through which a particular company hopes to achieve its long run customer and profit objectives in a particular competitive environment."

Giving his own definition, Kelly (1972:80)[17] defined marketing strategy as "the fundamental marketing logic by which the business unit intends to achieve its marketing objectives." This is done through;

(i) Well defined target markets, including the types of customers the firm wishes to reach and

(ii) The composition of the marketing mix.

Three strategic decisions are left when the market, resources available and the environment have been analyzed as objectives to be reached. The decisions are:

(a) Should we use a total market or market segmentation – product positioning approach?

(b) Should we attempt to differentiates our products in the minds of our existing and potential customers and how do we view our position in the market?

(c) What marketing mix strategy should we use? The first question is geared towards choosing target markets, and working out the opportunities in them. It is clear that to satisfy specific needs and requirements of every customer is not possible, hence there is the need to group customers

into similar needs and to reach them with distinct common market efforts.

If a marketer chooses to segment his market, as a base for segmenting, he may use any of the following criteria.

Geography – The market is subdivided into smaller units like country, region or states.

Demographic Variables – These include education, sex, income and nationality as means to segment his market.

Psychographics Variables – These include lifestyle and personality of individuals. This approach is a behavaiour's variable adopted to satisfy certain group of customers. to do this well, a marketer should segment based on where customers buy, why they buy (motives) when they buy (time), how they buy or the benefit which the consumer wishes to obtain from the use of the product.

The second question refers to competitive marketing strategies and their effectiveness. In this regard the company takes into consideration, factors such as company's competitive size and position in the market, the company's resources, objectives and policies, competitive strategies, the stage of the product life cycle etc.

In terms of market share, a company may assume any of the following: marketing leader like intercellular in CDMA Network, market challenger, market follower and market nicher.

The third question addresses the issue of marketing mix strategy which is a combination of manpower and other resources and inputs needed in the marketing programme to fullfil objectives and plans in the market plan.

2.7 MARKETING MIX STRATEGY

Marketing mix is the firm's total offering to the market, this includes internal elements of product, price, channels distribution, direct and indirect promotion and external elements of markets competition, other company products and programmes, and environmental factors. A marketer in forming his strategies must integrate all the elements.

Various attempts have been made to develop a list of the basis of marketing mix variables (a term used by Neil Bordern). No matter what criterion is used no real difference between one list of mix ingredients and others put forward in the literature, or in practice. Nevertheless, McCarthy has outlined a four factors classification called the 4ps in marketing (product, price, place and promotion).

The extent to which the marketing performance level as well as firm's ability to adopt changes depends on the manner in which each of the marketing mix components listed above is evaluated and implemented. To achieve a pure mix may not be possible, so firms need marketing strategies in order to blend marketing decision areas into optimal, or best possible combinations. The idea of blending a marketing offerings involves balancing the cost incurred against subsequent revenue derived from the product or service being distributed at various prices and communicated via different promotional programmes. In evaluating the elements, assessment should not concentrate on macro enviroment factors influencing these offerings but also impact of these offerings on the total environment. From this, the effectiveness of the marketing strategy will be determined. A marketer may adopt the following marketing mix:

2.7.1 PRODUCT STRATEGY

Urdell and Lazniak (1980:232)[18] see a product as "a bundle of potential satisfaction produced by nature and industry to be sold in the market place. As such the product usually has physical, psychological and sociological dimensions.

This concept of the product is not limited to the physical entities and services activities but of importance is the product policy decisions that give the firm a competitive advantage as well as control of all marketing. One of the principal purposes of all executives involved with product decisions is the development of a conscious effort towards matching product with the firm's resource capabilities. The focal point of a firm's marketing mix decision is the product policy decision.

Some other strategies that can be adopted by a firm are in the areas of the product life cycle, new product introduction and packaging. Each of these positions calls for distinct strategic approach.

A product strategy is only effective in strategic terms, when it is capable of earning sufficient returns during its total life-cycle in relation to the point of recovery of investment made on it. It is only at the point of recovery of investment that a firm can begin to address the question of extra returns or profit.

2.7.2 PRICING STRATEGY

This is a very difficult area when a marketing manager is called to make a decision. Arriving at an extra price and how to work it out so that it would not favour your competitor is a complex issue. The benefits for

the right price are sales, profits and an advantageous market position. Price in business is a measure of product or service. This is important because they shape business profits by indicating the margin between relevance and operating costs.

To say that profit maximization is the only key issue businesses strive to achieve may not be so correct because profit is just one of the several pricing objectives.

Price is the value of a product expressed in terms of Naira and Kobo. Pricing is the art of translating into quantitative terms the value of the product to customers at a point in time.

