STRATEGIES FOR MARKETING TEXTILE PRODUCTS IN NIGERIA
A CASE STUDY OF UNITED NIGERIAN TEXTILE PLC, KADUNA

BY

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DECLARATION

I hereby declare this work to be my personal efforts. All references have been duly and gratefully acknowledged.

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STUDENT	SIGNATURE	DATE

CERTIFICATION

This project entitled "The strategies for marketing textile products in Nigeria: A case study of United Nigerian Textile Plc" by Akam, Comfort Effiong meet the regulations governing the award of the degree of Master of Business Administration (MBA) of the Ahmadu Bello University and is approved for its contribution to knowledge and literary presentation.

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DEDICATION

Dedicated to Akam and Family

ACKNOWLEDGMENT

I am grateful to God Almighty for making it possible for me to undertake this programme in the first place.

My special thanks and appreciation goes to my supervisor Mrs. Akanet whose patience, guidance and constructive criticism made this work a success.

I also wish to thank my lecturer Mr. A.B. Akpan (for his advice and encouragement) without whose help I would not have been able to run the programme.

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ABSTRACT

This work is an attempt to look at the marketing activities of United Nigeria Textile Plc as a case study. The study is aimed at identifying those marketing strategies adopted in the company for the survival and profitable operation of the company.

We are faced with high cost of production today, the threat of recurring recession and inflation and increase government regulation. Some industries face intensive foreign competition and others have to contend periodically with shortages. People values are fast changing. There is a growing demand for a better quality of life. There is concern about our social and physical environment.

These social and economic changes pose major challenges to business in general and marketing in particular. Business firm must develop a societal orientation and awareness of their social responsibilities. At the same time, they must satisfy consumers want and generate profit for their firms.

To carry out this work successfully, questionnaire and interview were used.

Finally, I wish to extend my appreciation to all members of my family (brothers and sisters) for their patience and understanding and even their prayers and financial support which saw me through the trying periods. May the Lord preserve them.

The fact were gathered from respondents and analyzed. From the study, it was found out that the current marketing, operation of UNT Plc have much to be desired. For instance, the marketing department should wake up to its responsibilities, narrow view of the marketing strategies and lack of market research system should be addressed.

The finding of this thesis is concluded by giving some recommendation on how best to improve on the effectiveness of the marketing operation under the present economic conditions.

TABLE OF CONTENTS

TITLE PAGE	.. ..	i
DECLARATION	.. ..	ii
CERTIFICATION	.. ..	iii
DEDICATION	.. ..	iv
ACKNOWLEDGMENT	.. ..	v
ABSTRACT	.. ..	vii
TABLE OF CONTENT	.. ..	ix
LIST OF TABLE		

CHAPTER ONE

1.1	Introduction	1
1.2	Statement of the Problem	4
1.3	The objective of the study..	4
1.4	Scope of the study	5
1.5	Research Methodology	5
1.6	Limitation of the study	6
1.7	Significance of the study	6
1.8	Definition of terms	8

CHAPTER TWO - LITERATURE REVIEW

21.	Introduction	11
2.2	The origin of Textile Manufacturing in Nigeria	14
2.3	Factors affecting Textile Production and sales in Nigeria ..	16
2.4	An assessment of the effectiveness of Policies and strategies in Textile companies	20
2.5	Application of marketing mix strategy in marketing textile products in Nigeria	34
2.6	Summary	46

CHAPTER THREE: HISTORICAL PERSPECTIVE OF UNITED NIGERIA TEXTILE PLC

3.1 Origin of United Nigeria Textile Plc 49
3.2 Objective of United Nigeria Textile Plc 51
3.3 Organizational structure 53
3.4 The structure of the marketing department 54
3.5 Operational performance of the company's marketing department 55
3.6 Marketing problems of United Nigeria Textile Plc 56

CHAPTER FOUR - RESEARCH METHODOLOGY

4.1 Introduction 58
4.2 Types of Data 59
4.3 Research Method used 60
4.4 Data Collection 61
4.5 Data analysis 62

CHAPTER FIVE - DATA ANALYSIS

5.1 Analysis of data obtained through the questionnaire 63
5.2 Analysis of data obtained through personal interview 71
5.3 General Discussion on the findings 77

CHAPTER SIX - RECOMMENDATION, SUMMARY AND CONCLUSION

6.1 Recommendation 80
6.2 Summary 81
6.3 Conclusion 86

References
Appendixes

CHAPTER ONE

INTRODUCTION

Probably the most fundamental motivation, direct or indirect, for all company actions is survival. And although the possibility of not surviving may seem utterly remote to a highly profitable market leader; it will be foolhardy a rapidly changing environment that any company would in the extreme not plan for future possible deterioration in the profitability of the product which at present make the operation viable.

Such is the situation presently faced by all industries, including textile industries in this period of economic recession in the country. The survival and attainment of a company's objective therefore, will depend on its product lines and the capacity to develop new improved products. These are the hallmark of a well-managed company, and they underline the critical importance of correctly appraising the emerging environmental changes in order to discover new needs and means necessary to satisfy them.

Every firm should have corporate objective (s) for staying in business. If the objective is to make profit, then it is only logical that it produces something that will be acceptable to its customers. The only route a firm chases to achieve its goals is through the product or range of products it offers its chosen market segments. In Nigeria as in any other country, it is the overall responsibility of management of business organization or marketing institution to see that the product of the firm are marketed effectively and efficiently for the continuous survival of such business

organization; otherwise inefficient and ineffective marketing of the firm's product will lead to loss of market share and profit and the organization may find it hard to survive.

Nigerian business environment like any other is constantly being influenced by complex and uncontrollable environmental factors in terms of sociocultural, technological, economic, political/legal and competitive factors. Therefore, for any market organization to achieve an appreciable degree of success the organization must devote a lot of time, money and energy to the development and implementation of marketing strategies. This is necessary since Nigeria business environment is becoming more competitive, more business organization are diversifying into various sector of the economy thereby erasing the existence of monopoly which is now becoming a thing of the past in business practice in Nigeria. In the case of textile product similar problem of high competition is being experienced in the marketing of such product. As a result therefore a lot of marketing concepts and strategies are now being introduced to ensure that such business dealing with textile productscan survive and make profit like other business in other filed in Nigeria economy.

It is clear now in Nigeria that textile companies need marketing officers more than before to develop, implement and manage marketing strategies for success in business operation in view of the current economic situation in the country, where government is implementing a lot of measures to revive the economy, some of these measures leads to skyrocketion of prices of items in the market, reduction in consumers purchasing power, under capacity utilization, idle capacity among others. The impact of these economic measures has taken tolls on millions of as their

purchasing power shrink daily. The consumers response has consistently been cautioned and on many cases clearly negative, consumers now seek the most ingenious and qualitative substitutes including abstinence in response to company's unsatisfactory marketing efforts. Furthermore, textile companies at this time are facing the problems of poor accessibility to credit lines, high interest rate on bank loan and daily fluctuation of the value of Naira in relation to major hard currencies of international recognition especially U. S. Dollars and Britain pound sterling resulting in forthrightly changes in price list of textile product which most of these companies find it hard to convince their customers.

As a result of these, most textile companies cut down on production which leads eventually to retrenchment of workers and even the complete closure of some companies. Presently, there are different brands in textile product markets that are chasing relatively few buyers. Thus necessitate the application of marketing mix strategies such as promotional tools particularly sales promotion, advertising and personal selling all needs to be intensified; product must be of high quality standard prices have to be strategically decided upon and distribution channel must carefully be selected, designed to be in line with customers outlet patronage preferences.

This issue of marketing mix strategies has been of a particular interest to the researcher hence the choice to examine the adequacy of current approach to strategies for marketing textile product which is also the major determinant of the company's sales volume, profit growth and overall survival.

United Nigeria Textile Plc established in January, 1964 has been chosen as case study

to enable the researcher appreciate the extent to which strategic marketing is being managed in the face of the current economic realities. To do this, the work is divided into six chapters.

STATEMENT OF PROBLEMS

The textile industries, like any other industry in Nigeria has been experiencing hardship since mid 80s probably due to certain reasons among which are unprofessional manner in which marketing seems to be carried out generally in textile industry especially in the face of the current increase in the level of competition, coupled with severe devaluation of the Naira, difficulty in obtaining import licence especially on textile raw materials and finished products, hike in tariff on such items as well as the increasingly dynamic nature of the Nigerian business environment. The combine efforts of all these characteristics have resulted into a sharp decline in consumers demand, decline in sales, cases of outright liquidation among others.

Faced with these problems, it will therefore be difficult for the company to achieve a modest growth in the near future because of the high inflation rate and the current challenges of the increasing competition. And unless a bold step is taken into discovering better ways of marketing textile products, the company and the entire industry may not be able to recover adequate profit to cope with the challenges of the time.

THE OBJECTIVE OF THE STUDY

The recent rapid changes in the economy due to economic recession and the

intensification of competition between textile companies will have effect on marketing of textile products. Therefore, the purpose of this study is to examine the adequacy of the current approaches to strategies for marketing textile products in textile industries and in particular in United Nigeria Textile Plc.

Also to identify some strategies for effective marketing of textile products to recommend and to encourage the uses of marketing strategies for successful marketing activities among textile companies in the country.

THE SCOPE OF THE STUDY

The study is considering one industry as a case study - UNITED NIGERIA TEXTILE PLC. This will enhance an indepth study and assessment of the marketing strategies in used by the UNT PLC.

RESEARCH METHODOLOGY

Being a case study, the methodology is framed toward examining the current strategies used in marketing the textile products and the extent of their effectiveness. This study will rely on both primary and secondary data. To obtain the primary data, two techniques of research methods are chosen. These are (i) Questionaire (ii) Personal interview.

A well structured Questionaire will be administered to get the necessary information about the problem under consideration. In addition, interview method will also be employed in the company. The need for this technique cannot be over emphasized as the Questionaire alone could not answer some of the silent points, hence the need

to get explanation on certain uncleared issues through personal interview become necessary.

DATA COLLECTION

The data will be collected from both primary and secondary sources. The primary data will be collected mainly through oral interview while the secondary data will be obtained from the guidelines on marketing policies and company's annual report.

DATA ANALYSIS

In this study, the data so collected will be analyzed and interpreted so that answers to questions initiating the study will be provided.

LIMITATION OF THE STUDY

Research of this kind will not be free from limitation to the techniques employed in this study. The most handicap of this work is finance to take the study in a wider perspective. Also the time factor does not allow one to move here and there in search of information within the limited time constraints. Again, lack of relevant text for indepth academic purposes in reviewing literature that relate to the subject matter, none talk directly on the marketing strategies as they relate to textile products. Nevertheless, adequate data were gathered from which the report was made possible.

SIGNIFICANCE OF THE STUDY

Realities confronting the nation today require a change of orientation in the manner in which business are carried out. Frankly speaking, the application of proper marketing strategies would definitely lead to increased sales volumes, increased

profit and overall survival of the company and industry in general. This will also reduce such negative outcome as financial squeeze, outright liquidation, worker retrenchment among others. Also general improvement on the current standard of marketing and timing of customers will enable management to meet 'pressure' demand from:-

(i) The task environment (comprising shareholders, suppliers, middlemen and the market or customers)

(ii) The macro middlemen (Comprising the government, economic, social, technological factors etc.)

(iii) The public environment (such as Bank, Insurance companies, transport agencies, advertising agencies, ware housing units, the exchange employees as well as adjustment of issues that boarders on corporate social responsibility).

Adequate profit provide the necessary solutions to dividend sharing, order replacement and raw material replenishment and even beating continuous research and production cost to ensure that market demands are met on a constant basis. Increased profit would also help in adjusting to such threats as tax increases by government competition and inflation in the economy, changes in fashion and new development in technology. Also, issues of payment of interest on loans, foreign exchange transaction, staff salaries and benefits etc are easily settled with increased profit.

Apart from these advantages gained from increased profit, the institutions where marketing is offered will benefit from this study for further studies and academically

the materials presented could be used for reference purposes.

Finally, a conducive atmosphere in the work place will positively contribute to national stability and rapid economic growth.

DEFINITION OF TERMS

In order to avoid losing the value of this work, there is need for a common understanding of essential terms that may be difficult to understand by the reader. Such terms have been defined for the purpose of this study briefly described in a language the reader will understand. Those terms include the following:-

1. **CUSTOMER/CONSUMER:** The set or group of people organization intends to satisfy in order to achieve the organization goals and objectives.

2. **DATA:** An information or fact collected from the respondent in the course of the research.

3. **ENVIRONMENT:** A set of forces external to the organization that the marketer may be able to influence but cannot control.

4. **ENVIRONMENTAL SCANNING:** A set of procedure for monitoring the external environment.

5. **EXCHANGE RATE:** The rate at which a nation's currency can be traded for other currencies or for gold.

6. **MARKET:** A group of people who possess purchasing power and the

authority and willingness to purchase.

7. **MARKETING:** The development and efficient distribution of goods and services for chosen consumers segment.

