

## Influence of Marketing Strategies on Managing Service Breakdown among Small and Medium Enterprises (SMEs) in Anambra State

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### Abstract

The study investigated ways marketing strategies could influence managing service breakdown among small and medium enterprises (SMEs) in Anambra State. Specifically, it determined ways: advertisement, packaging design; and sales promotion could influence managing service breakdown among the SMEs. Research design was descriptive survey. Population was made up of all registered SMEs in Anambra state. Questionnaire was used to collect data. Data were analysed using mean, standard deviation and t-test at 0.05 level of significance. Findings indicate 10 ways advertisement could influence the management of service breakdown in SMEs. These include builds brand awareness more quickly, ( $\bar{X} = 3.62$ ) and others. Other findings reveal 7 ways packaging design influences management of service breakdown in SMEs. These include packaging serves as a tool for differentiation ( $\bar{X} = 3.22$ ) among others. Also 9 ways sales promotion influences management service breakdown in SMEs. These include empowers product acceptance ( $\bar{X} = 3.72$ ) and others.

**Keywords:** Marketing Strategies, Advertising, Packaging Design, Sales Promotion, SMEs, Marketing

### Introduction

Marketing can be considered to be a management activity that emphasizes on the effort to satisfy the needs and desires of target customers, profit-making and sales of product. Gupta *et al.* (2024) observed that marketing is an activity, set of instructions, and processes for creating, communicating, delivering, and exchanging offerings that customers, clients, partners, and society at large consider valuable. Marketing offers better value for money, causes responses and

immediately motivates clients, customers or buyers (Kotler & Keller, 2016). This requires strategy to achieve.

Marketing strategy has become an important tool globally for any organization to remain in a competitive market environment and to be strong. Thus, marketing strategy, for the purposes of this work is a way of providing quality product that satisfies customer needs, offering affordable prices and engaging in wider product distribution backed up with effective advertising, packaging and

promotion (Pankajkumar & Deepak, 2022). Marketing strategy is a vital prerequisite that influences organizations, vendors and business' ability to strengthen their market share and minimize the effects of competition and sales of goods and services, for maximum profit.

Furthermore, Sudirjo (2023) asserted that marketing strategy is a way of providing quality product that satisfies customer needs, offering affordable price and engaging in wider distribution, and back it up with effective promotion strategy. Babalola *et al.* (2022) examined the impact of marketing strategies (6Ps) on commercial banks performance in Ogun-State, Nigeria. This study concludes that customer satisfaction significantly promotes the performance of commercial banks. Chigbata *et al.* (2020) also assessed the association that exists between marketing strategy and performance of SMEs in Anambra State. The correlation result study revealed that product and promotion marketing strategies have a positive and significant relationship which could prevent service breakdown of SMEs in Anambra State.

Service breakdowns could occur daily in all organizations. Woodside & Calhoun, (2020) opined that service breakdown occurs when a service fails to meet the expectations or needs of the customer. They happen whenever the product or service delivered fails to meet customer needs, wants and expectations. Managing service breakdown is service recovery (Wu, & Monfort, 2023). In this study, service breakdown is referred to as arising issues that prevent the business from delivering on their promise. When dealing with customer service breakdowns, it is important to investigate the **root cause** of the issues so that your organization can

work to proactively fix it (Park *et al.* 2022). Common causes of customer services breakdowns include: poor goal setting, lack of training, lack of resources and low commitment on the part of employees. Similarly, Babalola *et al* (2022) postulate that, to effectively overcome service breakdowns, advertising packaging and sales promotion are the major strategies to adopt to rebuild customer trust, and prevent future occurrences. Eniola & Olorunleke (2020) opined that advertising message is to establish a basic awareness of the product or service in the mind of the potential consumer and to build up knowledge about it. Advertising is a non-personal and paid form where ideas, concepts, products or services and information are promoted through media by an identified sponsor. Products need to be kept safe, informed, and convenient through packaging.

Packaging is the container for a product - encompassing the physical appearance of the container and including the design, colour, shape, labeling and materials used (Bintu, 2017). In a similar view, Ishar & Mubarak (2017), define packaging as all the activities of designing and producing the container for a product. In the context of this work, packaging can be defined as the wrapping material around a consumer item that serves to contain, identify, describe, protect, display, promote and otherwise make the product marketable. Zhao *et al.* (2021) stipulate that customers expect their goods and services to be packaged and presented conveniently. Attractive packaging, before purchase, is an aid to selling. However, after purchasing a product, the packaging becomes an aspect of service. The customer needs packaging that is suitable for transporting and storage and that is easy to remove. Marketers also use sales

promotion to boost sales, and generate interest in a product or service.

Sales promotion is the business of communicating with customers which could validate products quality, and empower product acceptance, thereby possibly influencing managing service breakdown among SMEs (Guerola-Navarro *et al.*, 2022). Sales promotion, in this work is "marketing devices and techniques employed by SMEs which are used to make goods and services more attractive, by providing some additional benefit, whether in cash or in kind, or the expectation of such a benefit".