However, the notion of the value here is flexible and objective and is basically determined by the customer. Value may be concrete such as the cost savings of replacing a worn-out television with a new one. It may be intangible such as the owner's pride in having a car. The same product may have a different value for the same customer over time. Having a sport car may seem important to a 19year old, but by the time the person reaches 25 years, he may be more concerned with economy or safety.

Considering the objective of pricing, a firm may go for more than one objective at the same time. While if pursues maximum profits in the short and long run, it may also wish to maintain good relations with labour, the

government, and the consumers. It may wish to build a good image for the entire company even at the face of decreasing profits. The firm's pricing decisions will reflect all these objectives:-

PROFIT ORIENTED OBJECTIVES

Each time we talk of pricing decisions, the main goal is often to make a profit.

(i) **PROFIT MAXIMIZATION** – Each company no matter the size strives to maximize profits. There is nothing wrong with this, only the term "profit-maximization" has an ugly connotation. Each time the term comes up, it starts sounding like profiteering, high prices and monopoly.

However, what actually makes profit maximization useful from the economic point of view can be seen in the following explanation. If profits became unduly high because supply is short in relation to demand, new capital will be attracted into a field to better balance demand and supply. No monopolistic situation can exist indefinitely. People suddenly find substitutes as has happen in telecommunication industry in Nigeria. If a firm goes for a price that maximizes profits in short run, it may lose the opportunity to

establish a market cartel, thus leaving the field open for competition. To maximize profits over the long run, companies may have to accept short run losses.

(ii) **TARGET RATE OF RETURN ON INVESTMENT** – Many firms have a predetermined level of profit and work towards it. This is generally known as target rate of return on investments. This serves as a new product life. The actual market conditions in each industry dictate the target rate. Companies who use target return pricing set a rate of return that they consider satisfactory and then calculate a price level that will guarantee that rate if their plants are operating at close to full capacity.

(iii) **SATISFACTORY PROFITS** – Some firms are not interested in maximizing profits or in target rates. Instead they seek a satisfactory level of profits. Prices are determined from costs so that a satisfactory return on investment is forthcoming. What is considered satisfactory may change internal needs – need for increased production, stockholder pressure and other external needs like pressure to clean up the environment.

VOLUME ORIENTED OBJECTIVES

Firms strive for variety of volume-oriented objectives. In most cases, the more the volume of sales of a particular firm, the more idle spread consumer acceptance of the firms products.

(i) Maximization of Sales Revenue – Many businesses have traditionally pursued maximum sales revenue through high volume of sales. Common sense has it that sales growth is a positive business indicator that high sales lead inevitably to high profits and that high production levels build a sizeable workforce. However, recession and economic shortages have resulted in re-examination of this volume-oriented thinking. Firms have realized that sales growth does not necessarily lead to higher profits. Certain product lines with high marginal cost may be popular with customers, but may yield only limited profits for the firm.

(ii) Maximization of Market Share – The pricing policy of a firm is geared toward maximizing the firm's market share when volume is increasing, but when the firm's competitions are fast increasing and multiplying, a false sense of security may prevail. To offset this danger, firms keep a close watch on

their percentage of market share. In a competitive market situation, firms reduce their prices in order to maintain their share of the market.

(iii) Maximization of Customer Volume – A business firm may choose to offer unusually low price in order to increase dramatically the number of customers using its products changes with each stage.

During the introductory period, the marketer must stimulate primary demand – demand for the product itself, rather than for a particular brand. Here the objective is to create awareness and advertising is the best to build demand. Personal selling is also useful if the product is to be pushed through the market. Trade shows, fairs and conventions also help to push the product through the trade or channel members. Publicity is often useful at the introductory period as it works to dismantle resistance and negative attitudes to the new idea.

During the growth phase the marketer is all out for higher volume and a greater share of the market. The promotional mix at this point demands increased advertising. But unlike the initial phase, the message has to change from information to persuasion. Marketers now face keen competition and they must emphasize the benefits and advantages of their

products over competition. Selective demand creation is the aim of advertising at this stage.

In the maturity and saturation phases, a balanced promotion mix is used to maintain the sales level. During the decline stage however, new products overtake old ones, which are finally abandoned. Unless sales can be revived by a change in the market or by repositioning the product, promotional expenditures are usually reduced substantially or eliminated during this stage.

2.8 PROMOTION STRATEGY

Commenting on the promotional strategy, Bush and Houston (1985:625)[19] noted that promotional strategy of an organization covers all marketing strategies designed to communicate to the market place usually through a set of activities, the nature of the organization and its marketing effort.