8. **MARKETING PLANNING:** The implementation of planning activity as it relate to the achievement of marketing objectives.

9. **MARKETING RESEARCH:** The systematic gathering recording and analysis of data about problems relating to the marketing of goods and services.

10. **MARKETING STRATEGY:** The overall company's programmes for selecting a particular market segment and then satisfying consumers in that segment through the element of the marketing mix.

11. **MARKETING MIX:** Blending the four strategy elements of marketing decision making (product pricing distribution and promotion) to satisfy chosen consumer segments.

12. **OPPORTUNITY:** An unsatisfied want or need that arises from a change in the organization's environment.

13. **PRICING STRATEGY:** An element of marketing decision making that deals with the method of setting profitable and justified exchange values on goods and services

14. **PRODUCT:** A bundle of physical service and symbolic attribute designed to produce consumers want satisfaction.

15. **PRODUCT LINE:** Various related goods offered by a firm.

16. **PRODUCT STRATEGY:** An element of marketing decision making comprising package, design, branding, trade marks, warranties, guarantees, product life cycle and new product development.

17. **PROMOTION STRATEGY:** An element of marketing decision making that

involves appropriate blending of personal selling, advertising and sales promotion.

18. **SALES PROMOTION:** All marketing activities other than personal selling, advertising and publicity that stimulate consumers purchasing and dealer effectiveness.

19. **THREAT:** An unfavorable trend or situation that could prevent the organization from satisfying a want or need.

CHAPTER TWO

INTRODUCTION

As noted earlier, Nigeria business environment is constantly being influenced by complexed and uncontrollable environmental factors in terms of socio-cultural, technological, economic, political, legal and competitive factors. As a result, a major responsibility of management is to develop, operate, and evaluate the company's marketing system. At the same time, there is a set of marketing and non marketing resources within the company and these variables generally can be controlled by management. Management's success therefore depends largely upon its ability to (a) Respond to the changing external factors (b) Forecast the direction and intensity of the changes and effective utilize its controllable resources in adopting to this internal environment.

In marketing textile products, the company's marketing system must operate within the framework of forces that constitute the system's environment. These forces are either external or internal to the firm. According to Majaro (1977:31), marketers must take full cognizance of the existence of the uncontrollable factors. Any attempt by the marketers to disregard these dimension will spell trouble to the firm. Thus, every organization operate in a dual environment. The operating environment comprising the organization in interaction with other entities such as a suppliers, union, distributors and others facilitating agencies and the general environment which is super ordinate to the operating environment and can be viewed as an open system of economic, social, political and technological forces which have interesting impact on each participant in the operating environment.

The general environment shapes the nature and character of the opportunities demand and constraints faced by individual organization at any time. It also determines the pattern of customers behaviour as well as the rules for competitive strategy. All these call for effective strategic market planning to match the opportunities with internal company capability.

In the case of textile industry in Nigeria, it was generally felt that the ban on the importation of foreign made textiles had shielded off foreign competition and consequently created a healthy environment for the Nigeria textile industry to thrive. But from mid 1980, the fortunes of the industry started experiencing down-town. The market situation in the industry declined putting most of the textile firms in the country in a serious financial squeeze. Many companies in the industry have folded up outright while others have resorted to the sad experience of retrenching their workers in order to remain afloat. This issue has been of a particular interest to the researcher, hence the choice to examine the strategies adopted in marketing textile product in Nigeria which also is a profit, growth and overall survival.

Robert E. Wood, a Company Chief Executive capture the thought about strategic market planning when he said that "Business" is like a war in one respect, if its grand strategy is correct, any number of tactical errors can be made and yet the enterprise Proved successful. A company with brilliant strategy can still overcome its inefficiency in the use of scarce resources. The ideal situation of course, is for an organization to design brilliant strategies and to implement them effectively and efficiently. Strategic planning in this sense is truly a system approach to maneuver enterprise overtime through the uncertain waters of its changing environment to

achieve prescribed aims. It allows consideration of a wide range of activities, stimulate discussion of matters vital to the future of the organization and encourage communication between the individuals involved. Effective strategic market planning is based on two important ingredients; first, market opportunity has to be analyzed and the company's capability to be assessed. Secondly, an understanding of the behaviour of cost is necessary. In conducting market opportunity, analysis and assessing a company's capability for basic analytical building block are required for a successful strategic marketing planning.

1. Customer must be analyzed to determine how the market can be segmented and the requirement of such segmented market.
2. Competitors must be identified as well as an understanding of their strategies.
3. Environmental trend affecting the market must be isolated and forecasted.
4. Market characteristics in terms of supply and demand and then interaction must be understood.
5. Internal company characteristics must be audited to establish how company strength and weakness relate to market requirements.

Basically, effective strategic market planning is the matching of opportunity with internal company capability. The process is a dynamic one because as markets evolve new opportunities continually present themselves and existing opportunities decline. For organization effectiveness to result, the organization must plan in order to anticipate such opportunities and to assemble ahead of time the resources and skills required to take advantage of them.

THE ORIGIN OF TEXTILE MANUFACTURING IN NIGERIA

Textile fibres and their use predate recorded history. Archaeological evidence indicates that textiles of fine qualities were made thousand of years before written records cited their existence. The history of textile products is an integral part of the history of civilization of man. The products are part and parcel of man's daily life. Textile products are used for clothing, home furnishing and various industrial purposes. The issue textile industry can be traced back to the industrial revolution of the sixteenth and seventeenth centuries in Europe. The revolution brought a change that is from home made textile product to factory product. This change saw a mass production of textile product to this effect, the production of raw material for these factories were affected thus the growth and production of cotton and wool became the concern of government in the affected areas if not the entire world. Because of the industrial advancement, the product and marketing concept also developed to meet the advancement.

According to Joseph (1980) the first manufactured fibre was rayon and it was developed, market and made into a practical reality in the early 1930s, years after, there were major changes in the manufacturing process and in equipment involved with the production of yarns and fabrics.

The textile industry is one of the oldest established industries in Nigeria. Efforts towards the manufacturing of textile in Nigeria began in the early 1960s, although there had been several cotton spinning mills scattered all over the country with majority of them in the Northern and Eastern parts of the country. Adegbite (1980) noted that these mills specialized in the finished cotton textile goods such as sewing

thread, hair plaiting thread, under and outer wear fabrics because the basic raw material - cotton fibre then was readily available and produced locally in addition to this development as a step towards advancement Nwosu (1984:22) noted that "the manufacture of textile from man made fibres was introduced in Nigeria around 1968.

In Nigeria today there are several companies involved in the production and marketing of textile products such as Kaduna Textile Ltd, Zaria Industries Ltd, Nigeria Textiles Ltd, Aba Textiles Nigeria Mills, United Nigerian Textiles Ltd, Arewa Textiles Nig. Plc and many others.

Most of these industries are situated in the major cities in Nigeria such as Kano, Kaduna, Lagos, Aba and a host of others. Akhile (1979) noted that "it is the largest employer of labour after the public sector and micro economically contribute substantially in terms of taxation, excise duty, manpower development and applied technology.

With increased in population and some kind of awareness the locally manufactured product could not meet the need of this large population hence Nigeria witness a heavy importation of textile products from West Germany, U. K., Holland, Japan, Asia and United States. Nigerian Government however, did not consider this state of affair healthy for the economic and technological development of the nation. The government then sought a gradual but steady replacement of this state of affairs with based industry. Individuals, business organization and state governments were encouraged to set up more textile factories. It was in line with this reasoning that the then government imposed a ban on the importation of foreign textile material,

through the import prohibition Order Legal Notice No. 16 of 1978.

This policy was deliberately geared to favouring home production and consumption. Most of the textile industry in the country are known to produce different types of cloth among many others include shirting, wax blocks, drills baft, coloured wovens, African prints, brocades, damask etc.

FACTORS AFFECTING TEXTILE PRODUCTION AND MARKETING IN NIGERIA

1. CULTURE

Nigeria is concentrated with three major languages namely, Hausa, Igbo, and Yoruba. Each of these tribes is noted with some kind of dressing pattern. Also, apparent in these languages is the differences in various textile designs colour, and textile used in these areas, despite the differences in dressing, there are some similarities. The knowledge of these give direction into the textile fabrics and design preferences of the Nigerian people. The idea of the culture will no doubt geared the textile industry to meet the challenges of clothing in the nation. Colour preference by consumers of textile products is of paramount importance. It is worth noting that colour, preference by the Nigerian populace is fairly stable overtime. The Igbos are known known to preferred red, green, and yellow colours. Yorubas on one hand deep blue and while the Hausa prefer plain coloured which are white and pastel blues.

2. CONSUMER BEHAVIOUR

In Nigeria, women mostly make a conscious selection of wax-prints as a favourite

type of cotton, fabric. Names are given to these prints by market women and consumers; by so doing, the sales volume of a particular print is hence increased. The names given to these prints may not in any way relate to the original designer of the prints. Nwosu (1984) noted that "when Nigeria public gives a textile design a name, sales consistently improve, but the name may not seem to be non-African to have any connection with the design."

Textile producers must recognize that Nigeria view clothing or dressing very important and decerning consumers. A very high attention is given to dressing of owning, wearing, and displaying fine cloth and a box full of fine cloth material. In addition, Nigerian consumer is a person of taste who knows what he or she wants and often is prepared to pay the price of wax prints or textile fabrics, provided they are the desired design and quality and the right tone of colour.

3. CHANGES IN FASHION

Textile advances in the past twenty years have been astonishing. Fabric that require no ironing or that have the ability to stretch as you move were unheard of some years ago. The range of new fabrics include the heat resistant textile used during the heat period and those fabrics that fit cold weather. In research laboratories more and more exciting advances are being developed for the world's increasing needs, which means that the researchers are needed to produce new wonders and new finishings, new colours and dyes and new blends and new fibres.

Fashions change so quickly that the entire plants are affected when a style change.

This causes a constant state of uncertainty for textile manufacture. For instance, a particular design or textile products were in vogue for a year then suddenly disappeared. The effect therefore is that when the vogue dies, then the machinery purchased to produce this particular product will be discarded and also the sales volume decrease. Textile marketers, designers, technologist and stylist need to be up-to-date as these area of the industry become more sophisticated and customers want something new and different each season. This calls for application of marketing mix strategies.

4. SMUGGLING OF TEXTILE PRODUCTS

Perhaps one of the major problems affecting the production and sales of textile products, which have defied all plausible solution is smuggling. Smuggling has stood as a thorn in the flesh for ages and ithas injected paralytic virus into the Nigerian Textile Industry and Nigerian Economy as a whole. Smuggling has been with us for quite sometimes now but lately, its adverse effects became much more pronounced and felt. The rate or the influx of smuggled materials into the country is alarming. Gandu (1991) in his research project noted that "the effect of smuggling has sent many into a " go- slow" or an almost shut down production." He went on to say that smuggling has assumed an alarming proportion of late as if it has been legitimized, and smugglers are no longer seen as economic saboteurs but as successful businessmen and women: Our Society is beginning to accord these saboteurs some measures of honour and respect."

Nigerian markets are dominated by the un-authorized imported materials. The route for the smuggled materials are through the Nigerian borders and Nigerian seaports.

This economic vice has survived against all legislation because of the attitudes of Nigerians in preferring foreign made goods more than locally produced one not caring from which country they are made provided they are not made in Nigeria. The large influx give consumers large variety of choice. Imported goods are often associated with high aesthetic value dependability, with lots of styles, choice to satisfy their particular desires. With much desire to the imported textile prints. Also the corruptible mind of the unpatriotic Nigerian top officers who are suppose to impose the law work in conjunction or hand in hand with the smugglers materials belong to them.

It is unfortunate that goods banned from coming into this country enjoy large patronage inspite of high prices from consumers. The smugglers also benefit greatly because they charge highly for the goods they are able to bring into the country. The only loser, it seems is the government itself because no duty is paid on smuggled goods judging by the level of our development, it is only fair that local industries that are doing well should enjoy government protection and patronage from the consumers. Smugglers remain in business because they find ready market for their goods and the earlier Nigeria shun imported goods for home ones the better for the industry and the country at large.

Most warehouses are filled to the brim of unsold locally produced goods. Companies are reducing their production capacities and thousands of Nigerians are losing their jobs as the activity of smugglers ravage our economy and national life. The inability of the textile to take into consideration culture, consumer taste changes and fashion and smuggling most especially their influences on the textile market will stand a

dilemma at poor sales.

EFFECTIVENESS OF MARKETING POLICIES AND STRATEGIES IN TEXTILE COMPANY

Nigerian business environment in recent years has become so competitive. If business organizations do not understand marketing and its effectiveness may render such an organization such an organization helpless. With economic recession and competition both internal and external, the marketing institutions in Nigeria must be sure of their positions.

Experience has shown that a firm's ability to produce a quality product does not guarantee that it will achieve success in a dynamic business environment, marketing efforts is also require.

