

ENTREPRENEURIAL MARKETING CAPABILITIES AND PERFORMANCE OF MANUFACTURING SME'S IN PORT HARCOURT

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ABSTRACT

This study investigated entrepreneurial marketing capabilities and performance of manufacturing SME'S in Port. Harcourt The population for this study is 337 registered manufacturing small and medium enterprise in port Harcourt. The study adopted the simple random sampling technique to select one (1) respondent per firm and generated 337 respondents. A 5-point likert-scaled questionnaire was administered to respondents composed of SME 'S managers, of which 296 copies of the questionnaire were returned, realizing 87.8 percent response rate. The analysis was made up of descriptive and inferential statistics with SPSS version 22 providing aid. The inferential statistics absorbed three parametric inferential tests- Pearson's Product Moment Coefficient (PPMC), One Way Analysis of Variance (ANOVA) and Simple Regression Analysis. It was found that the dimensions of entrepreneurial marketing capabilities (innovativeness and competitive aggressiveness) studied have moderate, positive and significant influence on performance at 0.05 significant level. The study therefore, concludes that, entrepreneurial marketing capabilities positively and significantly Influences performance of SME'S arid recommends that management and individuals in SME'S measures to invest in opportunities that usher in innovativeness and competitive aggressiveness to improve sustainable competitive advantage in their operations in order to survive in the contemporary competitive business environment.

INTRODUCTION

The modern-day business milieu demands that firms become entrepreneurial oriented if they must create an inimitable and specialized continued existence to preserve existing customers or get new ones (Erci, 2011); with a vision to increase market share and have an edge over their rivals (Miller & Friesen,1983). To achieve this, firms set up routes and course of actions to secure a comfortable share of the market to attract sustainable competitive advantage. It is clear as crystal that the achievement and safeguarding of sustainable competitive advantage in the contemporary business landscape requires consistent and constant fine-tuning of innovative practices, get on unavoidable risks and proactively making the most of opportunities embedded in the environment that attracts continuous survival in business. This is imperative because firms need to achieve superior performance over rival organizations in the marketplace with a well packaged entrepreneurial orientation programs to sustain competitive edge in their respective industries. Performances a concept, entails achieving superior activities over rival organizations.

For business organizations, it involves having the talent to categorize customers' by creating offers that satisfy them. In this regard, competitiveness is prime to the success of an organization. Nevertheless, realizing competitiveness has become more difficult than ever for firms due to the proliferation of products that are different only in brand names and an increasingly demanding customer patronage (Ateke & Akani, 2018). As a result, a firm must create superior value, attain excellence in business processes, positively modify customers' perception, convey employee's satisfaction by creating a favorable working environment, and improve product offering and social responsibility activities; all of which add to the competitiveness of the firm. However, this is possible if the organization adopts an entrepreneurial orientation.

. Izagah and Ikegwuru (2016) studied strategic entrepreneurial orientation and market share of taxi cab operators in Rivers State, and found that the elements of strategic entrepreneurial orientation

positively and significantly relate with market share of taxi cab operators in Rivers State. Azlin, Amran, Afiza and Zahariah (2014) determined the impact of entrepreneurial orientation (EO) and business performance and disclosed that innovativeness, proactiveness, risk-taking and competitive aggressiveness significantly influenced business performance, while Autonomy illustrated no significance with business performance.

Prior researches on entrepreneurial orientation do not provide adequate knowledge for proprietors in the Nigerian private schools context on how entrepreneurial orientation affects a firm's sustainable competitive advantage. This is because among these studies, it has been observed that they did not utilize sustainable competitive advantage as dependent variable in their study, therefore creating a gap; hence, this study evaluated the influence of entrepreneurial Marketing capabilities on performance of SMES in Port Harcourt.

