MARKETING CONCEPT AND THE CONSTRUCTION INDUSTRY IN NIGERIA

BY

ABUBAKAR GARRA GENGLE
G92 BAP 7096

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DEDICATION

TO: My Father Mallam Garba Gengle.

"God grant me the severity to accept the things I cannot change. ------ The courage to change the things I can, and --- the wisdom to know the difference.

Postcript.

DECLARATION

I wish to declare that, aside the use of books, journals from related literature aid and the general references made in the Bibliography, all other facts gathered were at the discretion of the researcher, and as of the time of concluding this project no similar topic has been written by anyone.

CERTIFICATION

This project report titled: **MARKETING CONCEPT AND THE CONSTRUCTION INDUSTRY IN NIGERIA,** by **Abubakar Garba Gengle** meets the regulations governing the award of the degree of MASTERS IN BUSINESS ADMINISTRATION, of Ahmadu Bello University, and is approved for its contribution to knowledge and literary presentation.

_____	17/2/2000
Member, Supervisory Committee	Date
_____	_____
Member, Supervisory Committee	Date
_____	22/2/20
Head of Department	Date
_____	24/03/01
Dean, Post-Graduate School	Date

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ABSTRACT

Construction is closely linked with a number of activities in the sphere of Regional Planning, Architecture, project designing, engineering, geological and geodetic works, consulting research and development and selected branches of the building industry, whose production represents the natural base of structures.

The construction industry is one of the fundamental pillars for industrial take off of any nation. He importance of the industry to the development of the nation are so numerous, for example, the provision of basic infrastructures, like roads, bridges, dams and housing are all under this industry. The construction industry is an old one and normally moves with the economy, that is to say, it booms when there is boom in the economy and experience a shortfall during recession.

This study was deem necessary because of the fast growing Nigerian population and by implication increasing infrastructures which is the domain of the construction industry as a whole. Business has to change because they really have to operate at a profitable level now to sustain them and possibly enhance growth. In order to achieve this objectives marketing orientation has to be applied to the organisation.

The study intends to verify the implication of marketing in the Nigerian construction industry and make possible recommendation on where there is need for such. The extend of the application of the concept will also be verified, then finally the relevance of marketing concept will also be exposed.

The study is divided into five Chapters. The first chapter is the introduction followed by Chapter two which is the review of related literature. Chapter three, marketing and the construction industry was examined. Chapter four has the data presentation and analysis and also the problems of implementing the marketing concept. The last Chapter is Chapter five gives the summary, conclusion and recommendation.

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CHAPTER ONE

1.1 INTRODUCTION

In the Nigerian economy, construction is considered the second most important industry, which has been acknowledged as having the role of job multiplicator and creator of the environment and the working milieu while in addition, being a sensitive barometer of the particular country's economic situation. In its realization phase it has wide ranging links on the side of in-puts, where it uses the products and services of nearly all branches, as well as on the side of outputs, when it act as the supplier of building work and product for the entire production and non-production sphere, the general public, institution and other users. It is especially closely linked with the building materials industry. These two industries strongly influence each other by the extent, quality and technical standard of their products.

At the time of transformation the Nigerian construction industry as a whole proved its great adaptability to market economic conditions. It production began to grow as early as 1970, and after temporary decline in 1993 its growth was received in 1994 and 1995, and this trend is continuing. After restoring its economic growth, the industry is fueling the need to cultivate certain factors, which are important from the point of view of the long-term effect of building works, their quality architecture,

economic satisfaction of public needs (development of the infrastructure, housing construction, ecological and other structures) and the increasing of the comparative advantages of the building industry. The Nigerian construction industry is an important branch of the country's national economy (multiplier of the labour force) playing a unique role in the process of the country's transformation to market economic condition.

In the frame work of standard classification, the Nigerian construction industry is defined as an industry realizing private housing, industrial and engineering construction, reconstruction, modernization and repair, and as a business, usually as the principal entrepreneurial activity of private and corporate persons in the Nigerian states.

Construction is closely linked with a number of activities in the sphere of regional planning, architecture, project designing, engineering, geologil and geodetic works, consulting research and development and selected branches of the building material industry, whose production represents the natural base of structures.

The construction industry is one of the fundamental pillars for industrial take off of any nation. The importance of the industry to the development of the nation are so numerous, for example the provision of

basic infrastructures, like roads, bridges, dams and housing are all under this industry. The construction industry is an old one and normally moves with the economy, that is to say it booms when there is boom in the economy and experience a shortfall during recession.

The construction industry has developed over time, in that by 1972 during the nation industrial foundation, metal and steel were used in construction instead of reed, mud quarry stone and bricks. The construction industry is constantly innovative and changes tend to be incremental and evolutionary rather than revolutionary. The industry experiment a lot of development after World War II where a lot of reconstruction was carried out.

Housing is only one aspect of the construction industry and it is of great concern to mankind because, we need protection from harsh weather and other natural hazards. Provision of shelter is only second to food in the basic necessities of mankind. In Nigeria, the housing sector has been the properties of many administration, a particular example was the Shagari administration (1979 –1983) where a maximum of two thousand (2000) housing units were constructed in each state of the Federation.

1.2 STATEMENT OF THE PROBLEM

The construction industry in Nigeria is growing dynamically, with a corresponding growth of its share of the generated GDP. In the long run a favourable development may be expected that is to say the untapped potential available in the industry will be tapped effectively and efficiently utilized, including dynamic growth as a result of the past great neglect of the industry, by applying some marketing techniques.

Though the Nigerian population is fast growing and to couple with the growing population the infrastructure must also increase in order to enroute into the break of developed nation. The Nigerian construction industry is one of the most profitable within the economy but still performing at sub-optional level. Higher performance could be attained in terms of their varied potentials which this project seek to address from the marketing perspective (marketing implication).

1.3 JUSTIFICATION OF THE STUDY

The construction industry is an old industry. The problem of sub-optional performance in the industry nowadays call for the attention of all those concerned to do something about it. This problem is more pronounced with private firms operating in the industry as a whole. The researcher still finds it difficult to be convinced that given the varied potential of the

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Nigerian economy coupled with the dilapidated structure of basic infrastructure which is the main premise of their operation and the long over due ready market (population) for their product and also the basic foundation for every industrial take off which the Nigeria state is desperately in need of so as to enroute into the list of the developed nation of the world.

Therefore, the justification of this study is to verify the extent of the application of the marketing implication embodied in the Nigerian construction industry by uncovering whether the firm in the industry understands the meaning and application of marketing concepts.

1.4 OBJECTIVE OF THE RESEARCH

The objectives of this research study includes the following:

(a) The study intends to expose the relevance of the marketing concept and application to the construction industry in Nigeria.

(b) To determine the problems involved in the application of marketing concept in the construction industry in Nigeria.

(c) To provide possible recommendation as solutions based on the research findings to the problem identified in the study.

1.5 SCOPE OF THE STUDY

This research study is concerned with the application of marketing techniques into the Nigeria construction industry in general but emphasis will be laid much on private firms operating in the industry. The construction industry is chosen because of its vital role in job multiplication and other attributes that contribute to the well being of the economy.