The idea that a quality product will sell itself and that an effective production is the key to the high profit is no longer holding in Nigerian business environment. A quality product will not be successful until it is effectively marketed and marketing requires a thorough understanding of consumer needs. Therefore marketing is a primary function of any organization.

In order to understand this concept, that is, effectiveness of marketing policies and strategies in textile company it is necessary to consider briefly some definitions of the word MARKETING. As a business activity, several definitions have been given by different people as they perceive it to be in their own position of responsibility, circumstances and also as partakers in the marketing activities.. Some of the

definitions are viewed from a broader perspective. The argument or debate about marketing is considerable and it focuses on the appropriate domain for the marketing discipline. While some view marketing as a set of technique employed by business organization to elicit desired response from the organisation or individual, others have argued for the broadening of the range of organization in which it can apply.

The American Marketing Association's official definition of marketing is "Marketing is the performance of business activities that direct the flow of goods and services from producer to consumer or user." This definition, unfortunately makes marketing sound largely like a distribution activity. In another way, marketing begins only after a product of commodity has been produced and ends when it is sold. The definition does not indicate the marketing's role in determining what goods are to be produce it does not indicate the specific business activities constituting marketing.

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

Kotler (1980) on the other hand made a broad definition as "human activity directed at satisfying needs and wants through exchange process." He went further to bring out from the definition the following core concepts that make up anything that could be regarded as marketing, thus needs, wants and demands product, satisfactions, market, marketing and marketers.

Larry Rosenberg sees marketing as "a matching process based on goods and

capabilities by which producer provides a marketing mix (product services , advertising, distribution, pricing etc) that meets consumer needs within the limits of society." As a matching process any mis-calculation will lead to a failure. The definition is saying that a business organization exist by selling its products and services. In carrying out this process, it seeks to achieve its profit and other objectives.

W. Stanton (1960) defined marketing thus, "Marketing is a total system of business activities designed to plan, price, promote and distribute want satisfying goods and services to present and potential customers. This definition according to him has the following significant implications.

(i) It is a managerial system definition
(ii) The entire system of business activities must be market or customer oriented, customers want must be recognized and satisfied effectively.
(iii) The definition suggests that marketing is a dynamic business process a total integration process rather than a fragmented assortment of institutions and functions. In other words, it is the result of the interaction of many activities.
(iv) The marketing programme starts with the germ of a product idea and does not end until the customer's wants are completely satisfied in order for a company to get the repeat business that ordinarily is vital to success.

Few out of many definitions, one can say that marketing is the set of skill that enables a business to determine in response to the market how resources including human are to be employed in terms of machinery labour design, materials, what sizes, what price

range and where, when and how they are to be presented for sale. It could be seen from all the definations, the starting point of marketing lies with human needs.

That is all, marketing activities are directed at satisfying human needs and wants. Considering our modern day scientific marketing, a total new approach to marketing has become necessary if business is to continue focused attention on science, on scientific management in the field of marketing, so much that only a co-ordinated marketing management can adequately sustain the vastly increased productive capacity, maintain job opportunities and ensure profitable operation in industries. All company decisions are as a result made in the light of the known fact about the market, the market and not the plant has become the focal point of management decision making.

MARKETING EFFECTIVENESS AND POLICIES

One of the key roles of marketing is to accelerate company growth. New products are part of this which depend primarily on marketing skills for their success. Many take too narrow and specialist view of marketing. They fail to understand that it is a total approach to business which places the customer at the centre of things and must permeat the whole company. Marketing cannot begin to be effective within a company unless it has the full support of general management and penetrates every nook and cranny of an organization. How well the organization is being managed determine whether business goals will be reached. It also largely determines how well the organization manages worker and work.

Effective marketing in the manufacturing industry therefore calls for the executive

to have adequate information for planning and allocating resources properly to different markets, product, territories and marketing tools. It also depends on whether management can design a profitable strategy out of its philosophy organization and information resources. Marketing effectiveness of a company says Philip Kotler is reflected in the degree to which its marketing policy exhibit five major attributes of a marketing orientation, customer philosophy strategic orientation and operational efficiency.

Soyode (1988:33) has defined effectiveness as the capacity to secure the relevant out come or end. Effectiveness is therefore the extent to which an organization achieves its goal within the constrains of limited resources. Organization may be effective but not efficient. This is because for an organization to be effective in marketing it must achieve its ends; it does not have to achieve the end efficiently. On the other hand, an organization could be efficient and not achieve its ends is not effective.

In the long run, such an organization may not survive. In other words while efficiency might enhance effectiveness, effectiveness does not necessarily imply efficiency. The challenge therefore to management is to decide when to emphasis effectiveness or efficiency.

In general, organization depends more for their long run success and survival on improvement in their effectiveness, that is on how well they relate to their environment than on improvement of their efficiency. Peter Drucker state this more frequently when he suggested that it is more important to do the right things (improve effectiveness than to do things right, be efficient but not effectively). According to

Richard M. Hodgetts "A policy is a guide for carrying out action." This definition establishes a course of action that will govern the operations of the organization in general or upon a specific topic. It may express the values, philosophies, principles and purposes of the organization. He went on to say policy is a definition of a common purpose for organization component or the company as whole in matters where in the interest of achieving both component and overall company objectives, it is desirable that those responsible for implementation exercise discretion and good judgement in appraising and deciding among alternate course of action."

He went further to say organization frequently have general statement of purpose and objectives plans to carry out those objectives procedure, to provide details for implementing policies and practices and instructions for activities that are detailed or technical in nature.

By utilizing these statements of policy in a logical sequence, the entire management team can be strengthened. Each policy statement is divided from a higher order statement. Major policies in an organization determines what line of business will be entered, what type of service to be provided or what organization will be regulated. Because of the rapid changes in the marketing environment, each company should periodically reassess its overall approach to the market place. Inconsistent or poorly defined policy and strategy result in ineffective utilization of resources and frequently extinction of the organization.

A policy is as good as nothing when it is unable to achieve its objectives. A policy achieves its objectives when it is formulated after sound analysis. To set a lofty

objectives is one thing, to design policies for achieving the objectives is another. Some organization's objectives are at times conflicting in the sense that policies designed to amehorate one problem may serve to worsen another. For instance policies designed to increase out-put may demand a change in the mode of production that may tend toward increasing capital intensiveness of the organization with labour substantially displaced. An organization must therefore design its own models based on realities and aimed at enabling it select rationally calculated policies that make for overall feasibility, consistency and optionality and assure the progress of not only a few selected of the organization but the generality of the organization. Policies are broad fixed guidelines that everyone in the organization must adhere to and that are not subject to exception. They cover distribution relations, advertising standards, customers services, pricing, product development and ethical standards.

In this study, major policy areas in the marketing efforts are examined.

1. **PRODUCTION POLICY:** The market place is the focal point of all business activities. This is where business firm present goods and services to compete with other sellers. Here the firm is judged by how well it is able to satisfy consumers. It is also judged by how well it meet customer's needs by how much profit it makes and by how good its product or service are. The most important principle of product development besides which all others pale is that no other corporate activity matters more. Consumers purchase a "bundle of satisfaction" that includes a variety of other considerations such as convenience of purchase, design and colour etc. In other words, consumers buy product benefit not advertising and promotion and the surest route to corporate growth is through product superiority. All other members of

marketing mix-advertising promotion pricing etc respond most amiably to a superior product and will work hardest on its behalf (J. H. Davids - 1972).

J. H. Davids (1978) in his book, "Offensive marketing.", maintain that "products are path-ways to consumers benefit. Technical performance is certainly importance since every purpose well but it should not be viewed in isolation since consumers are emotionally as well as logically beings. A product which is regarded as being technically parity with its competition, may nevertheless be regarded by consumer as superior for non-technical reason." He also went on to say that "consumers are influenced by the derivation of a product. Faced by two products which are technically identical they are likely to prefer the one containing the most natural material or appearing most home made."

Manufacturing and marketing complement and reinforce each other, what is made must be sold but a firm must also know what to make that will sell. If it does not sell, it is no longer produced. Therefore, a sound product policy is an important tool for co-ordination and direction and whatever the case it should seek to improve the company's overall sales and profit.

2. **PRICING POLICY**: Guided by the company's objectives, marketing manager must develop a set of pricing objectives and policies. They must spell out what price situation the firm will face and how it will handle them.

These policies should explain:-

(i) How flexible prices will be

(ii) At what level will be set over the product life cycle

(iii) To whom and when discount and allowances will be given and

(iv) How transportation cost will be handled.

One of the major decisions a marketing managers has to make is about price flexibility, should the company have a one price or a flexible price policy.

A one-price policy means offering the same price to all customers who purchase product under essentially the same conditions and in the same quantity.

Flexible-price policy - means offering the same product and quantities of different customers at different prices. This policy often specify a range in which the actual price charged must fall.

Whatever policy is taken in pricing decision, the reaction of three groups must be considered before setting or changing a price - consumers, the trade, and competitors. There is no more unpleasant and uncomfortable situation than making a price increase in the expectation that your competitor will follow and then finding out that he does not, or alternatively, all brands in a market may raise their prices only to discover that everyone has lost profit because adverse consumers reaction has caused the value of the market to drop. Pricing decisions often have to be taken in away that it must not have adverse effect on profit. This places a high premium on good management.

3. **PROMOTION POLICY**: It is one thing for a firm to produce goods for sales

and another thing to make the product known to the buyers. Promotion therefore bridge the gap as it serves as a key factor to communicate to the market place. It is the co-ordination of all seller-oriented efforts to set up channels of information and persuasion to facilitate the sale of a good or service. Policy such as media to be used how much to be spent on promotion when and how to engage in promotional activities.

A firm may decide to spend a certain percentage of sales for promotion or the same amount as competitors. Whatever is the case promotional policies be guided in such a way that strategies chosen by the company must be related to expectation. If for example a marketer believes that a 5% sales increase is possible during the year, it may plan an advertising programme or increase the strength and effectiveness of its force to the extent it thinks necessary to achieve the higher sales volume.

4. **DISTRIBUTION POLICY:** Because distribution channels are the company's framework, they are sometimes wrongly regarded by businessmen as fixed and are rarely given as much priority as the product, pricing, or promotion which are entirely controlled by the manufacturers.

As Peter Draker pointed out "Many businessmen especially makers of industrial products are unaware of the use of distribution channel, let alone that they depend on them."

In developing distribution policy, the management must decide how

transporting and storing function can and should be divided within the channel, who will co-ordinate all of the physical distribution activities. It is therefore important when developing a marketing policies, the manager must decide how these functions are to be shared since this will affect the other three Ps. especially price.

EFFECTIVE MARKETING AND STRATEGIES: In every organization, there must be an objective for its set up. Strategy is the grand final for achieving an objective.

Basically, effective marketing strategy is the matching of opportunity with internal company capability. When an organization has formulated an objective to be achieved, they set up some strategies to achieve set objectives. The word strategy originated from military action that may differentiate a company strategy from another. They have the same weapon but certain line must be mapped out to win the war; setting checks and balances against competitive activities.

In business sector, it has been observed that Nigerian business environment in recent years has become so competitive that without the use of strategies, success in business may not come. Business operation are becoming more harder, intensive and very competitive because of notable changes being experienced in our society today. With this nature of business environment, marketers must take a stand.

Business organization whether big or small must endeavour to keep its present customers and struggle for more prospective one with its offering to the markets.

Strategy therefore is the means used to achieve the ends objectives in a competitive business environment. Strategy is not just any plan but is a plan that unified the operation of a given orientation and its all parts and their effort together towards achieving a desired targets. In a more technical terms strategy is long term commitment and involvement of resources to achieve a specified objective of an organization in a competitive environment.

Glueck (1984:8) see strategy as "a unified comprehensive and integrated plan that relates the strategic advantage of the firm to the challenges of the environment that is designed to ensure that the basic objectives of the enterprise are achieved through execution by the organization."

Schendel and Hofer (1978:25) also defined strategy as "the fundamental pattern of present and planned resources deployment and environmental interactions that indicate how the organization will achieve its objectives." According to this definition, the main ingredients in preparing a strategy are environmental analysis and resources. Analysis hence strategy is seen as the basic characteristics of the match an organization achieves with its environments. They also viewed strategy formulation process as involving 7 steps. These are:-

1. **STRATEGY:** Identification, assessment of current strategy and its strategic component.
2. **ENVIRONMENTAL ANALYSIS:** The assessment of the organization specific competitive and more general environment to identify the major opportunities and threats facing the organization.

3. **RESOURCES ANALYSIS:** The assessment of principal skill and resources available to close the strategic gap identified in steps 2.
4. **GAP ANALYSIS:COMPARISON of** the organization objectives strategy and resources against the opportunities and threats in the environment to determine the extent of change required in the current strategy.
5. **STRATEGY EVALUATION:** An evaluation of the strategy option in terms of value and objective of stock holders resources available, environmental opportunities and threat that exist in order to identify those strategies that best satisfy all these demands.
6. **STRATEGY** Alternative;The identification of the strategy option upon which a new strategy may be built.
7. **STRATEGIC CHOICES:** The selection of one or more of the strategic options for implementation.