Conceptual frame work

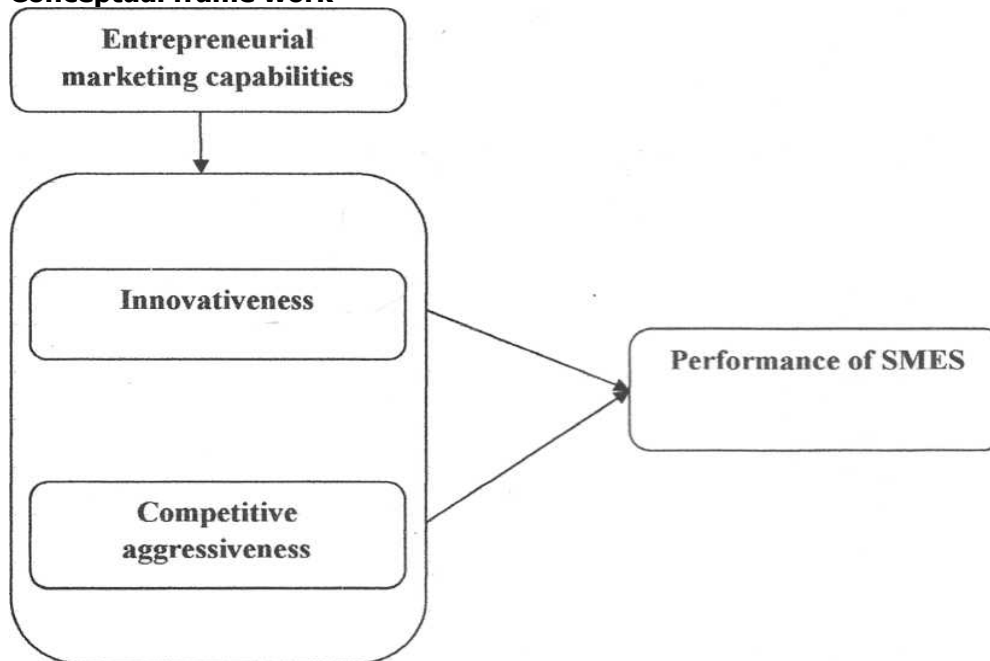


Fig 1.1 conceptual frame work of entrepreneurial marketing capabilities and performance of SMES in Port Harcourt

Purpose of the study

The purpose of the study is to examine the relation between entrepreneurial marketing capabilities and performances of SMES in Port Harcourt the specific objective are:

1. To determine the relationship between innovativeness and performance of SMES in Port Harcourt
2. To investigate the relationship between competitive aggressiveness and performance of SMES in Port Harcourt

Research Questions

1. To what extent does innovativeness relate with Performance of SMES in Port Harcourt
2. To what extent does competitive aggressiveness relate SMES in Port Harcourt?

Research Hypothesis

H01: There is no significance relationship between innovativeness and performance of SMES in Port Harcourt.

H02: There is no significance relationship between competitive aggressiveness and performance of

SMES in Port Harcourt.

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LITERATURE REVIEW

Entrepreneurial Marketing capabilities

Entrepreneurial Marketing capabilities are the processes, practices, and decision-making activities that lead to new market entry (Lumpkin & Dess, 1996; Wang, 2008). Entrepreneurial orientation is the strategic approaches in decision making process as well as means of explaining firm performance (Green, Covin, & Slevin, 2008; Huang & Wang, 2011). Entrepreneurial orientation is the autonomy, innovativeness, proactiveness, competitive aggressiveness, and risk-taking ability (Lumpkin & Dess, 1996). Entrepreneurial orientation may be viewed as the entrepreneurial strategy making processes that key decision makers employ to endorse their companies' managerial purpose, uphold its vision, and generate competitive advantage(s) Akani,Wami and Ikegwuru (2020).

Innovativeness

On innovativeness, Schumpeter (2002:299) noted that the "purest type of entrepreneur genus" is "the entrepreneur who confines himself most strictly to the characteristic entrepreneurial function, the carrying out of new combinations", in a word: innovation. According to Lumpkin and Dess (1996:142) innovativeness mirrors the aptness for an enterprise "to engage in and support new ideas, novelty, experimentation, and creative processes that may result in new products, services, or technological processes". Lumpkin and Dess (1996) describe innovation as a consequential means of tracing opportunities and so is a significant constituent of an entrepreneurial capability. Lumpkin and Dess (1996:143) provided a good reason for the use of Innovativeness as a dimension of an entrepreneurial orientation since it "Reflects an important means by which firms pursue new opportunities".

Competitive Aggressiveness

Competitiveness derives from a Latin word, "Competer", which connotes an attachment in a business competition for market. (Ambastha & Momaya,m2003). Competitiveness is multidimensional in nature (Ogueze, Edwinah & Olori, 2017), and it is the involvement of\ competitor organization for the identical product, market share, industry and placement of other business. Lumpkin and Dess (1996) defined competitiveness as how firms relate to their rivals, that is, how they respond to developments and requirements that previously subsist in the marketplace or environment. Barney (2001) alludes to competitiveness as the individual, company or state that is caught up in entrepreneurial activity.

Empirical Review

Akani, Wami and Ikegwuru (2020) investigated the effect of entrepreneurial orientation on marketing performance of SMEs in Rivers State, Nigeria with a population of 377 registered SMEs in Rivers State. The regression analysis technique was used to realize the influence of entrepreneurial orientation on marketing performance, while the hierarchical regression technique was engaged to test the moderating role of market orientation on the relationship between entrepreneurial orientation and marketing performance. The result depicts that, entrepreneurial orientation has a positive and significant relationship with marketing performance at 0.05 significant level.