People act and react based on the information received. Therefore, promotion must persuade buyers that positive consequences will be realized from consumption of the firm's product and that these consequences are more positive than those of competitors brands.

Components of promotion include advertising, sales promotion, personal selling, packaging, public relations and publicity. They are sometimes referred to as the promotional mix.

The distribution strategy of a firm is the channel structure used to transfer products and services from an organization to its markets. According to Nwokoye (1981:13)[20] distribution channel is "the combination of institution through which a seller markets his products to the ultimate buyer. By institution, we mean middlemen like distributors, retailers and agents."

Bucklin (1976:86)[21] defined marketing channel as "comprising a set of institutions which perform all activities (functions) utilized to move a product to its market and its title from production to consumption.

In handling distribution, a marketer has three major decision areas to focus his attention. These include the choice and length of channels, the intensity of distribution to be adopted and the physical distribution strategy. In the first place, the marketer decides on the nature of channel members he wishes to employ. Taking decision on this aspect is greatly influenced by the nature of his products, the size and nature of customer demands, the price of size and nature of customer demands, the price of unit sale and the extent of the seller's product line.

The second decision variable centred on the area of trade channel policy. A marketer decides on selective distribution, which is policy of selecting a limited number of retailers or wholesalers and working closely with them to further the sales of his merchandize.

The last element in the distribution mix is the physical distribution. The role of marketer is to map out strategies relating to transportation, storage, warehousing, inventory control and other logistic decisions involved in moving the goods from the place of production to the ultimate consumer or user.

Distribution strategy must be coordinated and carried out most efficiently and effectively because most of the cost of marketing is tied to the cost of distribution and relative efficiency will mean substantial decrease in the total cost of marketing, which must be reflected in the prices of goods and services.

To be successful therefore, management must coordinate and integrate all the marketing efforts usually the 4ps in such a way that the sum total of the results obtained is promising. The integration and coordination should go beyond marketing functions to include other functional areas of the firm. Through this the company can be able to reap the opportunity available to it.

2.9 THE PROCESS OF FORMULATING AND IMPLEMENTING MARKETING STRATEGY

The marketing manager bears the primary responsibility for formulating and implementing strategic marketing plans for individual product market entries. Though their freedom of action in designing such plan is often constrained by the firm's corporate and business level strategies.

The five stages involved in the process of formulation and implementation of marketing strategy are as follows:-

1. Environmental Analysis

In order to be able to establish feasible goals and objectives, an organization must first search its environment for opportunities that may be viable for exploitation. It must scan the environment for resources that it will need to tap and exploit the identified opportunities. Marketers must therefore device an information system for diagnosing the environment for possible opportunities that could be exploited and this will be guide for developing the appropriate marketing strategies.

2. Business Objectives and Strategy

The establishment of goals and objectives is probably the most important step in the development of a marketing strategy. It involves determining what an organization intends to achieve from a particular marketing programs. Establishing goals, and objectives is probably the most difficult step in the formulation of marketing strategies.

3. Business Level Objectives and Strategy

Specific performance targets are needed in all areas affecting the survival and success of an enterprise, and they are needed at all levels of management.

The act of establishing a formal objectives at all level will guards against drift, aimless activity, confusion over what to accomplish, and loss of purpose. It will also specify the market position and competitive standing, annual profitability target and any other yardstick by which strategic marketing success will be measured.

4. Marketing Opportunity Analysis

A major factor in the success or failure of a marketing strategy at any level is whether it fits the realities of the firm's market environment. Thus,

in developing a marketing strategy for a product, the marketing manager must first assess and analyze the opportunities and threats that the market environment will present.

5. Formulating Strategies for Specific Market Situation

In this regard, four of such market situation will be examine as follows:-

(a) Strategies for new market entries: Two crucial strategic issues that confront a firm that is entering a new market are – how to acquire the resources needed to support a growth and build strategy, and what market segments and competitive advantage to go after in preparing for a competitive shakeout. The form of the growth and build strategy has to match the firm's situation and the characters of the industry itself – it can emphasize differentiation or low cost strategies.

(b) Strategies for growth Markets – Industry growth cannot go on forever. The transition to a maturity industry environment does not occur after any fixed period of time, and it can be forestalled by innovations or other driving forces that can renew rapid growth.

Some strategic moves that characterize maturity industries are pruning the product line, process and product innovation, and expanding internationally

(c) Strategies for mature and declining market – Many firms operate in industries where demand is growing slower than the economy or is even declining.