A strategy is therefore concerned with the long terms survival and growth of an organization. It involves the choice of objectives in search for opportunities and the identification of the opportunities most feasible given the existing resources. The importance of strategy is underscored by Rose and Kani (1973:137) when they said "without strategy the organization is like a ship without a rudder going round a circle. It is like a tramp, it has no place to go."

Therefore effectiveness of marketing policies and strategies in any organization including textile industry involves the pursuit of productive strategies which take a company in the right direction. Through the careful selection of innovative strategies marketing helps to make efficiency effective. With a scenerio of dwindling consumer

demands and a possible shift in the demand curve for goods caused by economic depression the level of competition have increased. Competition is now either through supply assurance, quality improvement or advertising and promotional appeals based on some other unique positioning of the product. Textile companies in their bid to stay afloat amidst mounting competition need to outdo themselves to provide the consumer with products that match his expectation in terms of attribute and functionality at a relatively low cost. These changes calls for effective marketing policies and strategies by which marketing executives go into the physical market to identify customers needs.

It also calls for integrated marketing approach. J. H. Davids (1972) in his book "offensive marketing"pointed out that when marketing is integrated the whole company participates not just marketing department. Every part of the company combines to satisfy consumers at a profit." He added that marketing is no more the exclusive responsibility of the marketing department, unlike the more specialized roles of production buying and selling, research and development, marketing is the function of every employee.

Marketing approach challenges every member of the company, whatever his specialist function to relate to his work, to the needs of the market place and to balance it against the firm's own profit needs.

Haward Morgens, the president of Procter and Gamble (in Dun's Review December, 1990) remarked that "there is no such things as marketing skills by itself. For company to be good at marketing, it must be good at everything else. From research

and development to manufacturing, from quality control to financial control."For example in a marketing oriented company, the works manager will ensure that his quality control standards evaluate those elements in the product which matter most to the customers. The basis of effective marketing are identifying and changing consumer requirements and managing organizational effort required to supply ideas and services to consumers. Such organizational effort will include decision on product, pricing, promotion and distribution of goods.

Effectiveness of marketing policies and strategies in marketing textile products therefore is not a luxury appendage of marketing but a managerial element that is indispensable for the survival, growth and profitable corporation of the firm. It calls for an attitude of mind which decides independently what is best for a company rather than waiting for competition to make the first move. This involves the discovery and exploitation of distinctive advantage over competitors.

APPLICATION OF MARKETING MIX STRATEGIES IN MARKETING TEXTILE PRODUCTS IN NIGERIA

Application of marketing mix strategies in marketing textile products becomes easer when marketing is integrated. In integrated marketing approach, customer is the most important element to its entire operation. This approach views the firm and its customers as being joined in a system. The firm would want to continue the relationship as long as its sales and profit goals are met and the customers would want to continue the relationship as long as his needs and wants are satisfied. Profit can only be derived if customers are satisfied. Therefore the profitable satisfaction of customers desires requires an integration and coordination of business activities.

Coordination should be both Internal and external. Internal coordination is directed at product, planning, pricing, promotion and distribution which are highly interdependent. This result in reduction of risk because there will be effective market research, the scientific acquisition and analysis of market data relevant to decision making and better market and sales forecasting.

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 viability of their firms.

According Kotler (1980:272) 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) defined marketing strategy as the fundamental marketing logic by which the business unite intends to achieve its marketing objectives" This is done through (I) a well defined target markets, including the types of customers the firm wishes to reach and (ii) the composition of the marketing mix.

Marketing mix is the firms total offering to the market, consisting of the product including physical characteristics, price, channels of distribution, direct and indirect promotion and external elements of markets, competition,other company products and programmes and environmental factors. A marketing strategies must integrate all the elements.

Marketing mix is generally, thought in terms of four major decision variables.

McCarthy however has outlined these four elements or variables to what is called the 4ps in marketing (Product, price, place or distribution and promotion).

Philip Kotler (1988:17) defined marketing mix as the set of marketing tools that the firms uses to pursue its marketing objectives in the target market. The elements of the mix are the controllable variable that the market combines in varying degree to enable him make a unique offer to consumers.

However, the extent to which the marketing performance level as well as firm's ability to adapt to 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 firm need marketing strategies in order to blend marketing decision area into optimal or best possible combinations. The idea of blending of 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 this study, the primary issue is not only to assess the element of the marketing mix and the environment influencing these offering but also to evaluate the application of these offering and the total environment. This will determine the effectiveness of marketing strategy applied. The following strategies could be applied by marketers in terms of the marketing mix in marketing textile product in Nigeria.

(A) **PRODUCT STRATEGY:** Urdell and Lazniak (1980:232) see a product as "a bundle of potential satisfaction produced by nature and industry to be sold in

the market place. As such, a product usually has physical, psychological and sociological dimensions. This concept of the product is not limited to the physical entities and service activities, but of importance is the product policy decisions that give the firm a competitive advantage as well as central to all marketing. One of the principal purpose of all executives involved with product decision is the development of a conscious effort towards matching product with the firm's resource capabilities. The focal point of firm marketing mix decision is the product policy decision.

Some other strategies that could be adopted by a firm are in the areas of the product life cycle, new product introduction, packaging and product differentiation. In product differentiation, the idea is to create and promote differences between the product at hand and its competitors.

The difference may be real or imagined. That is, the manufacturer may stress that his product is different in some respect than that of his competitors; whether in fact it is or not he is employing the strategy of product differentiation. Naturally, if a product is significantly different in some way that is meaningful to its potential customers, its marketing programmes is more apt to be successful than if the differences are imaginary. Differences may be in physical characteristics of the product itself, in its packaging, in its name or in the way in which it is promoted, but in any event the objective is for the potential customers to perceive a difference between the product and its competitors.

J. H. Davids (1972) remarked that "minor differences in product performance which may even be spurned by a company's management as not important can be significant

to the consumer especially in product categories with a high purchase frequency." He added that "minor differences only matter if they are in areas of importance to the consumers and well exploited in advertising."

Another product strategy may be in the area of product superiority. Our trouble, as pointed out by Uche (1980), is that, we are in 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 wash and where locally manufactured shoes lose their soles after the first use in the rain, the poor consumer is treated like an orphan even before he is born."

The physical product is not the only important factor. The consumers purchases a "bundle of satisfactions" that includes a variety of other considerations such as the product benefit. As H. H. Davids pointed out that "the surest route to corporate growth is through product superiority." Superior product benefits can usually be developed. That is a company may base its strategy on a superior quality at a higher price. An alternative strategy is to offer a product of parity quality to competitors at a lower price.

A product strategy is only effective in strategic terms when it is capable of earning sufficient returns during its total life-cycle in relations 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 of profit.

PRICING STRATEGY: This is a very difficult area when a marketing manager is called to make a decision. Arriving at an exact price and how to work it out so that it would not favour your competitors is, a complex issue. The benefit for the right price are sales, profit and an advantageous market position.

Price in business is a measure of product or service. This is important because the shape business profits by indicating the margin between revenue and operating costs. To say that profit maximization is the only key issue strive to achieve by business may not be so correct because profit is just one of the several pricing objectives. The main aim of the management may either be returns on investment (RO1) or maintenance or expansion of share of the market or meeting competition or pre-empting them, or, maximizing of sales or reduction of competition through predatory pricing.

A firm may adopt cost oriented pricing method to determine the prices of its products. In which case prices are set to cover cost and provide a specific margin profit. That is cost plus pricing which involves taking your costs and adding a fixed percentage for profit. The strategy is mostly used by less packaged good manufacturers such as textile companies. The advantages are simplicity and less price competition between companies. But since it does not take into account consumers or competitive reaction, a company putting up its prices because cost have risen may be leading its chin if its competitors do not follow.

On the other hand demand oriented pricing could be used, in which case the intensity of consumer demand rather than total unit costs determine the prices (the higher the

demand, the higher the price and lower the demand, the lower the price). Demand pricing is the better method because it takes market response into account. Demand pricing ignores cost if an increase price look likely to raise long term profit it would be adopted ever though the cost remain stable or even decline. Value rather than cost is what determines pricing.

Also, on the alternative, firm may choose to use competitive oriented pricing in which case prices are fixed at the prevailing level of prices or below this level. Here the nature of competition usually affect whether prices are set between or above competition.

To offer product above or below the market price is not ideal. Meeting competitors prices may also be the practical choice in mature markets that are moving towards pure competition. Here there is typically downward pressure on both prices and profits. Profit margins are already thin and for many firms, they would disappear or turn into loses at lower price. A higher price on the other hand will simply prompt the competitors to promote their price advantage. Pricing "at the market" that is meeting competition may be the only sensible policy.

However, a newly introduced product can enjoy a fairly monopolistic position especially if it is protected by patent or copy right. This is because in monopolistic competition there are more pricing option. At one extreme some firms are clearly above the market and they can brag about it. Despite this enjoyment, the product may have to compete with alternative products and indirectly with many other goods. A firm at this stage can adopt any of the followings:-

1. **SKIMMING METHOD:** A skimming price policy tries to sell the top of a market - the top of the demand curve at a higher price before aiming at more price sensitive customers. That is setting a high initial price for a new product with a progressive lowering of the price as time passes and as the market broadens and matures. Skimming may maximize profits in the market introduction stage especially if there is little competition. This helps to cover cost of producing the product. A skimming policy is more attractive if demand is quite inelastic at least at the upper price ranges.

2. **PENETRATION METHOD:** Penetration pricing policy tries to sell the whole market at one low price. The purpose is to gain quick acceptance in a broad portion of the market. It calls for the sacrifice of some short run profit in order to achieve a better long-run market position. Such approach might be wise when the "elite" market (those willing to pay a high price) is small. This is the case when the whole demand curve is fairly elastic. The policy may be use if the firm expects strong competition very soon after introduction. It discourages competitors from entering the market.

3. **INTRODUCTORY PRICE DEALING:** This is temporary price cuts to speed new product into a market. Price cut do attract customers therefore marketers often use it. This should not be confused with low penetration price however. The plan here is to raise prices as soon as the introductory offer is over.

PROMOTION STRATEGY: Commenting on the promotional strategy, Bush and Houton (1985:625) noted that promotional strategy of an organization cover all

marketing strategy designed to communicate to the market place usually through a set of activities, the nature of the organization and its marketing effort." One out of the many characteristics of promotion that serves as a key factor is communication. It is clear that people act and react base on the information received. The desire responses in this regard could be one of a large number of possibilities creating awareness, stimulating interest, reinforcing behaviour.

Promotional strategy may either aim to inform buyers of the availability and nature of the product or to make buyers aware of its nature and existence. Information role is not restricted to new product. Promotion must persuade buyers that positive consequence will be realized from consumption more positive than those of competitors brands. The components of promotion include advertising, sale promotion, personal selling, packaging, public relations and publicity. These elements are sometimes referred to as the promotional mix.

1. **ADVERTISING STRATEGY:-** Stanton (1984:265) defined advertising as "consist of all the activities involved in presenting to a group a non personal oral or visual, openly sponsored message regarding a product, service or idea." This means that advertising is a means of communicating ideas goods or services of an organization. Advertising is a powerful means of creating awareness as well as persuade potential customers to try the product. It also plays a major part of creating the right impression, given goods or services that justify public confidence. For effective sales in this sense, equality, manner of presentation and the price of the product play a significant role. Advertising is made in order to build up demand, make an immediate sale, build brand

preference, information about product availability, features and prices etc. Advertising usually comes in three basic ways - (i) Audio Media eg. Radio

(ii) Audio Visual eg. TV Cinema and Radio

(iii) Print Media eg. Magazines, Newspapers outdoor bill boards, leaflets, calender, diary etc.

The choice of the media however, depends greatly on the nature of the product and the goals which it wishes to achieve. A firm may back up their goods appropriate advertising aiming to "pull the goods" through retail outlets. 'Pull' strategy simply means concentrating the advertising on the consumer and his needs. This creates demand through the customer exerting increased pressure on retailer to supply the advertised goods to satisfied those demands or needs. The opposite is "Push" strategy which means concentrating the advertising and other sales efforts on the retailer. By this, the retailer is urged to stock and display the good prominently and try to create increase demand by pushing the sales of these goods.

(ii) SALES PROMOTION STRATEGY

Sales promotion is winning a better place than advertising. Sales promotion in a way is displacing advertising in terms of greater expenditure as a major promotional tool. The American Marketing Association has defined sales promotion as "those marketing activities other than personal selling, advertising and publicity, that stimulate consumer purchasing and dealer effectiveness, such as display, shows, and expositions, demonstration in the ordinary routine."

The activities of sales promotion are meant to give consumers better value for value. Sales promotion is strong where there is fierce competition as a result of similarity in the product or a new product is demand in the case where consumers are price sensitive. Sale promotion is classified into two major groups:-

(a) Consumer promotion - This is aimed at the final consumer and the practice such as price off, contest, cash bonanzer etc are used.