The study will also cover the area of the four p's of marketing also called the marketing mix in order to determine how they are determined and managed in the Nigerian construction industry. For example who determines the production formulations and related product services strategies, who take their promotional decisions, who handles their pricing and distribution activities of the sector.

1.6 RESEARCH METHODOLOGY

In this study both primary and secondary source of data were used to collecting information. A case study method is also used.

Case Study Method

The case study method is used in this research study because of the fact that it tends to reveal the truth about a particular industry (contruction).

Also the cost and time involved when a case study method is being used is minimal compared to other method which could be costly and time consuming.

1.6.1 Primary Sources

Primary sources constituted the major sources of information and it involves personal interview and administration of questionnaire. The two set of questionnaire used is contained in the appendix. The first questionnaire was administered on top management personnel. The aim was to obtain information on marketing practices (if any) in their organisation. The second set of questionnaire was administered on the customer to ascertain their level of satisfaction with the products. Both questionnaires were very useful as a guide during the personal interview with both management staff and some of the customers.

1.6.2 Secondary Sources

The secondary sources were principally library materials construction firms publications and documents, government and other organisation publications, pamphlets and other published statistics.

1.7 LIMITATION OF THE STUDY

Most research work of this nature must have one or work limitation of which this study may not be an exception. Some of the limitation of the study include the following:

1.7.1 The data that will enable an analytical analysis in quantitative comparison of demand and supply of these construction work were not available as companies were unwilling to disclose their import level and what they got from their operation.

1.7.2 There has not been any significant study done on this field so far and to some extent this accounts for the lack of complete records and data. Most data are gotten from seminar papers, presented and so most of the information were based on protection, predictions and estimates.

1.7.3 Also the customer responses sampled in the study may not be useful for a various generalisation because of individual perception and also because of their number.

1.7.4 Finally and most important is the cost and time involved as there was no enough money to enable the researcher travel round the country. The timing was also too short for one to conduct a very comprehensive research in this field.

1.8 DEFINITION OF TERM

Any systematic treatment of a subject should begin with a definition of terms so that everyone may be able to comprehend with object of inquiring is all about.

The following are terms that will be used inter-changeably in this research work.

(a) **Marketing Concept** - As a philosophy of business which states that the customers wants satisfaction is the economic and social justification for a firm's existence.

(b) **Marketing** - Is the management process responsible for identifying, anticipating and satisfying customers requirements at a profit.

(c) **Construction Industry** - This comprises of both civil building work, which include the construction of bridge, road buildings, dam and other related areas.

(d) **Projects** – There are scheme or undertaking that have specific value to the person or organisation carrying it out. A project can be small or big depending on the purpose for which it is to serve.

(e) **Housing** – This is the provision of accommodation to the public. A house is a building for people to live in or for other purposes.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

Marketing has long been viewed and treated as a subsidiary to the other functions performed by managers in their design to bridge the gap that exists between the needs and wants of society and the resources available tot he society. This trend of events has had lengthly origins, for even the writings of Plato and Aristotle portrays the low esteem in which marketing activities were held by people at that time. Marketing was thought to be somewhat immoral and was regarded with contempt by break civilisation which emphasised things intellectual in contrast to things materials.

Even today some people regard marketing as the sources of many social ills. Criticisms are levied against it for playing on peoples' weakness and wants. It is argued that people are deceived into buying things they do not need, they are pushed into debts and encouraged to engage in unnecessary consumption and wastage of scarce resources. The argument continues that marketing raises prices, excessively engage itself in undesirable advertising and the development of unnecessary products and brands.

Others, however see marketing differently, they argue that the standard of living enjoyed by the consumer is largely the result of marketing. By creating and nourishing wants, marketing builds more exciting shopping choices and environment, put more people to work and generally contributes to the society's goal of self-fulfilment.

According to Thorelli and Beeker (1980, p.g XVIIIXIX), marketing as a management practice has almost completely been neglected by less developed countries. This is because, it has been accepted without lots of criticisms, the notion that in developing countries, you have to have a socialist or other autocratic government willing to supports private consumption. Indeed, in this view, marketing is really a sort of parasitic activity encouraging waste of scarce resources. Thus, casual observations and discussion with businessmen in developing countries tends to result in two associated ideas: First, that not much marketing activity is required and secondly, that it is because the scope for marketing is not there. The first statement is largely true the second undoubtedly false. Thus, according to Peter Drucker in every "Under-developed" country, I can think of marketing as the most under developed or the least developed part of the economy.

This view of marketing in developing countries economy is fast giving way to a new one; for according to Philip Kottler, developing nations are now examining marketing principles to see how their domestic distribution system can be improved and how they can compete more efficiently in world markets. This position is further supported by Drucker (1958) who writes that the essential aspect of an "under-developed" economy and the factor of absence which keeps it under-developed is the inability to bring together resources, wants and capacities and so to convert a self-limiting static system into creative, self generating organs of growth. And this is where marketing comes in.

Thoreth and Bucker (1980) went on to say that a modern marketing system in indispensable to smooth function of an industrialised economy because mass production could indeed be inconceivable without mass distribution and mass consumption. Customer oriented marketing is not likely to reap its importance in post industrial society. They argue that marketing can play a key role in the economy by developing industrially backward countries, even though this is not yet generally realised. That instead of looking at marketing as a parastic activity which encouraged waste of resources, the reality is the reverse.

Thus, it is only if marketing is given as much emphasis as heavy industry education and agriculture that developing nations (like Nigeria) can hope to achieve the twin goals of rapid development economically and internal political freedom. The key is the motivational effect of modern marketing, which results in a transformation of attitude towards work, achivements, savings and consumption.

Summarily, marketing will continue to exist regardless of the value of judgement made on it because it is necessary and because nothing actually gets started unless somebody produces and sells something. Since the society's well being depends on it, ability to satisfy demands for goods and services and this function could only be performed by marketing. Marketing necessarily becomes an indispensable function of management. For as Dracker puts it the essence of business is marketing.

2.2 DEFINITION OF MARKETING

Marketing has been variously defined by different scholars each offering a definition that suits the prospective from which he views the subject. Some view if from the functions performed while others view marketing from a broader, macro-system, perspective.

The argument or debate about marketing is considerable and it focuses on the appropriate domain for the marketing discipline. While, same view marketing as a set of techniques employed by business organisation to decide desired response from other organisations or individuals, others have argued for the broadening of the range of organisations in which it can supply. Such outlook is advocated for by the social systems perspective which sees marketing in relation to the national economy and other aspects of the total cultural and social complain. In line with this observation, the following definition have been offered to explain marketing.

The American Marketing Association has defined marketing as the performance of business activities that direct the flow of goods and services to the customer or users. This definition of marketing is limited by the fact that it locally assumes that marketing is limited by the fact that marketing only begins after a commodity or product has been produced and ends when it is solid. Such a narrow interpretation is highly inappropriate because in well managed organisation the marketing process commenced long before the goods is produced and end well after they are sold. Another limitation of this defination is that it concentrates on business activities. Many non profit institutions use marketing techniques, for instance, the promotions etc.