In general, three themes characterize the strategies of firms that have succeeded in stagnant industries. Firstly, pursuing a focus strategy by identifying, creating and exploiting the growth segments within the industry. Secondly, emphasize quality improvement and product innovation and lastly, work diligently and persistently to improve production and distribution sufficiency.

(d) Strategies for competing in global market – A global industry is one for which the market place is worldwide and major firms are driven to employ some type of worldwide competitive strategy. There are three basic strategies options for gaining global coverage, such as Licensing, maintaining a foreign production base, exporting goods to foreign countries, and lastly, establish foreign based plant and distribution networks.

The four generic approaches to competing on a global scale are – broadline global competition, a global focus strategy, a nation by nation focus strategy and a protected niche strategy.

(e) Implementation and Control – For strategy to be effective, it must be beyond the allocation of resources to achieve organization objectives. It must be accompanied by strategic thinking that also includes designing an appropriate organizational structure, a budgetary system. Finally, control measure should also be put in place for assessing performance against standard.

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CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 INTRODUCTION

Research is simply the process of arriving at dependable solutions to problems through planned and systematic collection, analysis and interpretation of data (Osuala E.C. 2005).

3.2 RESEARCH DESIGN

The purpose of a research design is to indicate what observation to make, how to make them and how to analyse the quantitative aspects of the observations. This research study has been designed inline with Historical, Observational and Situational Analysis Case Study Method.

Thus, the design is to lay emphasis on the development of the organizational system over time, the study of the various systems and units using a variety of observation and interview methods as the major tools and the analysis of events in a particular unit of system.

The design will cover the following areas:

- Types of data, method and sources.
- Determination of sampling size.
- Sampling techniques.

- Questionnaire design and Administration.

3.3 SOURCES OF DATA

The sources of data for this research work include: primary and secondary sources. The primary sources of data for this study were mainly questionnaire observation and in-depth interview. The questionnaire is a device for obtaining answer to relevant research questions by which the respondents fills by himself or herself the questionnaire forms.

In-depth interview is a conversation between the researcher and the respondent with the purpose of getting certain information from the respondent.

The secondary sources on the other hands are mainly appropriate books and publications from which relevant portions were used. These involve data obtained from existing sources of information such as journals, textbooks, company publications and websites.

3.4 STUDY POPULATION AND SAMPLE SIZE

Population is a common phenomenon, which has been used as an aggregate of elements from which the sample is actually selected. On the other hand, a sample is any representation part of the population. The

information supplied by this sample unit is then considered as applying to the whole universe or population. (Chisnall, P.M. 1973,).

The target population of this study is staff of Intercellular Nigeria plc. However it may not be possible for a researcher to collect data from every member of the population, therefore, the researcher decided to select two categories of people considered as, stakeholders in the subject matter of our research that is Intercellular management and staff in Zaria, Kaduna and Abuja.

A total of 150 questionnaires were administered and were drawn to prove or disapprove the hypothesis drawn.

3.5 METHODS OF DATA COLLECTION

The instruments used for the collection of data for this study were questionnaire, in-depth interviews, observations and consultations of documentary services.

The questionnaire was used because of the economy it offers in terms of time and effort and its ability to demand for data in a uniform manner from all the respondents and the questions were open-ended.

The consultation of documentary materials especially Intercellular publication serve as secondary data and was to supplement the data collected through questionnaire.

Flexibility and instant supply of data by the respondent was a major advantage of the in-depth interview method adopted for the study. The interview was structured earlier on, but along the line the respondents answer to some questions triggered off different questions outside the structure. Observation in this sense is a direct encounter with the subject matter, since the researcher is an employee of Intercellular Nigeria Plc.

3.6 METHODS OF DATA ANALYSIS

Analysis is defined as the ordering and breaking down of data into constituent parts. It involves searching for trends and patterns of associations and relationships among data. (Osuala, 2005).

The techniques for data analysis for this study include the simple descriptive percentage method and chi-square methods. The percentage methods is for the comparism of respondent that responded for, or against a particular question in relation to the overall respondents expressed as a percentage in order to see the pattern of response.

The chi-square method is used in testing a hypothesis concerning the differences between a set of observed frequencies of a sample and a corresponding set of expected or theoretical frequencies.

It is represented by the following formula:

$$X^2 = \frac{(FO - Fe)^2}{Fe} \quad \text{or} \quad \frac{(O - e)^2}{e}$$

Where x^2 = chi-square

FO = Observed frequency

Fe = Expected frequency

The nine-five (95%) percent confidence interval is used.

Where computed value is greater than critical value at 0.05 level of significance, we reject the Null hypothesis and accept the alternative and vice versa.