(b) Trade promotions - The offer in this case is made to distributors and retail outlets and they include trade deals purchase discounts rebate, dealer sales context etc.

(III) PERSONAL SELLING STRATEGY -

According to Davis and Silk (1972) personal selling is "interpersonal communication that influences the economic performance of an enterprise." Similarly, Bush and Houston (1955:626) noted that personal selling involves the face to face communication of information from a seller to a prospective buyer." Personal selling can improve sales if it is used effectively. In personal selling, buyers can have confidence in what they are buying, through personal contact, doubts and all uncertainties are removed.

Here the producer provide salesmen and servicemen who can provide pre and after sale services as well as explain the product to the potential customers. This strategy is mainly used in marketing industrial products.

DISTRIBUTION STRATEGY: This is the channel structure used to transfer products and services from an organization to its markets. According to Nwokoye

(1981:13) distribution channel is the combination of institutions through which a seller markets his product to the ultimate buyer. "By institutions, we mean middlemen like distributors, retailers, and agents." Bucklin (1976:86) defined marketing channel as comprise a set of institutions which perform all activities (function) utilized to move a product to its market and its title from production to consumptions."

The channels of distribution normally extend from the manufacturer who sell to wholesalers wither direct or through agents, and thence to retailers each category specializing in a particular market service.

In handling distribution, a marketer has three major decision areas to focus which include the choice and length of channels, the intensity of distribution to be adopted and physical distribution strategy. In the first place, the marketer decides on the nature of the channel members he wishes to use in moving his product and the numbers of intermediaries which he wishes to employ.

Taking decision on the aspect depends on the nature of the product, the size and nature of customer demands the price of unit sale and the extent of the seller's product line.

Secondly, decision may depend on the area of trade channel policy. A marketer decides on selective distribution which is a policy of selecting a limited number of retailers or wholesalers and work closely with them to further the sales of his product. Thirdly, the role of market is to map out strategies relating to transportation, storage,

warehousing, inventory control and other logistical decisions involved in moving the goods from the place of production to the ultimate consumer or user.

Distribution strategy must be co-ordinated 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.

Audit of existing channels is equally important perhaps one or more channels should be dropped because they have become obsolete or unprofitable. This involves working out the relative profitability of each distribution channels, taking into account the allocation of sales force time, discount levels and delivery cost. If the existing channels after investigation are not effective, a company may pioneer entirely new channel. Also developing new relationship with distribution channels is important. Manufacturer can create strong consumer demand by providing an appealing product and heavy advertisement and that the trader has no choice but to stock it. Much more could be done by manufacturer to meet the fundamental needs of their distribution channel. An understanding and imaginative approach to channels is much more profitable in the longer term than continued face to face confrontation with them over margins and discounts.

SUMMARY: This chapter concentrated on the marketing activities including factors affecting textile production and sales in Nigeria, effectiveness of marketing policies and strategies in textile company and application of marketing mix strategies in marketing textile products in Nigeria.

One of the factors affecting textile production and sales in Nigeria is smuggling. The influx of foreign materials have made it difficult to dispose the home goods. The way out of this problem depends on both the government and the industry. Since the average Nigerian complains of poor quality of home made materials, the company therefore is left with the option of improving its product quality in order to have a good image in the face of Nigeria. Nigerians have developed a high tastes for good quality of textile product and they want value for their money. If the company assures the Nigerian consumers of those needs, it is then smuggling may be thrown out. Government on their own part should put efforts to reduce smuggling to its barest minimum or wipe it out completely by equipping Customs and Excise Department to be more vigilant at the boarders to curb the activities of smuggling. For effectiveness in marketing policies and strategies, it calls for integrating marketing approach whereby everybody is related in its activities to the needs of the market through effective strategic planning. The policies and strategies so formulated should be effectively executed. This is not just a matter of good administration by marketing people. It is also vitally dependent on the relationship between marketing and other departments and how far common strategies and objectives exist. However, an effective strategy should be built on a company's strength. In its present markets, a firm can usually choose from a wide range of alternative strategies. In determining which new market to enter, the company should seek those which are attractive profit opportunities.

To be successful therefore in applying the marketing mix strategies in marketing textile products, management must co-ordinate and integrate all the marketing efforts usually the 4ps in such a way that the sum total of the result obtained is profitable.

These should go beyond marketing functions to include other functional areas of the firm. And efforts should be directed towards identifying opportunity to serve customers cementing relationships so that it will be difficult for competitors to lure them away while preserving the element of efficiency that make it possible to serve the market at a profit.

CHAPTER THREE

HISTORICAL PERSPECTIVE OF UNITED NIG. TEXTILES PLC - KADUNA

This chapter attempts to show briefly the general set up of United Nig. Textiles Plc as at today. The chapter is treated under the following headings.

1. The origin of United Nig. Textiles Plc
2. Objectives of United Nig. Textiles Plc
3. Organizational structure
4. Structure of the commercial department
5. Sources of raw materials

(1) The Origin of United Nig. Textiles Plc:

The United Nigeria Textile Plc was incorporated as a textile industry under the Federal Ministry of Trade and Industry on 5th of April, 1964. Initially the company was merely a subsidiary of China Textile firm based in Hon-Kong with Mr. Cha-Chi Ming as the sole owner. It was then operated as a private company but under the Nigeria company Act of 1968. It was fully registered and incorporated as a limited liability company with Mr. Cha-Chi as the chairman, Alh. M. Sanusi as the Nigerian Chairman, Mr. Y. S. Wong as the managing director, Alh. M. D. Yusuf as director, Mrs. M. Wong as director, Peason Cha as director and Mr. Teddy Inn as a director. The UNTL Plc initially start operating as a spinner, that is, converting cottons into threats and export same to other textile firms. But as a result of its major expansion in the year 1967/68, weaving machines were acquired from the sister company at Hong Kong. It then developed into a full integrated mill with spinning and weaving

facilities capable of producing clothing material which was called grey baft, i.e. white cloth without any colour. As at 1969 to 1970 because of the technological breakthrough, the company was able to acquire other printing machine which is called Blocking Machine. This machine was used manually by Nigerian employees to colour the grey cloth thereby converting it into finished goods for the final consumers. In 1967, the company acquired major shares in Zamfara Textile Industries ltd at Gusau; thereby taking the first step toward the formation of United Nigeria Textile Plc.

At the initiation of the Government of North Central State, Funtua Textile Mill, another subsidiary was established in 1978. This factory was designed to produce bed sheet and pillow cases. Another subsidiary company UNITEX and an Associate company ltd. SUPERTEX were set up in 1981 and 1982 respectively. UNITEX was established as a spinning Mill whereas SUPERTEX was established as a spinning plant with capacity of producing wax Fabrics. The group United Nigeria Textile Plc has an installed capacity of producing well over 100 million metres of finished goods per annum. In 1995, the parent company had a working force of 5500 people whereas the group has 10,000 people.

The company produces varieties of textile materials such as Real Wax cloth which include veritable Wax, Guaranteed Real Wax. Also Grey cloth is basically an export oriented product. The Real Wax and Super print are finished products ready for the final consumer. The Real Wax is of a superior texture. Its price is higher, whereas the super print is of a lower texture and of a lower price.

United Nigerian Textile Plc located in Makera village Kakuri, Kaduna South is the largest textile plant in West Africa. Their products are designed to meet both local and international markets. The company was awarded the certificate of " Best Quality Product in 1976 by the Nigerian Standard Quality Organization." Because of its achievement, it also earns reputation from its customers and other companies in the country as a whole as they now look at it for a guide.. The company has three major depots in the country and they are situated in Lagos, Kano and Onitsha.

2. OBJECTIVES OF UNITED NIG. TEXTILES PLC

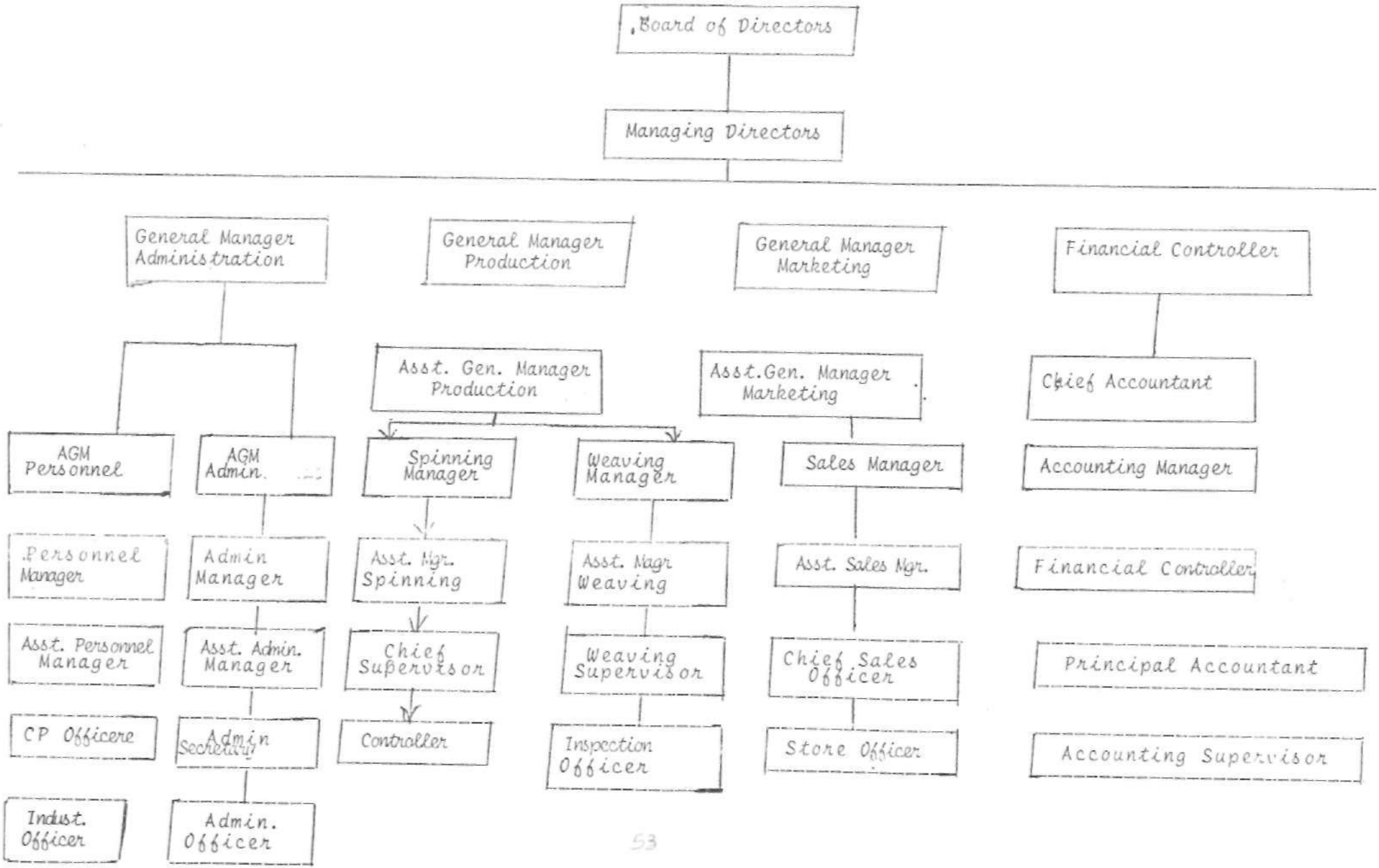
Its basic objectives include the production of top quality textile material at a profit, satisfaction of customers' demand at a profit, rendering of social services to the individuals, government and the society as part of corporate social responsibility and profit maximization is another vital objective of UNITED NIG. TEXTILES PLC.

ORGANIZATIONAL STRUCTURE

The company has a 13 member Board of Directors, Eight of these members are expatriates and the remaining five are Nigerians. The chairman of the Board is Mr. Cha-Chi Ming, a Briton. He is being assisted by Alhaji Mohammed Aminu Sanusi. As shown in the chart below, the managing director/chief executive is at the helm of affairs closely followed by the General Manager in various departments such as administrative, production, marketing, finance and medical departments. These managersare responsible to the managing director. Next on the hierarchy are the assistant general managers. The AGM Administration is in charge of personnel, training, recreation and welfare. The AGM marketing is in charge of marketing, sales, design and research departments. The AGM finance takes care of budget

planning and accounts, while the AGM production takes care of printing, weaving finishing, maintenance, product control and inspection. The AGM computer and data processing operations and finally the AGM Engineering is in charge of the entire engineering workshop. The AGMs are being assisted by other staff as clearly shown in the organizational chart of the company.