Batch and Houston (1985, 21) have defined marketing as the economic and social process by which societies needs are served through exchange within the constraints of available and affordable resources. This definition views marketing as an economic process, as its participants seek gain often on a monetary nature, it is a social process as it participants occupy well defined roles that necessitates social interactions if the process is to work and finally the process is constrained by the availability of and cost of resources.

For the purpose of this study, we shall adopt the social system perspective which identifies the basic environmental forces as the foundation and rationale of the marketing process. In this content, marketing is viewed as a foundamental societal process which necessarily and inherently evolves within a society to facilitate the marketing process which viewed as a social process of the exchange taking place in a society. In line with these observation, Hambadda O. A. (1989, 26) has defined marketing as:

A Process that within the societal goals and aspiration attempts to establish mutually satisfying exchange relationship between people or organisationS with diverse requirements and people or organisation that seek to satisfy these requirements.

The conceptualisation of this definition says a lot about the nature and domain of marketing. First marketing is an integral and inherent component of society and must therefore function consistenly with the goals, convictions and aspiration of a society as a whole. Secondly, the focus of marketing can be seen to rest on the determinant structure and performance of the process which evolves to facilitate the exchanges required by the independent producing and consuming, units in a social system. Thirdly, the essence of marketing is the continuation of relationship between the two parties to the exchanges. And finally, it could be informed from the third point that mutual satisfaction is central to marketing. For any exchanges that benefit the producer/seller and leave the consumer disadvantages are not marketing changes no matter how many marketing techniques have been used to consumate them.

Understanding the way management views the task of the organisation is essential to the understanding of modern marketing management. It is taken for granted today that management should satisfy the organisation's customers. But some conditions in the past and even now in some least developed countries, have allowed management to follow other orientations other than customer satisfaction. The various marketing orientations evolved in the following order.

Production concept: Focused on the factors necessary to manufacture or produce a product. The primary emphasis is on locating power surplus and machinery, adequate supply of raw materials and the necessary labour. The idea that supply creates it own demand was the characterised. Management uses a production concept when there is more demand that supply and manufacturers are able to sell all they can produce. The attention of management here is focused primarily on improving production methods.

Product Concept: Under this orientation management assumes that consumers will favour technically sophisticated production. Thus, the task of marketers is to produce a product with the most feature and the highest technical sophistication such companies are of the mistaken belief that producing a high quality product ensures success as the consumer sells products rather than solution to his needs. Often times, an over emphasis on quality leads to product that are built to an unnecessary high standard thereby making the product expensive.

Selling Concept: The sell concept focuses on techniques to stimulate consumers to buy. Management emphasised such activities as personal selling and advertising to persuade buyers to purchase what they firm has

to sell. This concept assumes that consumers will not buy enough of a product. Therefore, ways have to be found to force him to become aware of the product in order to buy it.

The sales concept is usually used where there is an excess of supply over demand. As competition increases and buyers become more affluent, management finds it necessary to become more aggressive in their efforts to persuade the customer to buy its product. Market intermediaries such as retailers, wholesalers and industrial distributors are recognised as important in the selling effort. As a result, advertising and personal selling efforts are directed towards them as well as the final buyers of the product. The sales concept relies on the 'hard sell' technique which uses emotional appeals and pressure tactics.

The Marketing Concept: As the business environment becomes more competitive and customers wants and needs become more varied, organisations have had to adopt new philosophies and organisations. The orientation consistent with modern marketing management approach is the marketing concept. Butch and Houston (1985,34) have defined the concept as the managerial philosophy that maintains that an organisation must infuriate and co-ordinate its programme and resources to satisfy its customers in order to achieve its objective.

According to Urdell and Lazarande (1981.7), the marketing concept has four dimensions:

(a) Profits are the major incentives for being in business – it is the major incentive for the entreprenuer to assume risks.

(b) The satisfaction of customer desires through the provision of goals and services is the economic justification for the existence of a business.

(c) The satisfaction of customers desire is the means to attaining their patronage and attaining a profit. Thus, both society and firm tries to benefit when management identifies customers desires and needs with a view to effectively designing, producing and marketing a product.

(d) The profitable satisfaction of customer desires requires an integration and co-ordination of all business activities.

This is a primary condition for efficient operation and tax co-ordination should be both internal and external. Internal co-ordination is directed at product, planning, pricing, promotion, and distribution which are hardly independent. In addition to this, the marketing paramount should be well integrated with the other operation of the firms. This could only be achieved through the acceptance of the marketing concept is a total

business philosophy which provides a common focus for all elements of the enterprises. In so doing it helps to bring business and society into a meaningful and mutually beneficial relationship.

Since it emergence, the marketing concept has been adopted by many firms. The concept has become so pervasive that Jolson (1978) was forced to observe that in the marketing class room marketing students are generally led to believe that the firm which fails to employ this philosophy are business criminals. This is however not to say that the concept is without its limitations. Observers have pointed out that the rise of consumersion should be cited as evidence that the acceptance of the marketing concept has not eliminated customer dissatisfaction.

2.3 THE DEFINITION OF STRATEGY

The word strategy is derived from the latin word 'stratego' used in the military which means 'the art of the general. Increasingly, this military term has been adopted to solve marketing problems. What may have been the first article on the adaptation of the concept of strategy to marketing appeared in an article by Henry L. Hanson in 1959.

Andrew K. R. (1971.28) has developed a comprehensive definition that has brought out both the concept of strategy and the process than can

bring it about. He defined strategy as the pattern of major objectives, purpose or goals, stated in such a way as defined what business it is or it is to be and the kind of company it is to be. In a changing world, it is a way of expressing a persistent concept of the business so as to exclude some possible new activities and suggest entries into others.

Gluek and Joah (1988.88) on the other hand, see strategy as a unified, comprehensive and integrated plan that relates the strategic advantages of the firm to the challenges of the environment and that is designed to ensure that the basic objectives of the enterprises are achieved through execution by the organisation.

Finally, Hofer and Schendel (1978.25) have defined strategy as the fundamental pattern of pressed and planned resources development and environmental interaction that indicate how the organisation will achieve it objectives. This definition sees strategy as the basic characteristics of the match an organisation achieve with its environment.

According to Hofer and Schendal (1978.47), the strategy formulation process involves the following steps.

KASIII

(1) Strategy identification – assessment of the current strategy and its strategy components.

(2) Environmental analysis. The assessment of the organisation's specific competitive and more general environment to identify the major opportunities and threats facing the organisation.

(3) Resources analysis the assessment of the principle skills and resources available to close the strategic gap identified in step 4 below.

(4) Lap analysis – a comparison of the organisation's 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 alternative – The identification of the strategic option upon which a new strategy may be built.

(6) Strategy evaluation on evaluation of the strategic option in terms of value and the objectives of stake holders resource available, the environmental opportunities and threats that exist to order to identify those strategies that best satisfy all these demand.

(7) Strategic choice. The selection of one of more of the strategic options for implementation.