3.7 GENERAL SCOPE OF TELECOMMUNICATION INDUSTRY IN NIGERIA

Telecommunication in Nigeria started by the National Telecommunication Network NITEL, NITEL was originally known, as P and T before it was remained NITEL. Telecommunication services in Nigeria have their humble origin or beginning in the simple high frequency morse

wireless signaling telegraph system, and complemented later on a long distance open wire-head trunk telephone telegraph line signaling system.

The Nigerian Postal and Telecommunication actually started in 1851 as a small organization handling very limited services and to support the colonial administration. The communication facilities came later than postal services and began as administrative link between colonial administrative centers within the country in 1923, and extended to major cities in 1928. Then, three-channel line carrier system was in use. Communication was administered by the Public Works Department (PWD) up to 1906, and by 1907 the Post and Telegraph (P & T) department was created since the postal and telecommunications services have been expanded through the national development plans. For decades, successive governments tried through various development to improve the organization in Nigeria. In 1960 there were only 51,000 telephone lines, two decades later the network capacity was 200,000 an indication that the oil boom era of 1970's did have some meaningful impact on the development of telecommunication facilities. This increase manifested in the lines to 750,000. The demand and the consciousness might have been a spill over effect of the late 1960's and early 1970's when the nation witnessed a boom in the country due to oil wealth.

Nigerians therefore used to enjoying some facilities virtually free of charge, some were even categorized as “social services,” e.g,. water, electricity, telecommunications, education and health. In 1984 a committee was set up by the ministry of communication to examine the administrative framework with which the telecommunication and postal services were being delivered to the nation.

The committee recommended a break up of then P and T department and merger of Nigerian External Communication Limited (NET) with the telecommunication areas of the P & T into a New Liability Limited Company called Nigerian Telecommunication Limited (NITEL).

Thus, in 1984, the Nigerian Telecommunication Limited (NITEL) was incorporated as Limited Liability Company under the 1968 companies act. On the 1st January 1985 NITEL was set up as an amalgamation of the Telecommunication division of the defunct P & T department and Nigeria External Telecommunication Limited (NET). In 1992 NITEL was commercialized following a tripartite agreement between it, the government and the Technical Committee on Privatization and Commercialization (TCPC). In 1996, the provision of mobile services was eased from NITEL to form Nigerian Mobile Service Telecommunication Limited (M-TEL), and the same such private Telephone Operators (PTO)

like intercellular was licensed to operate CDMA Network. M-TEL however, was re-merged with NITEL in February 2001, the same year other licenses was issued to mobile Telecommunications Companies of MTN, and ECONET to operate GSM Services in Nigeria (NITEL 1996)[22]

3.8 INTERCELLULAR NIGERIA PLC, HISTORY AND BUSINESS

Intercellular is a public limited liability company owned by a group of private Nigerian Investors. It was incorporated in December 1992 under the Companies and Allied Matters Act and licensed in 1996 by the Nigerian Communications Commission (NCC), to among other things, provide and operate fixed wireless and Limited Mobility Telecommunications Services through the Wireless Local Loop (WLL) system.

The company operates three networks namely; Lagos in the south-west with a 25,000 line capacity switch, port Harcourt in the south-south of Nigeria with the capacity of 10,000 lines and Abuja with a 10,000 line capacity network, Zaria etc. Intercellular was the first fixed wireless operator since the deregulation of telecommunication industry in Nigeria, to open locations outside Lagos.

Intercellular came into being at the most critical and hostile phase in the political evolution of this country, when Nigeria was labeled a no-go area in the world's business and political capitals.

Although the company was duly incorporated under the nation's companies and Allied Matters Act in 1992, the practical journey towards realizing the business of telecommunications services actually began in 1996. That was when a cream of business driven private entrepreneurs and investors started to throw in every penny they have toiled for, to ensure the realization of contributing to bridging the telecommunications divide in the country through a gradual process of building a wireless Nigeria.

October 22, 1997 marked the turning point in the journey, when the first batch of CDMA infrastructure for Lagos Network Service arrived the ports. In no time, the tons of crates of switch, CBSC and BTS equipments were cleared and thus began installation of switch base stations at the various centers.

On Tuesday, January 20, 1998 the First mobile to mobile test call was successfully carried out at about 4pm. The signal was not only very clear, the voice quality was a sound testimony of the spectacular technological superiority of the CDMA system which today is the bedrock of

our national wireless telecommunication vision. There could not have been a better choice of any other technology, more superior than the CDMA. Indeed, there was no other choice given the very peculiar nature and circumstances of our national infrastructure development and investment.