UNITED NIGERIAN TEXTILES - ORGANISATIONAL CHART

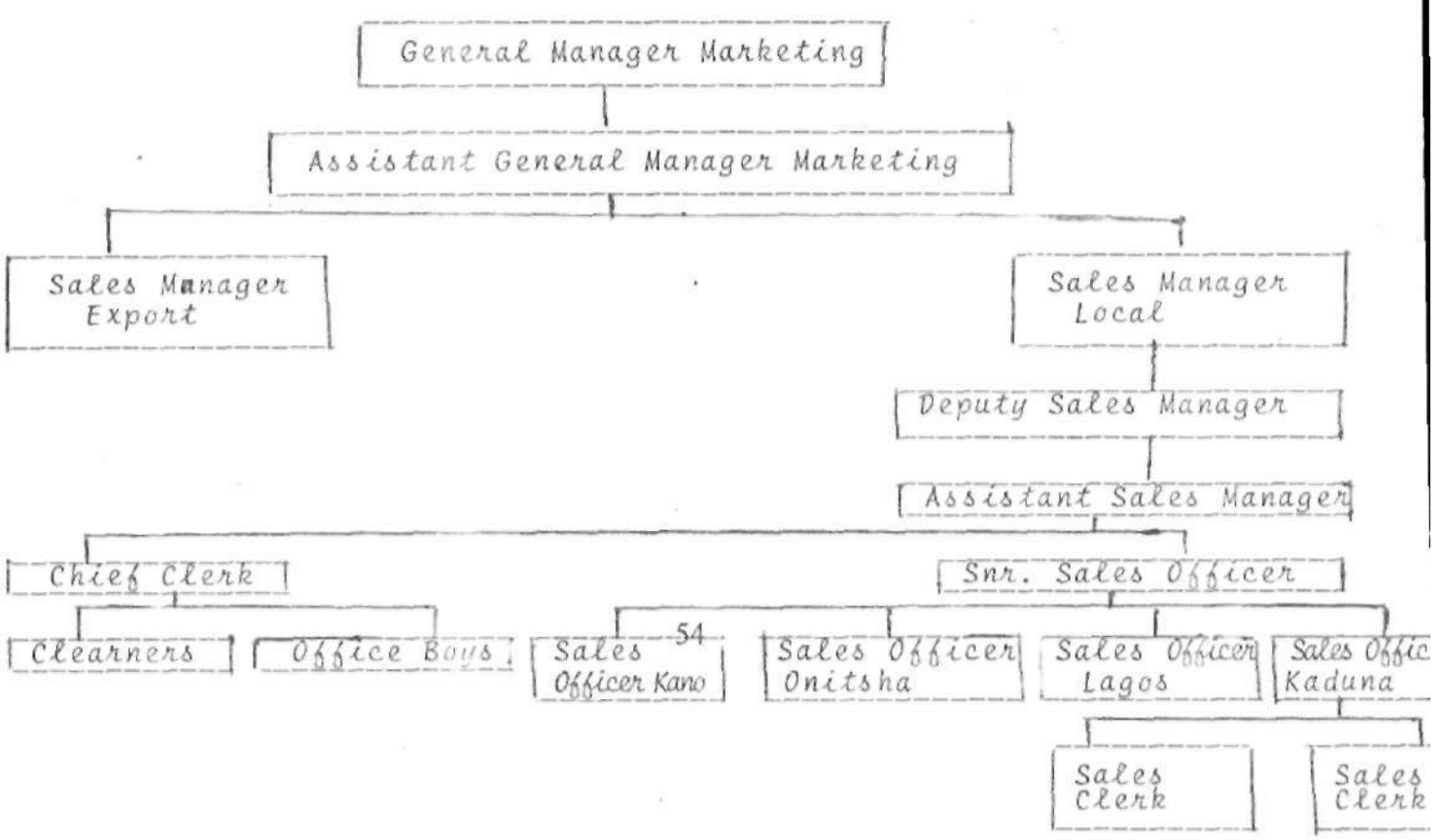


The chart is a map representation of how departments that make up the United Nigeria Textiles Plc are tied together along the principal lines of authority. It shows the decision making authority and also the managers and employees how they fit into the entire system. At this point, I shall limit my discussion to the marketing department.

MARKETING DEPARTMENT

The marketing department if headed by a General Manager. He is assisted by an Assistant General Manager. Other officers of the department are as specified in the organizational chart. The department is further divided into local sales and export sales departments.

THE STRUCTURE OF MARKETING DEPARTMENT



The functioning of the marketing department is as represented in the chart above. The department is divided into two sections i.e. the local sales and the export sales. These two sections are headed by a sales manager.

EXPORT SALES: The company exports its products to the ECOWAS Sub-region, Europe and the United State of America. For instance, finished products are exported to the ECOWAS Sub-region, Grey Baht to the United States of America and Yarn to Europe. The West African Market has been so utilized to the extent that demand from this region has been rarely met.

LOCAL SALES: The local sales section is controlled by a sales manager. Apart from the Kaduna head office sales, three other sales region has been created across the country. They are Lagos, Kano and Onitsha. The Lagos sales office is emerged from the Western sales region, Onitsha, Eastern sales region and Kano from Northern sales region. The choice of these three cities is influenced by the commercial characteristics.

OPERATIONAL PERFORMANCE OF THE COMPANY'S MARKETING DEPARTMENT

The sales figure of the United Nigerian Textiles Plc has really confirmed its position as the leading textile manufacturing company in the West African Sub-region for instance, whereas the company's total sales figure for 1994 stood at ₦3.3 billion it went up to ₦7.97 billion in 1995, an unprecedented 142% increase. It has also recorded a performance of ₦9.9 billion from its external sales. The performance of

its subsidiary companies were equally encouraging. The Funtua Textile Ltd increased its sales from ₦351 million in 1994 to ₦656 million in 1995. An increase of 87%. The sales figures for Zamfara Textiles Industries Ltd also increased from ₦404.7 million in 1994 to ₦1.2 billion in 1995. Similarly too, the capacity utilization of Unitex Ltd increased by 89%. It made a turnover of over 1 billion for the year ending 1995.

The United Nigerian Textile Plc has contributed enormously to the growth of Nigeria economy both financially and otherwise.

The company which started with about 30 employees has over six thousand labour strength all in Nigeria and among these are top management staff such as General Manager, Managers and Deputy/Assistant Managers. It is equally worthy to mention that the company provides its staff with many motivational activities such as providing vehicle loans, housing loans etc.

MARKETING PROBLEMS OF UNITED TEXTILES PLC

Nigeria as identified by specialists in business field described the country as a "seller market" thus buyers market assumes excess supply,high competition between buyers. This also suggest that consumer is a king and producers are servants,that is producers marketing efforts should be high and prices are relatively low rather than high. In view of this it is important to consider those marketing problems that have hindered the progress of United Nig. Textile Plc.

i. **COST OF PRODUCTION**: Pricing of a product is very important to the

success of a business organization. In pricing a product, certain factors are taken into consideration. One of the key factors of fixing price for the textile product is cost of production. It is clear that the textile is both capital and labour intensive. In regards to this one is made to accept it high cost of production a problem. The overall effect of these high costs is high prices of finished products which eventually affect sales volume.

ii. **SMUGGLING:** Another problem that has hindered the sales of the textile products of the company is smuggling. Smuggling has been on the increase in the country because smugglers feel that it is the cheapest way to get rich and earn their living. The activities of smugglers have affected the textile industry so badly by rendering them almost inefficient. The study revealed that the real competitors of the company are smugglers of foreign textiles. It so happened that most of these smuggled foreign textiles are of high quality and so consumers tent to prefer them
to indigenous textiles.

iii. **PHYSICAL DISTRIBUTION**: Physical distribution becomes the most important problem facing textile industry. One of the alarming factors is the steady rise in the bill for such physical distribution, services as freight and warehousing bill are rising as a result of increased labour and equipment cost.

CHAPTER FOUR

RESEARCH METHODOLOGY

The researcher has been primarily interested in studying how far textile industries have put into practice the various marketing strategies and policies most commonly found in practical marketing approaches. This include product strategies like changes in size, design, quality etc, promotion, distribution and pricing strategies.

The study centered on finding out strategies for marketing textile products in Nigeria using United Nigeria Textile Plc - Kaduna (UNTPLC) as a case study.

The choice of this method is to enable the study to get a detail description and analysis of everything as regards the strategies used in marketing textile products in the company. Also in using this method makes it easier for the study to come up with straight forward solution to the problem since the information provided is in itself the answer to the research questions poised. The data gathered gives the opportunity to accurately pin-point the cause of a problem, which will enable one to also suggest a straight forward solution to the problem.

As defined by Danga and Ali (1983:49) "Case study single out individuals, group of individuals institutions or communities for analysis." This means that the researchers picks one out of many population sample and have a thorough study of it. In most cases, case studies are never used for generalization but with the prevailing economic condition of the country, one can trace some element of similarities in the textile industry. This one may not be too far when such generalizations are made.

Therefore to be able to identify effective marketing strategies for the company, the study intends to look at the company's present marketing strategies as regards to the product, promotion, distribution, price and how each determines and contribute to the achievement of consumers satisfaction and overall marketing objective of the company.

TYPES OF DATA

In order to achieve the above objective the research study requires both primary and secondary data.

1. ***Primary data:*** The primary data is that which research. Here the data is collected for the specific purpose of the research. In this study, the primary data used were mainly questionnaires and personal interview in obtaining the desired information.

2. ***Secondary data:*** This is data meant for a particular purpose other than the research but which is relevant to the study, but it is not primarily meant for problem under investigation. The information here passed through other hands before coming to the attention of the researcher.

To obtain more information the study also make use of secondary data. In seeking for the secondary data the following were utilized - the internal company records and the guidelines on marketing policies and decision kept by the company and the company's annual report.

RESEARCH METHOD

Having considered the problem under investigation the researcher has decided to use questionnaire and personal interview methods in gathering data.

(i). **Questionnaire**

Denga and Ali (1983:155) defined questionnaire as any research instrument comprising carefully designed questions for the responded to answer"

Believing that the questionnaire serves as the foundation for both empirical and behavioural research, the researcher tooktime to construct a questionnaire based on the strong knowledge of the scope of the study; in a very simple and straight forward language. Moreover, the instrument was compiled putting into consideration the educational background of all respondent. The choice of this instrument was necessary because its administration requires minimal participation from the researcher who can simply hand the questionnaire to the subject and leave the room, thus it is less susceptible to bias. Also the questionnaire is a relatively safe technique since it requires less skills and training that are needed for interview.

The questionnaire was used to obtain more candid, more objective and more considered answers mainly from staff of the commercial department. The closed ended question included both the "yes or No' type, multiple choice approach which the respondent needs to assign a tick to the correct answer and the use of 5 point rating scales to elicit more valid responses and to avoid frustrating the responded who wants to be truthful. The 5-point rating scales enables the researcher to measure the degrees of agreement with the statement.

The researcher also used open ended type of questions in certain situation that demands it in this type, direct question were asked for which sufficient space is provided for the responded to write their answers.

ii. **Personal Interview**

The use of interview method was also desirable. Personal Interview includes face to face conversation with a respondent. In personal interview, the researcher asks questions to the respondent who in t urn provided answers for such questions. The use of personal interview became necessary because the researcher merely by being present can succeed in inducing the subject to pay heed and thereof stand a better chance of getting a serious, honest response. The interview also makes it possible to ensure that the subject understand the questions and responds in the desired manner as it has a high degree of flexibility. That is, it is easily adjustable to changing conditions, questions can be rephrased when it is necessary to do so to ensure that the respondents understood.

DATA COLLECTIONS

The questionnaire was administered due to the peculiar nature of the study, that is application of case study method. Because of the proximity of the respondents it was possible for the researcher to go personally to collect the data directly to ensure a valid analysis. And so there was no need for research assistants. As for the secondary data most of the material were collected from library and the company's guide line on marketing policies and decisions and the company's annual report.

DATA ANALYSIS

The marketing practices of the company were analyzed based on the information collected. The analysis was made on marketing activities such as the product, pricing policy, distribution and promotion and qualitative judgement was made out the effectiveness marketing strategies adopted to exploit given opportunities.

CHAPTER FIVE

DATA ANALYSIS

DATA PRESENTATION AND ANALYSIS

In the course of this study data about marketing operation in relation to the company's position towards its product, price, promotion distribution and marketing information were gathered, such data are therefore presented with an attempt to interpret their implication all with an effort of achieving the main objective of this study, that is, to identify the marketing strategies used in UNITED NIGERIA TEXTILE PLC and make recommendations with the view of helping the firm and other similar firms in Nigeria to improve their marketing effectiveness now and in the future.

1. *Analysis of Data obtained through the questionnaire:*

The commercial department on which the questionnaire was served comprises of about 25 employees. Out of 25 employees only 19 staff returned their questionnaire and only 15 of the questionnaire were duly completed. The remaining four were returned without response. Analysis was done under the following headings.

1. Staff personal data
2. Company's marketing goals and strategies
3. Products
4. Price
5. Distribution
6. Promotion

1. Staff Personal Data

Under staff personal data, 6 questions were asked which include the following:

1. Type of training - this explains the type of training usually given to the staff either as freshmen or as old staff to improve their knowledge of the art of marketing. Question three of the questionnaire (See appendix question 2)clearly shows that since all the staff were employed they have either experience one form for training or the other. Majority of them, as shown below attended one form of seminar or lecture and at the same time experience informal instructions.