Ikegwuru and Harcourt (2020) studied the effect of entrepreneurial responsive strategies on SMEs survival in COVID-19 pandemic era in Rivers State, Nigeria using a population of 377 registered SMEs in Rivers State. Data for the study was collected using structured questionnaire and data analyzed with the regression analysis technique. The results indicate that,m innovativeness, proactiveness and risk-taking significantly influenced SMEs survival in Rivers State of Nigeria.

Kenigheni and Ikegwuru (2020) analyzed the effect of entrepreneurial orientation on unemployment reduction in. Nigeria by means of a survey design. The stratified random sampling technique was engaged to select 200 entrepreneurs from four known Local Government areas in Rivers State. The ordinary least square (OLS) method was employed to assess the association between entrepreneurial orientation and unemployment reduction. in Nigeria and the findings divulge that entrepreneurial orientation significantly predicts unemployment reduction in Nigeria.

Research methodology

The total population of the SMES consists of two thousand and seventy-four (2074) SMES whose genuine list was obtained from the business unit of the Commercial Department of the Rivers State Ministry of Commerce and Industry, Port-Harcourt as at March 2022. The sample size for this study was therefore, acquired from the guideline developed by Krejcie and Morgan (1970) on the determination of sample size from a given population. The guideline for a population under 2200 is 337. The study relied on a sample size of three hundred and thirty-seven (337). The study adopted cross-sectional study of all SMES in Rivers State, and the simple random sampling procedure was then adopted to select one (1) respondent per SMES to generate 337 respondents. A 5-point likert-scaled questionnaire was administered to respondents composed of managers, of which 296 copies of the questionnaire were returned, realizing 87.8 percent response rate.

The analysis was made up of descriptive and inferential statistics with SPSS version 22 providing aid. The inferential statistics absorbed three parametric inferential tests- Pearson’s Product Moment Coefficient (PPMC), One Way Analysis of Variance (ANOVA) and Simple Regression Analysis. The PPMC was used to test the relationship between the variables, ANOVA was employed to test the differences in means of responses on the variables, while by means of the imple regressions, the study tested the effect of the elements of entrepreneurial marketing capabilities on performance of SMEs,

RESULTS

Analysis of Research Questions

The researchers sought to ascertain the relationship of the component of entrepreneurial marketing capabilities and performances of SMES in Port Harcourt

The Pearson’s Product Moment Correlation (PPMC) technique was adopted for answering the research questions

Relationship between Customer Innovativeness and performance of SMEs

Table 1: Correlation Analysis showing the direction and strength of the relationship Between innovativeness and performance of SMEs

		Correlations	
Innovativeness	performance of smes		
Innovativeness		483	
	1 .		
	Sig. (2-tailed)		.0000
	N	296	
			296
Performance		483	1
	Pearson’s correlation .		
	Sig. (2-tailed)	.0000	
	N	296	
			296

**** Correlation is significant at 0.01 level (2-tailed).**

As can be seen from Table 1, innovativeness has a moderate and positive relationship with performance of SMES. The sign of the correlation coefficient is positive indicating that when customer integration increases, the focal schools also experience a corresponding response in her activities.

significant/probability value

The (PV) - 0.000<0.05, therefore the researchers conclude that a moderate, significant and positive

Relationship between Competitive Aggressiveness and performance of SMEs

Table 2: Correlation Analysis showing the direction and strength of the relationship between competitive aggressiveness and performance of SMEs

		<u>Correlations</u>	
Competitive Aggressiveness	Performance of SMEs		
Competitive Aggressiveness		1	.0000
.497			
	Sig. (2-tailed)		296
	N	296	
Performance of SMEs	Pearson's correlation	.497	1
	Sig. (2-tailed)	.0000	
	N		296
		<u>296</u>	

**** Correlation is significant at 0.01 level (2-tailed)**

As can be seen from Table 2, aggressiveness has a moderate and positive relationship with performance of SMEs. The sign of the correlation coefficient is positive indicating that when competitive aggressiveness increases, the focal firms also experience a corresponding response in her business activities. The significant/probability value (PV) = 0.0000.05, therefore the researchers conclude that a moderate, significant and positive relationship exists between competitive aggressiveness and performance of SMEs in Port Harcourt.

CONCLUSION AND RECOMMENDATION

The objective of the study was to determine the entrepreneurial marketing capabilities dimension n SMES in Port Harcourt. The entrepreneurial marketing capabilities dimension includes innovativeness and competitive aggressiveness. It was administered to managers of SMES. The results show that innovativeness and competitive aggressiveness have moderate, positive, influence on performance of SMES in Port Harcourt. The study therefore, concludes that entrepreneurial marketing capabilities significantly Influences performance of SMES in Port Harcourt, and recommends that management and individuals in SMES should take proactive measures to invest in opportunities that usher in innovativeness and competitive aggressiveness to improve sustainable competitive advantage in their operations.

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