The company promoters were driven by the desire to make a difference in the nation's telecommunications business. In a country of nearly 120 million people occupying a landmass of about one million square kilometers, there is actually very little to cheer of such with then barely 1,000,000 telephone lines deployed by NITEL and the private telecommunications operator. There was therefore no choice but to take advantage of the gradual window of liberalization, thanks to the administration of chief Olusegun Obansenjo who have continue to keep faith with the policy through which Nigerians have been empowered with the right choice.

As part of the company network build-out and continuous expansion programme, the Lagos network has been expended to 50,000 line capacity to cope with the market growth, Additional cell sites plus a brand new controller base station center (CBSC) has been added to Lagos Network to offer greater network capacity, sustained build-out and efficiently coverage performance. The part Harcourt network has also been expended towards

extending services to the commercial cities of Aba, Onitsha and environs. Other cities in Nigeria such as kano, Zaria, Maiduguri, Kaduna, Keffi and Minna have equally been covered by intercellular Nigeria Plc.

In line with the vision of the company, the prayer of intercellular Nigeria Plc is “O, God grant us the wisdom to appreciate the true nature and value of money and its limits. Give us the integrity to acquire it by legitimate means, And the Guidance to use it properly in the service of God and that of Humanity. Direct us to serve our customers satisfactorily by fulfilling their needs in the cause of our Business.”

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.0 INTRODUCTION

These are data collected by means of questionnaires administered on the management and staff of intercellular Nigeria Plc at Abuja, Kaduna and Zaria.

4.1 ANALYSIS OF DATA COLLECTED

A total of 150 questionnaire were administered to the management and staff of intercellular, out of these 150, only 115 was returned thereby giving 76% response which is enough to form opinion.

Table 1. Sex

Responses	No. of respondents	Percentage
Male	80	70
Female	35	30
Total	**115**	**100**

Source: Field survey 2006

The above table shows that majority (70%) of the respondents were males, while only 30% were females.

Table 2: Have your company been marketing your services?

Responses	No. of Respondents	Percentage
Yes	115	100
No	-	-
Total	**115**	**100**

Source: Field survey 2006

The table above (Table 2) indicates that all the (100%) respondents agreed that the company has been involved in Marketing of its services. Which means they are all aware of the marketing activities of the company.

Table 3; What are the marketing activities you emphasize more?

Responses	No. of Respondents	Percentage
Sales target	65	57
Service portfolio	30	26
Combination of both	20	17
Total	**115**	**100**

Source: Field Survey 2006

Table 3 shows that majority of the respondents (57%) agreed that the company applies sales target more in their marketing activities while 30 of the respondents (26%) agreed on service portfolio, but only 17 percent

of them agreed that the company applies the combination of sales target and service portfolio. This indicates that the company lays more emphasis on sales target.

Table 4: How do you evaluate the effectiveness of your company marketing activities?

Responses	No. of Respondents	Percentage
Through profitability	60	52
Number of customers served	55	48
Total	**115**	**100**

Source: Field survey 2006

The above table indicates that simple majority (52%) of the respondents said they evaluates the effectiveness of their company marketing activities through profitability, while close to the average of the total number (45%) said it is through the number of customers served. This shows that the company relied on both profitability and volume of customers. And that means the two are related to each other and are very important.

Table 5. Does your company experience more sales through promotional activities?

Responses	No. of Respondents	Percentage
Yes	75	65
No	40	35
Total	**115**	**100**

Source: Field survey 2006

Majority of the respondents (65%) of the respondents agreed as could be seen from table 5, that their company experience more sales through promotional activities.

The rest of 40, that is 35 percent of the respondent does not agree that the company's promotional activities increases sales. This may be inferred that though intercellular sales increases through promotional activities, yet even without further promotion the company may still record sales.

Table 6: How significant does your pricing strategy influences the marketing of your service?

Responses	No. of Respondents	Percentage
Very significant	55	48
Significant	40	35
Not significant	20	17
Total	**115**	**100**

Source: Field survey 2006

The table above indicates that 55 of the respondents (48%) were of the opinion that intercellular pricing strategy influences the marketing of the company services to a very significant level. 40 of them said it has just significant influence while 20 (17%) were of the opinion that it does not have any significant influence. This shows that majority of the respondents (83%) have the opinion that the company pricing strategy has influence on its services marketing.

Table 7: How significant does your distribution Channel influence your marketing?