	Type of training	**Number**
a	Just a formal orientation	1
b	Lectures, Seminars or informal discussion	9
c	Special personal conferences between staff	
d	and trainer	3
	Special on the job training	2
	Total	**15**

2. Level of qualification: Majority of the staff of the commercial department are WASC holders. In the table below only three staff an HND, a B.Sc or it equivalent and four have an N.C.E., N.D. or its equivalent. In the same department too, is one staff with first school leaving certificate. Six of the staff of commercial department are currently holding the WASC certificate.

	Current qualification	Number
a	First School Leaving Certificate	1
b	WASC or its equivalent	6
c	ND, NCE or its equivalent	4
d	HND, Bsc or its equivalent	3
e	Above HND/BSc	1
	Total	**15**

Most of the staff would want to go for further studies and the most preferred higher qualification are ND, NCE and HND/BSc or its equivalent.

3. **Years of Service:-** The table below gives an impression of the years of service put in by individual of the commercial department.

	Year of service	*Number*
a	1-5	2
b	6-10	8
c	11-5	3
d	16-20	1
e	21+	1
	Total	**15**

4. **Age:** Because critical and sensitive questions like age are asked in the questionnaire with the alternative solution in ranges to avoid embarrassing the respondent. The result however shows that majority of the staff in this department are above the age of 30 years.

Age Range	Number
19 years and	-
below	2
20 - 25	3
26 - 30	10
30+	
Total	**15**

5. Current post/designation

To enable one to appreciate the quality of the commercial department of UNT Plc, the result however shows that majority of the staff in this department are sales clerks.

	Current post/designation	Number
a	Sales Manager	1
b	Chief Sales Officer	1
c	Sales Supervisor	2
d	Asst. Sales	1
e	Supervisor	10
	Sales Clerk	
	Total	15

6. Sex and promotion

DUE/OVER DUE FOR PROMOTION

	Yes	No	total
Male	9	6	
Female	-	-	
Total	9	6	15

B. COMPANY'S MARKETING OBJECTIVES AND STRATEGIES

Under this, the company was asked in the questionnaire to indicate the company's marketing objective, the result shows that profit maximization was regarded as the key corporate objective.

	The company's marketing objectives	No
a	To manufacture and market textile product	4
b	Maximization of profit	6
c	consumers satisfaction	3
d	Rapid growth in total sales	2
	Total	15

C. PRODUCTS

Under product, 5 questions were asked in the Questionaire which include the following (see appendix: question 8-12)

1. The main product of the company: this explain the types of product usually produce in this company in order to meet the desired objectives. All the

respondents filled in the blanc spaces provided and the following are the types of the product of the company - real wax, veritable wax, super print, holland wax and designed brocade.

2. The product that is not selling well: This is the product that has a very low demand. Majority of the staff indicated that super print has a very low demand, may be because of the quality which is not as superior to the rest of the product.

3. Phasing out product; only five out of 15 respondents indicated that the product is phased out by developing new design, the rest of the respondents seemed not to understand the question very well.

4. Developing new product: In this question three option were given to help the respondent tick correctly. Nine respondents indicated that most product design is based on the design owned by the company based on market survey. While six respondents indicated that product design is based on the design submitted by distributions or dealers.

5. Marketing Research before New products are developed: almost all the staff accepted that there has not been any formal market research before producing new products.

D. PRICING

This is an element of marketing that deals with the method of setting profitability and

justified exchange values on goods and services.

Regarding the pricing policy of the company four questions were asked (see appendix: questions 13-16) these are:-

1. How prices of product are fixed. In this question, three options were given to help the respondents tick the most appropriate. Eleven staff indicated that the prices of their products are set the same as that of the competitions while four admitted that some prices are higher than that of the competitors and it cannot be below.

2. Internal factors considered in pricing company's product: Eight respondents indicated that cost recovery is the most considered factor in pricing company's product. Four indicated that a combination of both the cost of production and the demand for the product are considered in fixing the prices of the product while three indicated that cost of production, demand for product and competition play some roles in pricing policy of the company's products.

3. Prices offered to wholesalers: the responses show that the prices are lower than retail prices, that is, company's price.

4. Conditions for charging different prices: All the respondent agree that the size of the purchase is the only condition for price differentiation; that the company give quantity discount.

E. DISTRIBUTION: This involves the selection of the channel to be used for effecting the movement of goods from point of manufacturing to the customer's. Under this 7 questions were asked in the questionnaire (see questions 17-23 in appendix. They are;

1. Who the company sell the product to
   All respondents indicated that the company sells it product to distributors.

2. How the product are sold: it was indicated that the products are sold in bails to the distribution ie in wholesale.

3. How the company distribute the product to the wholesaler - Most response indicated that most distributors obtain there good directly from the factory.

4. The present channel of distribution
   When asked what the current channel of distribution is the respondents indicated that the current channel of distribution is through wholesale to the retailers then to consumers.

5. How the product get to the wholesalers and retailers. The responses were that, they use trucks to get the good to the distributors warehouse.

6. Who bears the cost of transportation: it was indicated that the buyer bears the cost.

7. On who own the warehouse, the response was that both the company and the distributors own warehouse.

F. PROMOTION: This involves all communication variables that will appeal to a particular target market. These involves personal selling, advertising and sales promotion. Under promotion, four questions were asked in the questionnaires and they are:

1. How the products are made known to the public: most respondents indicated sales promotion others were indifferent.

2. On how the company advertise and the media being used, the respondents seem to be indifferent as some pointed out that the company don't advertise

3. On whether the company use sales promotion in crating awareness. They accepted that the company create awareness through calendars, diaries and free sample at times.

On other method of creating awareness, nine respondent indicated that the company provides some essential amenities while six indicate that the company at time takes part in trade fairs

INTERVIEW WITH MANAGEMENT STAFF OF THE COMMERCIAL DEPARTMENT

Apart from the data collected through questionnaire, oral interview was also conducted in an attempt to gather more fact on how textile products are marketed in

this comp-any. In the process, the sale manage in Kaduna office (Head Office) was duly interviewed. The findings;

1. Products
2. Pricing
3. Distributorship
4. Promotion
5. Market Research
6. Supervision and evaluation of distribution
7. Main territories covered

i. **Products**

In an interview with the sales manager regarding the product of the company, he disclose that the product of the company comprises of Grey cloth, real wax, veritable wax, super print, Holanda wax, classes real wax and designed brocade.

The grey cloth and Holanda wax, he said is basically an export oriented product and is produced fortnightly in Kaduna plant only.

The real wax and super print are mainly for home consumption and that the real wax is of a superior texture. Its price is higher than that of super print since it is of lower quality.

On the issue of product quality, the manger admitted that there is a quality control for the input of raw material. This bring in the possibility that some raw materials could from the start be of inferior quality thus bringing out inferior quality of the final

product. He also indicated that there is a constant checks along the production line to ensure high quality of the final products.

On whether management recognize the importance of designing the company to serve the need and want of the chosen markets, the marketing manger answered that the management thinks in terms of serving the need and wantof well defined market chosen for their long run , growth and profit potentials for the company. He also added that to a good extent management does develop different offering and marketing plans for different markets segment of the market.

ii. Pricing

In the case of UNT Plc, top management is responsible for the determination of pricing objectives as regard pricing of the products from the data collected, the pricing policies and strategies, like any other manufacturing company, UNT Plc takes into consideration the three factors that influence the setting of prices -

i. The cost of production
ii. The demand for the product and
iii. Competition

The cost production is the paramount factor considered because as a profit making organization, the prices of products have to be set over and above what is spent to ensure survival and continuity of the company. Except of course in cases where the company wants to dispose obsolete, damage or show moving product. Usually all the department put together the cost incurred in each of the department with the mark up

eventually added before the final prices of their product was not due to the demand increase or competition but because there has been difficulty in obtaining raw material, with the effect the cost of production rose up. And that the prices are depended on the output quality. From the data collected, all out put do not turn out the same quality in the finished point and as such different prices are attached.
Also, that the pricing policies of their competition influence their decision especially in product where thy face powerful competitions . The company is always conscious of the prices the competitors set for their products.

Thus the company monitor prices changes in product of competitors and where possible tries to adjust to it. In this case the prices tend to move along industry price. From the data collected, two forms discount are offered in goods ie quantity and seasonal discount. They do not offer cash discount. The data also revealed that there is a substantial difference between the manufacturer's prices and the retail price. And that the government does not interfere with the pricing system hence they are free of government price control. The company in turn doe not dictate prices for distributors to allow them to set their own prices.

iii. **Distributorship**

UNT Plc solely relies on independent distributors for the sales of their products. That is the sales through distributorship is a sustainable channel of sales essentially because of the type of product of this company. From the information gathered, to be qualified for distributorship the following condition must be met.

i. An introduction from the ministry of trade of chamber of commerce.

ii. Applicant must state his capital base ie his sales turn over for the last two years.

iii. A letter from the bank authenticising his submission in paragraph ii. above

iv. Must make a security deposit of not less than 5 million naira.

v. There must be an existing warehouser.

In this company, distributors are appointed across the country to assist the existing sale offices. Thus distributors are usually given a fixed allocation based on their experience in the market, their sales return their sales turn over and financial position. The only relationship that exist between the sales staff especially in Kaduna (the head office) and the distributor is to effect their allocation and documentation while office outside the head office liaises between distributors and the head office to effect payment and delivery. They are not interested in what profit the distributor makes and of course at what priced and in what market, the products are sold. On whether it is better to convert all the profits made by the distributor into the company's purse by employing and using salesmen at least to guarantee adequate control over distribution channel pricing, promotion and adequate information from the market on which market research could be based, most of the interviewee were indifferent from the data collected, other type of sale undertaken by the company is the public relation sales. Here the management uses its discretion to sell to members of the public. The most beneficiary of these types of sales are in most cases workers of the company and "friend" of the company.

iv. **Promotion**

The study revealed that little attention is paid to promotion in UNT Plc apart from the

issue of diaries, calendars and at times free samples (very rare occasions) as part of sales promotion programme, there are no clear cut expenditure on promotion. The company occasionally takes part in trade fairs. The belief of the company is that the product sell itself and a such no need for proportional expenses. However, there is a football club which propagate the image of the company.

v. Market Research

This is the systematic gathering, recording and analysis of data about problems relating to the marketing of goods and services. From the data collected, there is no formal research carried out to determine the changing tastes of consumers of textile products. From time to time however, distributors are casually asked such question as 'how market' and such question as attract such casual answers as 'no problem' "lafia lau'Nevertheless, request for specially designs from distributors are normally made. They transfer such design on paper engrave it, snap and send for approval before production. No adequate information is usually supplied by distributors.

vi. Supervision and Evaluation of Distributors.

Because distributors are independent there is usually no strict supervision on their activities and they are evaluated based on their sales turnover which usually determines such benefit as discount, increase in allocation and 'express service' when need arises. However sales manager with his team from time to time visit the market to observe the selling habit of the distributors, dealers and customers. Other criteria for evaluating include financial capability, size of show rooms and warehouse.

vii. **Major Territories covered**

From the data collected, the marketing department is divided into two sections ie the local sales and the export sales. These two section are headed by a sales manager. The major territories covered apart from the Kaduna head office sales are three sales region created across the country. They are Lagos, Kano and Onitsha. The Lagos sales office is in charge of Western sales region,Onitsha - Eastern sales region and Kano Northen sales region. The choice of these three cities is influence by the commercial characteristics.

The company's export sales are tailored towards three main target markets. These are ECOWAS Sub region, Europe and the United State of America. For instance, finished products are exported to the ECOWAS Sub region. Grey baht to the unite States of America and yarn to Europe. The west African Market has been so utilized to the extend that demand from this region has been rarely met.

viii. **Operating performance**

When asked about sales performance, the sales manger disclosed that the sales figure of the United Nigeria Textile Plc has really confirmed its position as the leading textile manufacturing company in the West African region. For instance, whereas the company's total sales figure for 1994 stood at ₦3.3 billion, it went up to ₦7.97 billion from its external sales. The performance of its subsidiary companies were equally encouraging. The Funtua Textiles Limited increase its sales from ₦351 million in 1994 to ₦656 million in 1995. An increase of 87%. The sales figure for Zamfara textile industries Limited also increase from ₦404.7 million in 1994 to 1.2 billion in 1995. Similarly too, the capacity utilization of UNITEX Ltd increase by

89% it made a turnover of over ₦1 billion for the year ending 1995.