A strategy is therefore concerned with the long term survival and growth of an organisation. It involves the choice of objectives, the search for opportunities and the identification of the opportunities most feasible given existing resources. The importance of strategy is understood by Rose and Kanu (1973.132), when they said without a strategy, the organisation is like a ship without a rudder going round in circles. It is like a tramp; it has no place to go:

2.4 MARKETING STRATEGY

In order to cope with the increasing risk and uncertainty present in the business environment, management of majority of companies are turning to strategic management/marketing as their instrument for combined growth, profitability and viability of their firms. The adoption of marketing strategy has become increasing important because environmental surveillance has become a result of the rapid changes in the firms external environment.

Kelly (1972.80) on his own part, has deformed marketing strategy as a fundamental marketing logic by which the business unit intends to achieve its marketing objectives. This consist of a co-ordinated decisions in:

(I) Definition of target markets, in choosing the type of customers the firms wish to reach.

(ii) The composition of the marketing mix the effectiveness of a company's marketing strategy is contingent on the presence of market opportunity and the company's ability to take advantage of this opportunity. The successful identification of opportunities becomes more significant if one considers that it can significantly alter the operating results for business.

The first question addresses the issue of delination of target market and the determination of opportunities in them. Since every marketer realised that it is not possible to satisfy the specific needs and requirements of every customer, there is the needs to establish some criteria for grouping customers into homogenous sub-sets that could be approached with distinct common market efforts. It is necessary to deal with clusters of individual who manifest similarities in consumption habits, social behaviour, economic characteristics. Such a sub-group or market is approached with a uniform marketing programme.

Broadly speaking, a marketer who chooses to segment a market will select it as a basis for segmenting his market among the following criteria. He may decide to use geography as the basis, in which case the

market may use such demographic variables as education, income, religion, sex and naturality. On the otherhand, he may segment his market on the basis of psychographic variable like the life style and personality of individuals. If the marketer is not satisfied with the above criteria, he may adopt a behaviouristic variable to segment his market. Under this a market is segmented based on where consumer buy (location) why they buy (motives), when they buy (timing), how they buy (mode of purchase).

The second question addresses the issue of competitive marketing strategic and their effectiveness. A company's marketing strategy, if it is to be successful will have to take into cognisance of a number of factors. Such factors will include the company's competitive size and position in the market, it resources, objectives and policies, competitors strategies, the stage of the product life cycle etc. There are basically four positions that company may fall into in terms of their market share relation to their competitors, viz;

The third and final question addresses the issue of the marketing mix strategy which is a combination of the man power and other resources and inputs needed in the marketing programme to fulfil objectives and plans in the market place.

2.5 MARKETING MIX STRATEGY

The marketing mix may be viewed as the firms total market offering comprising of the product, including physical characteristics and price, the logistic support, packaging, company image, advertising and promotion. Since the customer perceives the output of the firm in the form of a product, service or idea, the marketing strategist must integrate all the element when determining strategy.

It is argued that the marketing mix is more than the sum of product characteristics, price, promotion and distribution, as a systematic quality evolves from those elements to give a product line an image. This image is the perception customers and potential customers have of the firmss offering in terms of their uniqueness, using this perspective, the marketers realise that altering an element of the mix necessarily affects the impact of the other variables.

Various attempts have been made to develop a list of the basic marketing mix variables (a term used by Neil Borden). No matter what criteria is used no real difference exists between on list of mix ingredients and others put forward in the literature or practice. However, Mecathy has popularised a four factor classification called the 4 ps' (product, price, placement, promotion).

The degree of marketing performance and its level as well as the firms ability to adapt, achieve or anticipate changes depends on the manner in which each of the marketing mix dimensions listed above is evaluated and implemented. Since it is impossible for firm to achieve a perfect mix, marketing strategist are constantly struggling with the problem of blunding the marketing decision areas into optimal, or best possible combination. The primary issue is not only to assess the element of the marketing mix and the macro-environment influencing these offerings o the total environment. This will determine the effectiveness of the marketing strategy itself.

2.5.1. Marketing Strategy Effectiveness

According to Kotler, the marketing effectiveness of a company of division is influenced in the degree to which its marketing policy exhibit five major marketing orientations the most important of which is customer philosophy, strategic orientation and operation efficiency. Abell and Hammond (pg. 4) on the other hand believes that an effective strategic market plan is based on two important analytical ingredients. First, market opportunity has to be analysed and the company's capability to take advantage of the opportunity has to be assessed. Secondly, the behaviour of cost has to be understood. Under the first observation, five analytical building blocks are required for success:

(1) Customer must be analysed to determine how to segment and the requirement of each segment.

(2) Competitors have to be identified and their strategies must be understood.

(3) Enviornmental trend (social, political, economic and technological) affecting the market must be isolated, forecasted.

(4) Market characteristic in terms of the evolution of supply and demand and their interaction must be understood.

(5) Internal company characteristic must be audited to establish how company strengths and weakness related to market requirements.

The continued that under the second ingredient of cost analysis, two separate phenomena must be considered; these are:

(1) Scale of effect in terms of the impact of absolute size of operation on cost.

(2) Experience effect in terms of the impact of cumulative historical volume on costs.

For a marketing strategy to be effective, it has to satisfy the twin need of clarity of the strategy and effective implementation of the strategic plan.

No matter how sound a strategy is, if the implementation is poor, such strategy is doomed to failure or at best limited success. Also no matter how perfect the implementation of a poor strategy is, it can never lead to the achievement of set objectives because it is based on the wrong premises.

However, for any organisation to be able to know the extent of the effectiveness of its marketing strategy (after implementation) it must conduct a marketing audit. A marketing audit can be a most useful tool in improving a formal marketing strategy.

A marketing audit has been defined by schuchman A. (1959; Pg. 13) as a systematic critical and unbiased review and appraisal of the basic objectives and policies of the marketing function and of the organisation's method, procedures and personnel use to implement those policies and to achieve those objectives.

There are two basic types of audits:

(1) A functional or vertical audit which takes a function within the marketing department such as advertising or sales and makes indepth analysis of that area; and

(2) A comprehensive or horizontal audit which is necessarily broad and covers all functions within marketing.

In practice, a marketing audit is performed much like an audit in other areas of the firm, such as finance and personnel. The marketing audit is however, often more critical than other audits because of the rapidly changing marketing environment. Economic recession and recovering, rapidly climbing advertising costs, the widespread use of computers have all contributed to the need for change in marketing. The problems with marketing audits concerns setting of the objectives distortion of data and the resistance to implement recommendations.

Finally, it is worth summarising with a statement by Peter Drucker which indicates that effective management results come from exploiting opportunities not from solving problems. All one can hope at best is to eliminate a restriction on the capacity of the business to obtain results. The results themselves most come from the exploitation of opportunities. The pertinent question is not how to do things right, but how to find the right things to do and to concentrate resources and efforts on them.