Responses	No. of Respondents	Percentage
Very significant	50	43
Significant	50	43
Not significant	15	14
Total	**115**	**100**

Source: Field survey 2006

The above table indicates that 86% of the respondents (100) agreed that the distribution channel of intercellular influence its marketing. Only simple minority (14%) were of the opinion that the distribution channel does not influence marketing of service. It is then obvious that intercellular need efficient distribution system and policy to be able to market its services, though the service is wireless, yet the recharge card which is the source of revenue need to be at the right customer at the right time, also the base stations need to be installed at the right place.

Table 8; Does your marketing strategy help to gain more customers?

Responses	No. of Respondents	Percentage
Yes	85	74
No	30	26
Total	**115**	**100**

Source: Field survey 2006

The table above (Table 8) indicates that majority of the respondents (74%) agreed that intercellular marketing strategy helps to gain more customers. Only 36 percent disagreed to this. That shows the company marketing strategy is effective since it helps to gain more customers.

Table 9: Is there a benefit that telecommunication companies will gain by initiating and implementing market driven strategies?

Responses	No. of Respondents	Percentage
Yes	86	75
No	29	25
Total	**115**	**100**

Source: Field survey 2006

Table Nine shows that very many majority of the respondents (75%) agreed that telecommunication companies have a genuine benefits to gain by initiating and implementing marketing driven strategies. Only 29 (twenty five percent) disagreed to this. This has confirmed the previous opinions of respondents that pricing strategy and distributional policy of intercellular, which is among the core activities of marketing influences marketing of the company, services. In that case telecommunication companies should effectively pursue marketing driven strategies.

Table 10: Does your sales management affect your company's objective?

Responses	**No. of Respondents**	**Percentage**
Yes	80	70
No	35	30
Total	**115**	**100**

Source: Field survey 2006

The table above indicates that majority of the respondents agreed that the company sales management system affect the attainment of the company objective only 30 percent disagreed to this. This means for intercellular to attain its objective, the company must manage and

implement its sales efficiently. Sales is the major means of increasing revenue and revenue is the major tool to achieve return on investment through profit maximization, which is the major objective of any business enterprise like intercellular.

4.2 TEST OF HYPOTHESIS

The chi-square was used in testing the hypothesis concerning the difference between a set of observed frequencies of a sample and a corresponding set of expected frequencies. It is computed as follows:

$$X^2 = \frac{\sum(fo - fe)^2}{fe}$$

where fo = observed frequency

fe = Expected Frequency

The degree of freedom for the test can be obtained using the formula below:

Df = (R-1) (c-1)

Where df = Degree of freedom

R = Number of Rows

C = number of columns

Then expected frequency for each cell was arrived at by dividing the total number of scores of the observed frequency by the numbers of rows available 115/2= 57.5

Question 8; Raised in the questionnaire and table 8 are considered relevant for testing the hypothesis raised in chapter one.

Responses	**No. of Respondents**	**Percentage**
Yes	85	55.5
No	30	57.5
Total	**115**	**100**

Fo	Fe	Fo – fe	$(fo-fe)^2$	$\sum(fo - fe)^2$
85	57.5	27.5	756.25	13.15
30	57.5	-25.5	756.25	13.15
				26.30

The calculated x^2 = 26.30

Assuming 5% (0.05) level of significance the degree of freedom (df) in contingency table is obtained,

Df = (R-1) (C-1)

Therefore, df = (2-1) (2-1)

df = 1 x 1

df = 1

Using, 0.05 significant level the value of x^2 in the table = 3.84

DECISION

The decision rule is that if the calculated value is greater than the critical value, (value in the table), then we reject the Null hypothesis and accept the alternative hypothesis. But if the calculated value is less than the value in the table, we accept null hypothesis and reject the alternative hypothesis.

Therefore, since the calculated value is greater than the value in the table, we would be right to accept the alternative hypothesis (H_1) which stated that “intercellular marketing strategy helps to gain more customers.

4.3 SUMMARY OF FINDINGS

The analysis of the responses to the questionnaires administered clearly revealed that successful design of marketing programs and strategies must begin with an understanding of customer satisfaction.

Respondents quite agreed that in marketing telecommunication services promotional activities and good pricing strategy help to influence sales. Eighty three percent of respondents were strongly of this opinion. Furthermore, analysis (see table seven) obviously indicated that intercellular need efficient distribution system and policy to be able to market its services.

Success today in marketing demands a radical shift from the “peddler” mentality of merely demonstrating products/services and expending on their customers as a full participant in the process. Effective marketing strategy must recognize who the customer is, where does the customer stay, and how to reach the customer at the right time and right place.