In Nigerian context, government has historically supported the growth of SMEs, especially growth-oriented businesses through various policy interventions. The government, for instance, formulated Small and Medium Industries Equity Investment Scheme (SMIEIS, 2000/2001) to create an enabling environment for the sector. SMEs in this work are enterprises that have between five and one hundred staff with an annual turnover of about four hundred thousand naira (₦400,000) (Osamwonyi, 2010). The Government of Nigeria identified growth-oriented SMEs based on their potential for job creation, poverty reduction, local raw material utilization and ease of transformation to medium and large scale businesses in a short period of time.

It has been observed that so many SMEs in Anambra State are victims of mismanagement, closure and bankruptcy (Gamage, *et al.* 2020). Obvious upon this, many of such SMEs lack patronage from customers which result to accumulation of outdated products in stock. This has made them suffer severely in the midst of a competitive marketing economy. Adam & Alarifi (2021) posited that advertisement, packaging design, sales promotion,

management competence among others can influence and prevent SMEs management and services from breaking down when effectively put in place, for the benefit of SMEs management and consumers.

### **Objectives of the Study**

The general objective of the study was to investigate ways marketing strategies could influence managing service breakdown among SMEs in Anambra State. Specifically, the study determined ways each of the following marketing strategies could influence managing service breakdown:

- (1) advertising
- (2) packaging design
- (3) sales promotion

### **Methodology**

**Design of the Study:** The design of this study was descriptive survey research design.

**Area of the Study:** The study area was Anambra State. The state consists of three Senatorial Zones and 21 Local Government Areas (LGAs). There are very many SMEs both in the rural and urban areas of the state, many of which are prone to service breakdowns (Anugwu *et al.* 2021).

**Population for the Study:** The population of the study was made up of all the SMEs in Anambra state that were registered by the Corporate Affairs Commission (CAC) at the time of the study. The estimated number of the SMEs was 1020. Managers, accountants and sales representatives in the SMEs were the respondents. The respondents were both males and female. The minimum educational qualification was Higher National Diploma/National Certificate of Education.

**Sample for the Study:** A sample of 75 SMEs was purposively selected for the

study. These SMEs showed evidence of their registration and indicated willingness to participate in the study. Three respondents were from each SME, including a manager, an accountant and a sales representative. These gave a total of 223 respondents.

**Instrument for Data Collection:** Instrument used for data collection was structured questionnaire. It developed based on literature review and research objectives. The instrument was validated by three university experts, in Business Education. It was scaled on Likert five-point scale: Very High Extent (VHE) = 5-points, high extent (HE) = 4 points, moderate extent (ME) = 3 points, low

extent (LE) = 2 points, and very low extent (VLE) = 1 point.

**Data Collection Method:** A total of 223 copies of questionnaire were distributed to the respondents by hand with the help of trained research assistants. All the 223 copies were retrieved and found useable.

**Data Analysis Technique:** The research questions were answered using mean and standard deviations. The mean value of 3.00 was used as a bench mark for decision making. A mean value below 3.00 is regarded as low extent (LE) while a mean value of 3.00 and above is regarded as high extent (HE).

## Findings

**Table 1: Mean Responses and Standard Deviation on Possible Ways Advertising Influence Managing Service Breakdown among SMEs in Anambra State**

S/N	Possible Ways Advertisement Influence	$\bar{X}_1$	$SD_1$	$\bar{X}_2$	$SD_2$	$\bar{X}_g$	R
	Advertising:						
1	internet advertising provides media to reach out to customers worldwide	3.45	0.94	2.56	0.23	3.01	WI
2	builds brand awareness more quickly	4.35	0.65	2.88	0.83	3.62	WI
3	helps to breathe life into a failing handicraft brand.	3.62	0.95	2.47	0.50	3.05	WI
4	helps to tailor advertisement message to the location of the prospective customers.	2.81	1.01	3.27	1.11	3.04	WI
5	promotes management competence of SMEs.	3.28	0.67	2.85	0.48	3.07	WI
6	eradicates management breakdown among SMEs.	2.98	0.67	3.11	0.92	3.05	WI
7	enhances productivity and efficiency of SMEs.	4.15	1.51	2.65	0.52	3.40	WI
8	creates awareness and minimizes breakdown among SMEs.	4.07	1.43	2.21	0.59	3.14	WI
9	Advertising enlarges sales distribution among SMEs.	3.84	1.53	3.61	0.54	3.73	WI
10	promotes costumers awareness of SMEs business products and services.	3.52	1.35	4.08	0.50	3.80	WI

$N_1$  = Number of males (98);  $N_2$  = Number of females (125);  $\bar{X}_1$  = Mean of male staff;  $SD_1$  = Standard deviation of male staff;  $\bar{X}_2$  = Mean of female staff;  $SD_2$  = Standard deviation of female staff;  $\bar{X}_g$  = Grand mean; R = Remark; WI = Ways of influence.

Table 1 shows the mean and standard deviations of respondents on possible ways advertisement influence managing service breakdown among SMEs in

Anambra State. The 10 items obtain grand means of 3.00 and above ( $\bar{X} \geq 3.00$ ). This implies that each item influences managing service breakdown to a high extent.