One can therefore, clearly sue that marketing is a very important activity in any economic setting and therefore it effective performance and the

exploitation of opportunities in the environment and the neutralisation of threats therein will lead to a rise in the welfare of the society. This was aptly summed up by Peter Drucker (1958) when he said; in an economy that is striving to break the age old bondage of man to misery wants, and distribution, marketing is the catalyst for the transmutation of latent resources into actual resources of desires into accomplishments and the development of responsible economic leaders and informed economic citizens.

CHAPTER THREE

3.1 INTRODUCTION:

The construction industry is of high significance in national economic development. For example, good roads means greater mobility and fast distribution of goods. Better houses and environmental conditions have positive effects on living standards. All these foster productivity and are indicators of civilisation.

Monuments of the nation's economic development are exhibited in structures such as Lagos fly-overs, the Kainji Dam, Port complexes, the National Art Theatre, the New Federal Capital at Abuja and so on.

The construction industry plays a significant role in the development of ost countries as illustrated by a study by the World Bank. It shows that the construction industry in most countries accounts for about 50 per cent of gross fixed capital formation and represent between 3 and 8 per cent of the Gross Domestic Product.

The Central Bank of Nigeria on domestic production and prices, gives an indication of the relative sectoral incidence on the gross domestic output for selected industrial activities for the period 1985 through 1989. The

contribution of the construction industry relative to the gross domestic product compares favourably with the other sectors of the economy.

The cost and availability of development finance is influenced by major movements in interest rates and investment yields and also by the current attitudes and opinions of investors on the state of the economy and their expectations of the future. Property financing is thus an integral part of the economic science.

Nigeria with a population of over 100 million practises mixed economy. Petroleum account for over 80% of its Gross National Product and over 91% of its exports. Nigeria per capita income is in the region of N550.00. Our economic scene is characterised by:

(a) Heavy government expenditure on non-production wasteful investment.

(b) High rate of inflation

(c) High level of imports resulting in evaporation of the foreign exchanges.

(d) The dwindling of the value and prices of export particularly petroleum.

(e) Balance of payment problems

(f) Unrealistic interest rate

(g) Many industries have been shut down or are operating far below capacity.

(h) Unemployment problem

(I) Economic depression all over the country.

(j) Debt servicing has assumed an alarming proportion

(k) Stringent fiscal and monetary measures are being taken now in a bid to reverse the bad situation.

The prospect of the construction industry must be judged against the above features of the economy which produce a complicated scenario within which development decisions have to be made.

3.2 MARKETING AND THE NIGERIA CONSTRUCTION INDUSTRY

Marketing has been defined by an authority in marketing, Willam J. Stanton as:

- Finding out what consumers wants,
- Then, planning and developing a product or service that will satisfy those wants and
- Then determine the best way to price, promote and distribute that product or service.

Taking cognisance of the above definition, marketing does not mean just selling alone as marketing activities starts from the genesis or idead

generation about the product formulation. There are three main fact in that definition, i.e finding out what consumers wants, planning and developing a product or services to satisfy those wants and the determination of the best way to price, promote, package and distribute that product or service. In order to discuss effectively how the marketing of their product (construction product) is done the three main fact of the above definition shall be used.

3.2.1 **Finding Out What Consumer Wants**

To find out what consumer needs or wants it entails some element of researching to enable one to know what is presently offered or available and also to know whether there is any dissatisfaction or to identify a new need that has not been satisfied for the organisation to develop a product to satisfy it.

There was a need for a thorough consumer research to really find out what he needs in a product and the organisation should then be bend on delivering the desired satisfaction and this is because of the public outcry on the cost of building materials and the enormous waste of resources involved in most of the abandoned construction of government dam, road and most of the low cost houses in some towns.

3.2.2 **Planning and Developing a Product to Satisfy those Wants:**

After the consumer wants has been identified which is now the desire for good shelter, road or dams, for agricultural purpose, the next thing is the planning and developing of a product to satisfy those want.

Due to public outcry against the skyrocketed cost of building materials and other related services and the amount of foreign exchange spent on importing most of the material, the federal government saw the need to set up a machinery to advice on how to go about it. Many laws were repealed and new ones added to check the excess of most of the dealers in the business of the construction industry.

3.2.3 **Determining the best way to Price, Promote, Package distribute the product:**

The main product of the construction industry are roads,housing, dams etc. and other related services.

The pricing procedure used in establishing/setting the price is done through the help of an expert called Quantity Surveyor by the help of the bills of quantities. This bill of quantities has an acceptable standard for pricing of products based on the peculiarities of each country. The pricing

formulae take into account the following; landing price, free on board (FOB) price in Europe, freights, local charges and other related taxes.

In short the prices of the component are either free on transport (FOT) on site or free on Board (FOB) at port. All the prices are subject to periodic reviews.

For the promotional activities, advertising of personal selling are done through the organising of seminars, conferences, attending of trade fairs visit to individual sites of consumers and offering of personal/professional advice on the product formular and specifications.

Conclusively, the construction industry practices of marketing can be seen from the analysis of the main fact of Williams J. Starton definition of marketing.

3.3 THE APPLICATION OF MARKETING CONCEPT IN THE CONSTRUCTION INDUSTRY

Marketing concept has been earlier defined as a matter of consumer forces that satisfies organisational goals by first satisfying consumer's needs. In order to satisfy consumer needs effectively so as to lead to the

achievement of an organisational objectives e.g profit, it needs to provide the goods and services that are needed by the consumer's at an affordable prices and at the required location at the right time.

Marketing concept in modern time is used to designate the primary objectives of the business as "identification and satisfaction of customers needs at a profit" studies have shown that large company tends to adopt and implement the marketing concept to a greater degree than the small and medium size companies.

In order to discuss effectively the application of marketing concept in the construction industry an analysis shall be made on how the organisation ensures the three aspect of marketing concepts as listed below:

- Customer orientation
- Customer satisfaction at a profit
- Integrated or co-ordinated marketing.

3.3.1 How the Organisation ensures Customer Orientation?

A Company operating under the marketing concept take its principal direction from the market place, from knowledge and understanding of its customer's needs, wants and desires. The management focus on the

product only arises incidentally. In essence, an organisation should produce only those goods/services that the customers need and not those goods/services that the organisation thinks it can produce.

The companies operating in the construction industry ensures customer orientation as the customers interest and wants were considered before going into the real contract and that is done through the presentation of some of the protype sample and the customer will be allowed to make some adjustment to fit his own needs and the company goes ahead to charge him the right price for his job. The customer could either be government, individuals or corporate bodies.

Most importantly, the company makes market survey and market research to enable them know what the consumers actually want and in what quantity and quality they need them. Through market research the industry is able to introduce some pro-type houses at a very cheap cost with maximum comfort like the Gwanrimpa housing Estate in Abuja.

Finally, the companies ensures customer's orientation by issuing of sample product to any prospective customer to enable them know whether the sample is in comformance with their requirements.

3.3.2 How the Organisation ensures Customer Satisfaction:

Customer satisfaction aims at satisfying the desires of the customers at a profitable sale volume. Attention should be focused on marketing rather than on selling.