GENERAL DISCUSSION ON THE FINDINGS

In the proceeding analysis, fact about marketing operations of United Nigeria Textiles Plc were presented and analyzed. The company's position towards its products, price promotion, distribution and marketing information were discussed. Based on these facts, the researcher in this unit attempt to interpret these functional activities with a view of this work ie strategies for marketing textile products in UNT Plc.
Below is a summary of the entire findings from the research

1. *Reliance on distributors:* The researcher experience complete reliance of UNT Plc on independent distributors. Another most surprising revelation is the fact even majority of the sales staff in the commercial department are not professional salesmen and thus do not really do what professional salesmen do. Majority of them are glued to their seats from 7.30 am through 4.30 pm. The company does not have control over the distributors at least when it come to pricing (for wholesales, retail and users) distribution promotion, and market research.

2. *Lack of professionalism in the entire market strategy:* The study reveals clearly that entire approach is based on the product concept, that is to say that once a company can produce good quality product, customers don't really need to be persuaded to buy the product. This is precisely the belief in UNT Plc, that is, the products sell themselves hence no need to go into advertising and sales promotion. The staff in the commercial department are not assigned to territories for maximum performance.

3. Total absence of promotion strategy eg advertising personal selling etc. The top management is not particularly interested in promotion even though the expenditure on them may be as high as 10% of the company's sales, the company deliberately neglect such an important marketing tool. The study reveals that the company is old fashioned in their belief concerning promotion and advertising. They believe that the surest way to ~~coppoat~~ Corporate growth is through product superiority and that all other marketing mix such as advertising, promotion, pricing and packaging respond most amiably to a superior product and will work hardest on its behalf.

4. *Lack of adequate market information*: Because the distributors are independent and they tend to be busy, they don't provide market information to support market research in United Nigeria Textiles Plc. The implication being that the company cannot keep in touch with what consumer think about its products and those of its competitors and cannot monitor their actions in the market place.

CHAPTER SIX

SUMMARY

The entire study centres on the topic "Strategies for marketing textile products in Nigeria" United Nigerian Textiles Plc was chosen as a case study on the assumption that most of the happening in UNT Plc are significantly a reflection of what is obtained in textiles industry. The negative attitude of Nigerian Textile industry (UNT Plc inclusive) towards the adoption of professionalism especially in the area of strategic marketing which culminated in a sudden decline in the volume of operation was identified in chapter one as the problem of the study. The study became vital realizing the importance of setting strategies that establish a point of superiority for the company or it brands in marketing mix which is the backbone upon which increased sales, volume , profit and continuous survival of the industry is based. And besides, the mere fact that competition is on the increase, coupled with the decreased value of the naira and increasing dynamic marketing environment pushed the researcher into identifying the strategies adopted in the face of these problems with the view to giving some useful suggestions that would save the textile industry and UNT Plc in particular from imminent collapse.

While chapter two exposes the professionally recommended approach to marketing mix strategy; chapter three shows the historical perspective of United Nigeria Textile Kaduna. Chapter four centered on the research methodology of data collection in order to prove the authenticity of the study. Chapter five on the other hand analyzed the marketing activities of the UNT Plc with the view to identifying those areas where changes need to be made for more improved performance. The organizations marketing objective were identified which was production and marketing of textile

materials to maximize profit. Four component of marketing mix, that is, price, distribution product and promotion were the core discussion in the chapter from the discussion so far made it was possible to pin point some for the marketing problems in the company. Such problem are - the inability of the company to adopt the marketing concept in full. The concept needs integrated marketing and adoption of the four marketing Ps and ineffective marketing information system (Marketing research). This chapter has expose areas that actually require adjustment, the nature which shall be clearly exposed in the recommendation and conclusion. Prominent in the research findings are

i. Reliance on distributors
ii. Lack of adequate information system.
iii. Total absence of promotion strategy eg advertising personal selling etc.
iv. Lack of professionalism in the entire marketing strategy
v. Increase in sales

It is on the basis of these research findings that the recommendation and conclusion are based.

RECOMMENDATION

The recommendation forwarded in this chapter are the result of the research analysis of the questionnaire personal interview conducted in the company. The aim is to advance e the recommendation that will alleviate the marketing problems of UNT Plc

as discovered from the questionnaire analyze in chapter five thereby increasing the profit margin and general turnover of the company even more than what it has been making over the years.

Recommendation will be made on each of the marketing functions enumerated.

1. **Product.** There is need for product diversification, this is because a good proportion of the mills in this country are producing the same product for the same market. Thus, there is a high degree of competition even among these firms. Also the company should observed and monitor the current textile advancement with the view to modifying the company products to reflect such advancement. Priority should be given to product quality. The factory specifications of product should be set up by product should be set up by production department and research development to produce exactly the performance and characteristics of the formula successfully tested among consumers. A number of alternative approve specification should be built up all resulting in the same target level of product satisfaction to the consumers. New specification must be agreed with the marketing department before they can be allowed for production. Quality control procedures should ensure that ll products meet necessary legal requirement and will concentrate effort against those element of the product which matter most to the consumer. Product quality is the most important principle of product development beside which all others pale. Experience has shown that most, consumers are more concerned with product quality and sophistication as they relate to the satisfaction obtain from the product. Ralf Waldo Emerson (1979) seems to agree to this idea when

he wrote "if a man makes a better mouse trap than his neighbour, though he build his house in the wood, the world will make a beaten path to his house."

Here the product quality is the most important factor in its business.. Therefore, because of the importance of product quality, an effective quality control scheme should be developed. This should include a testing programme involving the performance on the periodic basis of certain routine test designed to measure the characteristics of raw and process materials.

2. ***Price:*** The COD method of payment that is applied to all buyers should only be applied to those customers that buy on small qualities. In order to increase the turnover, some credit facilities should be opened to financially sound customers.

Flexible -price policy should be adopted by the company. This means offering the same product. And quantities of different customers at different prices. The flexibility of price enable the sales representative to make price adjustments considering prices charged by competitors. Where the product is sold to channel members instead of final consumers, the price should be set so that the channel members can cover cost and make a profit. This can be achieved by setting different price level policies for different levels in the channel.

Although pricing decision often have to be taken quickly the quality of even fast decision making can be vastly improved by having a long and hard look at the price dynamics of a market before hand. The company should never be in the position of not really knowing whether price matter in ones matter. A total market may be

insensitive to price change while consumers may be very price conscious between individual bands or the reverse. The frequency of price increase should be reduced to the barest minimum and only as last resort. Such frequent price elevations lower the reputation of a firm and frustrate accounting and auditing systems both in the company and within its customers. Therefore, in making price changes the company must consider competitive likely reactions. Low price is an important in selling products that are difficult to differentiate and price slightly below that of that of the competitors may produce large increase in sales volume.

Although some brands of superior quality or prestige may be marketed successfully at a higher than average price, it is a poor strategy to allow a price to get too far out of line with the prices of direct competitors item. As noted in the research finding that the company also consider the competitors prices in determining the prices of their product, be that as it may, when a company is pursuing aggressive marketing strategy the company should not rely on price as the main competitive weapon. The company should seek differential advantages over their competitors by stressing other element in their marketing strategies eg. product, distribution method and system of promotion, that is to say non-price competitions is most preferred since changes in other elements in marketing strategies are neither easy to copy nor can they be followed quickly.

Distribution: In as much as the company is currently relying on the services of distributors who are not professional salesmen there is every need for the company to employ the services of the professional salesmen whose services are indispensable in view of the current challenges. Distribution channel should be given high priority

since new approaches are often easier to develop than superior products and yet can lead to equally large profit break through.

The present distribution channels whereby the product more from the mills through distributors, dealer and retailers before it gets to final consumers is too long. This is not the time for long channel. The industry need to be inclose contact with the end users of its product. Moreover, it has the effect of increasing prices as each channel members add his own mark-up the end result is a drastic drop in demand for the product and stock pilling of finish products: thus the existing channel should be audited and adjustments in priority made in line with their changing importance. As useful rule of thumb is to relate the proportion of sales force efforts be places against the channel.

Also, with the employment of the services of professional salesmen, Nigerian Textile Mills should attempt a more efficient export oriented, distribution system to be able to survive the present predicament of the Nigeria Textile Industry.

Promotion: the company should set up or develop a clear strategy that will provide the discipline necessary to develop a strong promotion. The relatively low status accorded to promotion in this company may give the offensive marketer chance to gain an edge by giving promotions the priority they deserve.

Market research: Market research provides reasonably objective information on which to base decisions and forms a life line between the consumers and the firm. Some of the most useful information available to company about sales, consumers

complaint and selling effectiveness cost very little but often it is neglected in the department files.

There is need to create information centre within the marketing department of company, such centres should be charged with the following responsibilities

a. Process information brought in by the sales representative with the view to using it for the effective marketing.

b. Observe and monitor the current textile advancement with the view to modifying the company products to reflect such an advancement.

Having done this, it therefore means that numbers of top selling products will increase and their marketing should then be intensified with full force through discount rates and/or sales promotion.

Proper market information may enable the firm to diversify production in keeping with the fashion trend and update technology. The company should adopt a comprehensive marketing research which will enable it make a realistic location and measurement of consumer demand, translation into satisfactory textile products.

CONCLUSION

The consumer ultimately determines the success (or failure) of a company's marketing approach. So every aspect of marketing must focus on him; the consumer is loyal to those who give him what he wants in product, price, promotion and

conveniences. Although the company is making reasonable profit as indicated in the sales figure of 1994 and 1995 there are still many aspects of marketing it should look into, such areas as recommended to see how to improve on them. It should also be noted that a company may have a clear point of superiority today as it is the case in UNT Plc, it may soon dissolve in the future unless it keep updating its strategies in line with the changing market conditions.

Finally, the company should have its own concept of its business and seek to achieve superiority over all contenders in at least one important aspect whether it be product quality, method of distribution, packaging and advertising skills.

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APPENDIX

QUESTIONNAIRE FOR MARKETING DEPARTMENT

UNITED NIGERIA TEXTILE PLC

INSTRUCTION: JUST TICK AS APPROPRIATE

1. When did you join this company?

   a. 1 - 5 years ago
   b. 6 - 10 years ago
   c. 11 - 15 years ago
   d. 16 - 20 years ago
   e. 21 years and above

2. What type of training have you experienced since you assumed duty?

   a. Just a formal orientation
   b. Lectures, Seminars or informal discussions
   c. Special personal conferences between you and the trainer
   d. Off-the job training/corresponding courses
   e. All of the above.

3. What is your current qualification?

   a. First School Leaving Certificate
   b. WASC or its equivalent
   c. ND, NCE or its equivalent
   d. HND, B.SC or its equivalent
   e. Above HND/B.Sc

4. What age range do you belong to?

   a. 19 years and below
   b. Between 20 - 25 years
   c. Between 26 - 30 years
   d. 30 years and above

5. What is your current post/designation?

a. AGM Commercial
b. Sales Manger
c. Chief Sales Officer
d. Sales Supervisor
e. Assistant Sales Supervisor
f. Sales Clerk

6. Are you due/over-due for Promotion

a. Yes No

Sex: Male Female

SECTION 'B' MARKETING PROGRAMMES

7. What are the company's marketing objectives?

a. To manufacture and market textile products
b. Maximization of profit
c. Consumer's satisfaction
d. Rapid growth in total sales

8. What are the main products of the organization

i. _____
ii. _____
iii. _____

9. Which product is not selling well? (Please state)

i. _____
ii. _____
iii. _____

10. How do you face out your product?

a. By developing new design b. Through planned obsolescence

11. How do you develop a new product?

a. By design submitted by distributors or dealers
b. Company's design based on market survey
c. Design based on consumer's taste

12. Does the company carry out marketing research before new products are developed?

Yes No

13. How do you price your products?

a. Same as that of the competitors
b. Higher than that of the competitors
c. Lower than that of the competitors

14. What internal factors influence the setting of price of products in the company

a. Cost of production
b. Demand for product
c. Competition
d. All of the above

15. What prices do you offer to wholesalers?

a. Same as retail price
b. Lower than retail price

16. What are the conditions for charging different prices?

a. Size of the purchase
b. Type of customer

c. Customers geographical location

17. Who do the company sell the products to?

a. Distributors/whole sellers
b. Government Agencies
c. Other textiles mills
d. Customers who submit their own designs

18. How do you sell your products?

a. In bails to distributors
b. In yards/metres (Please state other ways)

19. How do you distribute to the whole sellers?

a. Through order
b. Direct from the factory
c. Through depot

20. What is your present channel of distribution?

a. Direct customers
b. To retailers then to consumers
c. Through whole sellers to retailers then to consumers
d. All of the above

21. How do the products get to whole sellers/retailer?

a. By trucks
b. By rail
c. By ship

22. Who bears the cost of transportation?

a. The buyer
b. The company

23. Who own the warehouse?

a. The distributors/dealers
b. The company

24. How do your advertise the product: What media do you use?

a. Radio
b. Television
c. Printed papers
d. All of the above

25. How do you make the products know to the public?

a. Through advertisement
b. Through sales promotion

26. Do you use sales promotion in creating awareness? If yes please state various sales promotion the company uses.

i. _____
ii. _____
iii. _____

27. What method of Creating awareness does the company use?

a. Trade fair
b. Sponsoring games
c. Providing some essential ammenities.