

UNIVERSITY OF NIGERIA NSUKKA

THE MARKETING OF PLASTIC PRODUCTS IN NIGERIA:-
A CASE STUDY OF SOME INDUSTRIES IN ENUGU AND ANAMBRA STATES

BY

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An era of recession or dwindling fortunes in any establishment is usually a moment of restructuring, laying off etc. However one is of the opinion that one of the major antidotes to a dwindling fortune in any industry is a dynamic approach to it's marketing activities; which has the capability of turning it's fortunes around.

It is based on this that we have embarked on this study. Some of the problems we sought to find solutions to in this study are as follows:

1. To find out how far standard business practices like planning, strategising and research are incorporated into the marketing activities of the establishment.
2. The principal product qualities that determines purchase in this industry.
3. To determine also how effective the present distribution network and promotion activities are and how they contribute towards the solution or worsening of the present crisis in the industry.

In carrying out this study our guiding hypothesis were that:

- a. The rate of new product development in the industry as a whole does not keep pace with the changing demands and preferences in the market.
- b. That the distribution pattern or strategy of most plastic companies are not enough to meet the market demand.
- c. The level of advertising, public relation or promotional support for these products are not enough to differentiate the products or create enough brand awareness for the products.

We used the qualitative method backed up with the questionnaire survey method in carrying out this study. This involved an earlier explorative study involving indepth interviews, case study analysis, participant observation etc so as to be able to identify a particular trend in the industry. This then formed the background for formulating the research questions used in the questionnaire survey method.

Three industries were used as case studies. These industries represented a geographical area within the states mapped out for this study. The locations are Enugu, Onitsha and Nnewi in Enugu and Anambra States.

Two sets of survey questionnaires were administered one for the dealers or sellers of plastics and the other for these companies studied. The essence of using the two questionnaires was to build in a control or means of checking for the congruency of what the companies thought about themselves as against what the sellers and other consumers think about them.

On the whole sixty questionnaires were administered to the dealers of the plastic products.

The major findings from the study are as follows:

1. That quality is the single most important factor in the choice of which product to buy. Other factors like design, easthetics are only important in the choice of whether to pay a higher or lower price.
2. There is also an overall sensitivity to high prices in the industry as there are so many similar or substitute products in each product class.
3. In making the purchasing decision one major area of consideration is the products availability or proximity to the buyer. Sellers are not willing to bear the additional cost of transporting the products from the factory to their shops. The buyers are also unwilling to prolong the searching period for the purchase.
4. The level of the promotional activity in the industry is grossly insufficient to achieve product differentiation or awareness among the buyers.
5. The present channel of distribution is neither dynamic enough nor flexible so as to achieve a wide scale distribution of the products.

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Embark on a wide scale product development so as to provide a wide range of products that will appeal to the consumers, while at the same time giving them a variety of choice in terms of design, colour etc in each of the product range, group or class. All these however should not be done at the expense of quality.

The price of the products should be deliberately kept low so as gain a large share of the market through penetrating it, while at the same time achieving a high volume of sales which is what will eventually contribute towards profits for the establishment.

The level of promotional activity in the industry has to be seriously beefed up, since that is the only other avenue of effectively differentiating the products from one another. This is important because of the brand loyalty that it will bring coupled with the high volume of sales and repeat purchase that it will guarantee.

To be able to reap a reasonable amount of profit high volume of the products will need to be sold first because the profit margin per unit of the product is very low. To be able to achieve this, the manufacturers will need to enlarge their sales team, provide them with more vehicles and also create depots for the products from where the markets can easily be reached or served.

It is the view of the researched that this study provides an honest view of the industry as well as it's consumers and operation. Such that if the recommendations are implemented it will go a long way in solving the problems of some of these plastic industries.