Most of the companies in the industry ensure consumer satisfaction by delivering the desired satisfaction that is discharged based on specification and terms of contract and given expert advert.

Another way of ensuring customer satisfaction by the companies in the industry is the provision of credit facility to some of the biggest customers, once a contract is signed whether there is mobilisation fee or not they go ahead and execute and later the sort themselves out.

3.3.3 How Integrated Marketing is ensured in the Company:

Integrated marketing is a corporate affair which entails co-ordinating the activities of all those concerned with research and development, designs, pricing, production, finance distribution etc. and direct them towards the achievement of customer satisfaction. It entails the acceptance of customer orientation and satisfaction by board of directing management staff and co-ordinating force of the whole organisation.

The corporate giant in the industry ensures co-ordinated marketing by having meetings with the head of marketing department at least once in a week and sometimes as the need arises. Other people in the weekly meetings are the head of project or site managers, executive director operators and other related departmental heads. These meetings are held to discuss any latest developments either from the marketing department or any other department.

Conclusively, therefore, the construction industry try to adopt marketing concept in their organisation by ensuring customer orientation and satisfaction by producing goods that are needed by the consumer (government, corporate bodies or individual). Integrated marketing is also ensured through the departmental weekly meetings of all heads of department with the executive director to discuss and co-ordinate their distinct activities to achieve the overall corporate objectives.

3.4 THE IMPORTANCE AND RELEVANCE OF MARKETING CONCEPT TO NIGERIAN CONSTRUCTION INDUSTRY:

The Nigerian economy is general and the construction industry in particular have lagged behind in accepting the importance of relevance of marketing concept in their organisation because of a number of reasons,

some of them are as follows – because their demand are greater than their supply. In the construction industry the demand for their product is inelastic and is far greater than supply. In fact the industry is operating below fall capacity because of the above reason.

Another reason for the slow acceptance of the marketing concept is because the companies pleads a lot of capital to go highly technical and therefore devote most of their time into other issue. Also with the highly capital intensive nature of their operation that made than a kind of a monopolist since they are not many. And since the operators of the company are not aware of marketing concept as they are less sophisticated about marketing generally.

Despite the slow acceptance of the marketing concept by companies in the industries, the concept is however relevant and important to them to enable them effectively and efficiently achieve their stated organisational objectives.

According to Jolson (1987) the marketing concept "is the cornerstone of every business". Hence, it is important not only to the private enterprise but also to the public enterprise. The importance and relevance of

marketing concept to private organisation has long been recognised and appreciated by marketing practitioners.

The importance and relevance of marketing concept to the Nigerian economy in general and the construction industry in particular lies in the new approach to management by Hambagda (1987) which states that management "demand the use of modern scientific planning and problem solving techniques. He also state that marketing concept is the marketing plan, the plan of action, control, objectives and follow-up programme". In this regards there are new implications in the marketing concept which are of relevance to organisations, namely planning developing a strategy and systematically and scientifically selecting among available alternatives to provide customer satisfaction.

For construction companies to shift from selling orientation stage which they are operating now to a marketing stage, marketing concept is very essential as competition may set- in, in the future. For now the construction industry is a monopoly of some selected foreign and few indigenous firms but, there is no quarantee that this context will continue for ever. A situation of seller's market which is favouring the company now may change so the company will have to adjust to the changing needs of the society.

Marketing concept is important and relevant to companies in the construction industry in two ways. The need the application of the concept to operate at a profit in order to be able to attract more investment from the public and or the government. Secondly, the marketing concept is useful to enable them sell their product or services to the customer also.

From the foregoing, it can be seen that marketing concept is very important and relevant to any organisation. Peter Drucker (1973) in his book management; task, responsibilities and practices, rightly observed "the aim of the marketing concept is to make selling super-flow, to know and understand the customer so well that the services fit them and sell itself; really marketing should result in a customer who is ready to buy. Hence to ensure survival and growth, construction firms should accept and practice the marketing concept in order to attract and retain more customers.

CHAPTER FOUR

DATA PRESENTATION ANALYSIS

This section of the project study deals with the analysis of data collected from the field work. To ease and enhance a clear and distinct understanding, the chapter is divided into four main section, namely;

(a) Presentation and analysis of data

(b) Discussion of findings

(c) Analysis of the level of awareness about marketing concept and the extent of its application in the construction industry.

(d) Problems of the application of the marketing concept in the construction industry.

4.1 PRESENTATION AND ANALYSIS OF DATA:

The presentation here are in response to the set of questionnaires that were physically administered to both the staff of the construction company and the final user or customers of the companies which are Government, Corporate bodies and wealthy individuals.

Objective of the construction companies:

On the objectives of the construction firms though varies to some extent but their main priority were on profit making at their mission is to provide a health environment through the provision of good shelter, good road network, dams for agricultural and industrial purposes etc. it is also further stated that the construction firms will also exploit other related profitable business opportunities in co-operation with other arms or technical partners abroad to inject more capital to invest into low cost houses for rentage to the lower income earner in urban and some satellite town in their overall corporate interest.

Existence of Formal Marketing Department

On whether the construction firms understand what marketing concept is about, I asked for their marketing department which some of the companies had while others where yet to have. Their marketing department is responsible for the sales and marketing activities of the organisation.

Meaning of Marketing to the Companies

Still to further find out their extent of the understanding of marketing concept, question two and three asked what marketing means and whether marketing is relevant to their companies. The responses was

that marketing means all of the options listed viz, selling, advertising, market research, public relations etc. They also agree that marketing is relevant to the operation of their company but that they only released now because of the lesser competition they enjoy in the industry – no competition locally and the nature of their product virtually made it impossible to import though the inputs can be imported but still the squeeze nature of the economy made it hard.

The Relevance of Marketing to their Companies

They states that marketing is relevant to their operation as they use marketing in their move for market development; offering, after sales services and consumer education. etc.

On what the respondent understand, the marketing concept means, they unfortunately do not know as they said that they are not professional marketers but a construction experts so they do not know what I meant by marketing concept. Some of the companies that have the marketing department as a section they employed the services of professional marketer.

Research Into Customer Needs

The respondent says yes, that they normally conduct research into customer's needs before going into construction. They do that through market research activities, factory inspections, market survey etc. are carried first before construction begins.

Consultation with the Customers in Decision Making

When asked whether the companies do consult its customers in taking decision that affect them, the respondent says yes but that they only do it when it is necessary like during a modification of a construction specification in order to assess the real cost.

Ways of getting Feedbacks on Customer Responses

Since the companies do not use sales force, they get their feedback, through market survey and from customer enquiry. They have been receiving a favourable responses from customer except on rare occasion where they do demand for credit facilities and also they never wants any review of prices which are in most cases upward. The customers were also complaining about the location of most of the head office of the companies which were mostly located in Abuja.

Customer's request for credit facilities used to be honoured from time to time especially government project which is usually long term construction work like roads, bridges, dams and estates which can be reviewed to meet the changes in the economy.

Whether the Industry is producing at Full Capacity

From the research it is found out that the industry is not producing at full capacity because of some operational reasons like high cost of maintenance of machine, inflated cost of inputs over appreciation of the Dollar over the local currency (Naira) etc.