In line with this, our hypothesis proved that intercellular marketing strategy helps to gain and maintain more customers. That means the company marketing strategy is in line with the demands of modern marking.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 SUMMARY

This research study has emphasized the fundamental essence of marketing strategies adopted in Nigeria Telecommunication Industry, with reference to Intercellular Plc. The objective of the study was to ascertain the effectiveness and efficiency of the company's marketing strategies in meeting customer's needs, want and expectations. The study's findings clearly revealed that successful design of marketing programs and strategies must begin with an understanding of customer satisfaction. And that in marketing telecommunication services, promotional activities and good pricing strategy helps to influence sales, hence intercellular need efficient distribution system and policy to be able to market its services.

The study was divided into five chapters. In chapter one the research topic was thoroughly introduced giving an insight into the background of the study, the statement of the problems, the objectives, scope and significance of the study.

Chapter two reviewed literatures and texts written by scholars and researchers relating to the study. Chapter three was basically on research

methodology adopted for the research. While chapter four was the presentation and analysis of data basically aimed at testing the validity of the hypothesis formed and analysis of opinion of respondents.

Finally, chapter five summarizes the findings of the research. Conclusion was also made with some basic recommendations that may improve the marketing services of telecommunication companies in Nigeria.

5.2 CONCLUSION

From the data collected and analysed, it has been discovered that marketing management has a considerable role to play in enhancing sound, telecommunication business through effective concept formulation that involve both the marketing plan, strategies, and other relevant promotional activities. The study discovered that effective use of promotional activities such as sales promotion and advertisement really help to create awareness about the products and services of telecommunication companies and increase sales and consumer loyalty. Furthermore, channels of distribution to a great extent goes along way to determine the sales return and market share, in the telecommunication companies since the recharge cards are needed in various places.

5.3 RECOMMENDATIONS

Based on the findings of this research study, the following recommendations are hereby made with the believe that they will help in solving the problem of marketing telecommunication services not only to intercellular Plc but also other firms in the industry.

(1) Most of the sales promotion activities of the Intercellular are done through advertisement, we recommend therefore that the company should adopt the system of engaging into new promotional activities like performing contest, special sales prices and material display as this will aid the customers to identify the company's services easily.

(2) Intercellular should emphasize on personal selling, especially to the bigger agencies and companies. Personal selling is a very important aspect of presenting company services/products because its oral commercial presentation help customers to recognize, identify and understand the good idea been presented to them.

(3) The company's pricing strategy should be considered with much care, since people are now much more price conscious than quality alone. The company should try to charge considerable price and lower sum, to reflect the present economic scenario in Nigeria and encourage the masses to patronize more of its services.

(4) The company should adopt more diverse distributional channel of its products/services to more retail areas. That is, opening more local service areas to capture the unknown market.

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APPENDIX

Department of Business Administration,
Ahmadu Bello University,
Zaria, Nigeria.
November 13th 2006.

Dear Sir/Madam,

A REQUEST TO COMPLETE/FILL QUESTIONNAIRE

I am a postgraduate student of Ahmadu Bello University, Zaria, carrying out a research on "THE EVALUATION OF MARKETING STRATEGIES IN THE TELECOMMUNICATION INDUSTRY – A CASE STUDY OF INTERCELLULAR NIGERIA PLC" in pursuance of degree of Master of Business Administration (MBA).

You are please requested to complete this questionnaire. The information gathered shall be treated with utmost confidence and used purely for academic purpose.

Thank you for your anticipated co-operation.

Yours faithfully,

Muhammad Munir Idris.

QUESTIONNAIRE

Please 'tick' against the answer you choose for each question.

1. Sex

   (a) Male [ ] (b) Female [ ]

2. Have your company been marketing your services?

   (a) Yes [ ] (b) No [ ]

3. What are the marketing activities you emphasize more?

   (a) Sales target [ ] (b) Service Portfolio [ ]

   (c) Combination of both [ ]

4. How do you evaluate the effectiveness of your company's marketing activities?

   (a) Through profitability [ ] (b) Number of customers served [ ]

5. Does your company experience more sales through promotional activities?

   (a) Yes [ ] (b) No [ ]

6. How significant does your pricing strategy influence the marketing of your service?

   (a) Very significant [ ] (b) Significant [ ]

   (c) Not significant [ ]

7. How significant does your distribution channel influence your marketing?

   (a) Very significant [ ] (b) Significant [ ]

   (c) Not Significant [ ]

8. Does your company's marketing strategy help to gain more customers?

   (a) Yes [ ] (b) No [ ]

9. Is there a benefit that telecommunication companies will gain by initiating and implementing market driven strategies?

   (a) Yes [ ] (b) No [ ]

10. Does your sales management affect your company's objective?

    (a) Yes [ ] (b) No [ ]