From the research it is found out that the industry is not producing at full capacity because of some operational reasons like high cost of maintenance of machine, inflated cost of inputs over appreciation of the Dollar over the local currency (Naira) etc.

Responses on the Construction (Product) Decision of the 4 P's of Marketing

The nature of the product of the construction companies is a ready made product kind up because even before the start the tern and specification of the sample must be agreed upon and that has to do with the customer

in question either government, corporate bodies or individual will like to determine the way and manner he want the end result of the work to look like so most of the design and other input (light fixtures) were chosen by the customer.

Responses on the Pricing Decision of the 4 P's of Marketing

The pricing objective of the construction firms is determined by the management in collaboration with the customer by the use of an expert called the Quantity Surveyor using the standard pricing called the bill of quantities.

Though the final users all complained about the price set on the product as being too high they had no choice than to still continue buying since the construction company are highly capital intensive and as a result they operate as monopoly manufacturer.

Responses on the Place (Distribution) Divisions

Product are sold to be indicated customers as shown below:

Houses and Offices - Government, Corporate Bodies and high net worth individuals.

Road construction, bridges – Government (Federal, State and Local)

Dams, dredging, irrigation etc. – Government.

The construction firms do not control their channel members as they are independent bodies and so they do provide them with any facility. Still the channel is like more or less an intermediary in the sense government or corporate bodies or individual paid for the project and start collecting proceed from the end users and in most cases the companies are not in contact or have any thing to do with the customer.

Promotional Decision

Advertising, personal selling and publicity etc. are all used in promoting their products especially at the urban or satellite town where there are a lot of construction work. The media mostly used for promotion are the newspaper, bill board, television and magazines – promotion are also done through seminars, conference, trade fair, etc.

Responses from Final Users

The customers expresses their happiness with quality of the construction work done so far which meets the international standard, but they are unhappy with the level of price changes of the construction materials in the customers are always given prompt attention any time they want information about any after sales repairs to be done to them.

The customers prefer to buy from the construction companies directly but due to high cost it's not possible they have to wait for government to invest in such kind of a project before they will subscribe at the tail end. The customers added that most time the companies refuses to allow them discount but they do give them credit facilities on rare occasion.

4.2 DISCUSSION OF FINDINGS

The research finding related to the objective of the construction industry reveals that the industry main priority is on profit making most especially with the commercialization of the Nigerian economy n general by the Federal Military Government. The objection of the profit making is not bad but the customer has to be satisfied before profit can be ensured. It is only through customers satisfaction that maximization objective and other objectives of an organisation can be achieved. The industry as a whole as much as possible wish to minimise cost.

Most of the companies in the industry understand what the marketing concept is all about as they are directly or indirectly adopting it in their organisation because they have a distinct sale and marketing department responsible for all the marketing activities of their company. They know that marketing includes promotion, marketing research, selling, public relations, etc. The construction industry also realises the relevance of

marketing to their operations as they use it in market development, consumer education etc.

The finding on the application of marketing concept are gotten from question 5, 6, and 7. The companies do undertake studies into consumer needs before going into construction. They also make consultation with their customers before taking any major decision that affects them especially during modification or erecting a construction work. Most of the companies also makes studies to get feedback from its customers about their usage and how to improve.

The pricing decision are done by the management in liasion with the customer based on an acceptable standard for pricing that is the bills of quantities.

From the research findings, advertisment, personal selling and publicity are very important means of promotion. The bill-board, magazine, newspapers and radio are very important means of promotion for the construction industry as a whole.

4.3 ANALYSIS OF THE LEVEL OF AWARENESS ABOUT MARKETING CONCEPT AND THE EXTENT OF ITS APPLICATION IN THE CONSTRUCTION INDUSTRY

The management of most of the construction company's are aware of the importance of marketing by creating a distinct marketing department responsible for all the sales and marketing functions of their organisation. By having a distinct marketing that is the beginning of the adoption of the marketing concept.

Question 2 and 3 which sough do find out what marketing means and its relevance to the construction industry reveals that marketing means selling, advertising, marketing research public relations etc. it is also agreed that marketing is relevant to their company's operation though marketing is a little bit being released because of the lesser competition due to the factors mentioned above.

The only dis-apponting revelation of the research is that some staff of the sale/marketing department do not even know what marketing concept means though their excuse was that they are not professional marketers.

The construction companies do undertake research into customer needs before going into any construction work. They do it through market survey and customer's request. The customer's are also consulted when any major decision are being taken especially decision concerning specification of some of the key elements of the contract term and modifications.

Finally, without researching which is an onus of marketing concept customers request would not have been noticed.

4.4 PROBLEMS OF THE APPLICATION OF MARKETING CONCEPT IN THE CONSTRUCTION INDUSTRY

The issue is that most of the government own or where the government is having a leading interest in the construction company were initially created not purely for profit motives now turn to a purely profit making company's because of the privatisation and commercialisation of the federal military government. There will definitely be some be some problems in trying to apply concept of marketing into their operations. Some of the problems of the application of marketing concept in the construction companies are as follows:

- Management orientation
- Internal dissension
- Cost

Management Orientation

Hitherto, the management of most the companies were making policies and decision for a non-purely profit organisation then of a sudden the same management staff are now being mandated to make decision for a purely profit organisation, there is bound to be some problems because of a drastic change in their mission.

The management orientation which were formerly purely the satisfaction of its citizen and they depends on subvention from the government will have to change under a commercialised company.

With commercialisation the companies will try to adopt marketing concept to enable them operate at a profit so that the aim of the commercialisation exercise will not be defauted.

Internal Dissension

Another problem is internal dissention which is the problem of disagreement between the marketing department in most of the

companies and other department. The finance and engineering department may not be happy that the marketing department is taken all of a sudden very seriously than the other department. Under marketing concept, the marketing department has to go out first and identify what the customers wants are before the finance department can raise money to enable the engineering work to take place.

Cost

The adoption of marketing concept lead to an additional cost in various ways, some of them are cost of researching and cost of training and educating staff.

Adopting marketing concept means an organisation will now have to research into customer's needs before going into construction work and marketing of that item which will lead to additional cost of staff for the research department and also cost of the research itself.

Also the management and other staff of an organisation needs to be educated and trained on the concepts of marketing and its use which will also cost money.

The management staff needs to be trained properly to enable them change their orientation with the adoption of the marketing concept. New staff may have to be hired for the implementation of the marketing programme of the enterprises and all this means more cost for the companies.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 SUMMARY OF FINDINGS

Maximization of profit and minimization of cost is not always the only and main objectives of business enterprises be it a public or private enterprises, though for a business organisation to succeed and grow, it must be able to generate some profits. The main objective of the construction companies under study is the minimisation of cost of construction works.

From the study so far most of the construction companies has a formal marketing department who undertakes all marketing activities of the company's.

Also from the research studies it was found that some of the staff of the construction companies do not know what marketing and marketing concept is all about or meant and some of the staff of the company perceive marketing to be only selling not a broader task that it is. Despite the fact that the marketing concept is not fully understood by some staff of the companies, the company's still apply the concept in the real sence of it.

It was also discovered that although customers were normally consulted by the companies when taking a major decision that affect them. Some of the suggestion by the customers were implemented while others were dropped.

It was also revealed from the research findings that advertising, personal selling and publicity are more effective than sales promotion for the purpose of construction works. Newspaper, magazine, Tiv and bill-board are an effective means for promoting their image.

Finally, the research also shows that the main problems in the application of the marketing concept are management orientation, internal dissension and cost.

5.2 CONCLUSION

This study has investigated the implication of marketing in the Nigerian construction industry in general and the following conclusion has been drawn from the topic.

(a) That most if not all construction companies are set up to earn profits by minimizing cost and maximizing profits especially under

the commercialisation programme of the Federal Military Government currently going on.

(b) That some staff of the construction companies do not know what marketing is all about or marketing concept and that means they do not appreciate the relevance of the fields to their construction work.

(c) That marketing concept is being practised by the construction companies consciously or unconsciously though some of the staff do not know what the concept is all about. There is the relevance of marketing concept to the construction industry as a whole to enable then perform even at a high profit.

Finally, it should be realised that a satisfied customer/consumer is the firm's unpaid sales force as the power of spoken recommendations by a satisfied customer are by far the most powerful tool in creating more customers and making more sales.

5.3 RECOMMENDATION

In line with the findings discussed in chapter four and the conclusion drawn in the preceeding section, I wish to make the following recommendations:

The marketing department of the construction companies should be expanded so that sales activities should be divorced from marketing activities. Sale should be a section under marketing department. Marketing research, market development, advertising and promotion etc. are to be jobs under the marketing department.

I shall also recommend that all the staff of the marketing department must be sent on some courses in marketing to enable them posses the elementary literacy in marketing that they need in carrying out their duties.

I shall also recommend that the advertising and sales promotion be a section under marketing division to be responsible for the total communication effort for each of the companies in the industry.

A division should also be created to be responsible for co-ordinating the development work programme, administration and the development of

annual marketing plans of the companies. A programme of action designed to support line management at al levels of performance.

With the expansion of the marketing department they shall be able to adopt the customer orientation concept. The integration of the marketing activities must be gradual in order to win extensive acceptance by the other departments of the organisation. On the long run the training programme in marketing should also extend to the management staff of the various companies in the industry.

I want to recommend that the various companies profit making objective should go hand in hand with customer orientation as it leads to customer satisfaction which leads to increase in patronage by both present and potential customers and consequently increase in sales and hence ore profits.

Although the implementation of these recommendation may in the short run reduce profit margin, it is very benefiting in the long run as the loss in profit shall be compensated by a very high sales and profits.

APPENDIX 1

QUESTIONNAIRE FOR STAFF OF THE CONSTRUCTION INDUSTRY:

Name of Office: ----------

Position: ----------

Academic and Professional Qualification: ----------

What are the objectives of the Company? ----------

How did your Company arrive at this objective: ----------

UNDERSTANDING OF THE MARKETING CONCEPT AND MARKETING

1. Is your Company having a formal marketing department?

   (a) Yes ( )

   (b) No ( )

   If no, who is responsible for the sale and marketing activities of your company?

2. Marketing to your Company means?

   (a) Sales (Getting contract)

   (b) Advertising and sales promotion

(c) Marketing research

(d) Public relationship

(e) All of the above

3. Do you think marketing is relevant to the construction companies?

(a) Yes ( )

(b) No ( )

If you think it is relevant, then state briefly how relevant it is? ----------

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4. What do you understand by the term marketing concept?

APPLICATION OF THE MARKETING CONCEPT

5. Do you normally conduct research into your customer's need before going into construction work?

(a) Yes ( )

(b) No ( )

If no, briefly state why and if yes briefly state how:

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6. Whether your company do consult its customers when taking a decision that affects them?

(a) Yes ( )

(b) No ( )

If yes how often do it consult them:

---

7. How do you get feedback from your customer about your work?

(a) Customer complain ( )

(b) Mere Observation ( )

(c) Others ( )

8. What sort of response have you been receiving from your customers after finishing the contract job?

(a) Favourable ( )

(b) Unfavourable ( )

9. State the kind of things that are suggested by your customers?

---

10. Which of them have been adopted and which of them have not been adopted and why?

---

11. Who are your company's competitors?

---

12. Are your operating at full capacity?

(a) Yes ( )

(b) No ( )

QUESTION ON THE 4 P's of MARKETING PRODUCT DECISION

13. What are your initial operations?

---

14. Have you extended your operation during the last three years?

(a) Yes ( )

(b) No ( )

If yes, name them: (1) ----------

(2) ----------

(3) ----------

15. What rank of quality do you occupy in the industry?

(a) 1st Class ( )

(b) 2nd Class ( )

(c) 3rd Class ( )

(d) 4th Class ( )

16. **PRICING DECISION**

Who determine the pricing objection of your company?

(a) Management ( )

(b) Marketing Dept. ( )

(c) Customers ( )

(d) Any others ( )

17. How do you set your prices in actual practice?

(a) Cost oriented ( )

(b) Demand oriented ( )

(c) Competition Oriented ( )

18. Do you provide any incentive for bulk buying like large contract sum as credit facilities?

(a) Yes ( )

(b) No ( )

If yes why? ----------

PLACE (DISTRIBUTION) DECISION

19. Do you control your channel members and what facility you provide them:

---

20. Have you a warehouse or points in different parts of the country?

(a) Yes ( )

(b) No ( )

If yes where? ----------

21. What is the frequency of supplies of your work to demand?

PROMOTION DECISION

22. What promotional method do you use for promoting the image of your work

(a) Advertising ( )

(b) Personal selling ( )

(c) Sale promotion ( )

(d) Publicity ( )

(e) All of the above ( )

23. What media mix do you use for your promotion?

(a) Newspaper ( )

(b) Magazine ( )

(c) Bill Board ( )

(d) Television ( )

(e) All ( )

24. How many sales office(s) do you have and where are they located?

APPENDIX II

QUESTIONNAIRE FOR THE FINAL USER OR CUSTOMER OF THE CONSTRUCTION INDUSTRY

1. Name of Government agencies or individual: ----------

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2. What are the type of construction work done to customers?

---

3. For what purpose does the customer wants the job?

---

4. Are you happy with the quality of the job?

   (a) Yes ( )

   (b) No ( )

   If No, what is your dissatisfaction: ----------

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5. Do you get prompt attention of the company any time you want information concerning the job done?

   (a) Yes ( )

   (b) No ( )

6. Name the name of the company that does the construction work for you?

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7. Do you prefer them to their competitors?

(a) Yes ( )

(b) No ( )

If yes why; if no state the reason:

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8. Are you happy with the price?

(a) Yes ( )

(b) No ( )

9. How did you get to know about the company ability to do the job?

(a) Advertising ( )

(b) Publicity ( )

(c) Personal selling ( )

(d) Others ( )

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