**Table 2: Mean Responses and Standard Deviation on Possible Ways Packaging Design Influence Managing Service Breakdown among SMEs in Anambra State**

S/N	Possible Ways Packaging Design Influence	$\bar{X}_1$	$SD_1$	$\bar{X}_2$	$SD_2$	$\bar{X}_g$	R
	Packaging:						
1	item relates the product to cleanliness and freshness	3.45	0.94	1.06	0.23	2.26	NWI
2	serves as a tool for differentiation	4.35	0.65	2.08	0.83	3.22	WI
3	enhances product image.	3.62	0.95	2.47	0.50	3.05	WI
4	drives impulse for purchases.	3.38	1.82	2.87	1.11	3.13	WI
5	helps promote customers satisfaction over a product.	2.56	1.73	3.65	0.48	3.11	WI
6	brings customers dissatisfaction over products or services.	1.26	1.73	3.11	0.92	2.19	NWI
7	enhances recognition of products.	3.15	1.11	3.05	0.52	3.13	WI
8	promotes SMEs product appearance.	3.07	1.05	3.01	0.59	3.04	WI
9	reduces quality and quantity of products.	2.84	1.53	2.61	0.54	2.73	NWI
10	promotes new design of products.	3.02	1.35	3.04	0.64	3.03	WI

$N_1$  = Number of males (98);  $N_2$  = Number of females (125);  $\bar{X}_1$  = Mean of male staff;  $SD_1$  = Standard deviation of male staff;  $\bar{X}_2$  = Mean of female staff;  $SD_2$  = Standard deviation of female staff;  $\bar{X}_g$  = Grand mean; R = Remark; WI = Ways of influence; NWI = Not ways of influence.

Table 2 shows the mean and standard deviations of respondents on the possible way of packaging design Influence managing service breakdown among SMEs in Anambra State. Seven items out of the 10 items obtained a mean score of 3.000 and above ( $\bar{X} \geq 3.00$ ). This implies that packaging design influence management service breakdown in 7 ways.

**Table 3: Mean Responses and Standard Deviation on Possible Ways Sales Promotion Influence Managing Service Breakdown among SMEs in Anambra State**

S/N	Possible Way Sales Promotion Influence	$\bar{X}_1$	$SD_1$	$\bar{X}_2$	$SD_2$	$\bar{X}_g$	R
	Sales Promotion:						
1	targeted at the right audience.	3.45	0.94	3.06	0.23	2.26	WI
2	increases qualified customers traffic.	3.01	1.25	3.08	0.83	3.05	WI
3	shows differentiation product.	3.02	0.95	3.07	0.50	3.05	WI
4	creates interactive customer relationship.	3.01	1.82	3.07	1.11	3.04	WI
5	advances awareness of products to customers.	3.08	1.73	3.06	1.04	3.07	WI
6	does not manage service breakdown of SMEs.	2.28	1.73	2.48	1.36	2.38	NWI
7	empowers product acceptance.	4.015	1.011	3.28	1.49	3.72	WI
8	validates products quality.	4.07	1.05	3.57	1.21	3.68	WI
9	enhances productivity of SMEs.	3.04	1.53	3.01	0.54	3.03	WI
10	promotion builds up effectiveness of SMEs.	3.02	1.35	3.08	0.64	3.05	WI

$N_1$  = Number of males (98);  $N_2$  = Number of females (125);  $\bar{X}_1$  = Mean of male staff;  $SD_1$  = Standard deviation of male staff;  $\bar{X}_2$  = Mean of female staff;  $SD_2$  = Standard deviation of female staff;  $\bar{X}_g$  = Grand mean; R = Remark; WI = Ways of influence; NWI = Not ways of influence.

Table 3 shows the mean responses and standard deviation on possible ways sales promotion influence managing service breakdown among SMEs in Anambra State. The Table shows that each of the sales promotion nine items obtained mean scores of 3.00 and above ( $\bar{X} \geq 3.00$ ). This implies that the nine items are ways sales promotion influences the management of service breakdown.

### Discussion

Table 1 reveals the possible influence of advertisement on managing service breakdown among SMEs in Anambra State. The respondents rated high extent in all the ten items. This is an indication of possible significant influence of advertising on managing service breakdown among SMEs. This finding agrees with Chukwudi *et al.* (2023) who stated that social media advertising is an essential tool for businesses trying to capitalize on the opportunities presented by digitalization, increased online presence, and widespread mobile phone usage. Advertising also encourages people to buy products and services of SMEs; builds awareness of their business and brand; gain advantage over their competitors; and improves profitability (Etuk, & Emenyi, 2022). The finding also agrees with Gora *et al.* (2020) who found out that marketing strategies adopted by periodical street vendors influence the sale of periodicals.

Table 2 reveals the possible influence of packaging design on managing service breakdown among SMEs in Anambra State. Seven items were rated high extent and three items low extent by the respondents. This suggests possible

significant influence of packaging design on managing service breakdown among SMEs in Anambra State. The finding agrees with that of Akanji & Olowe (2022) who stated that customers expect their goods and services to be packaged and presented conveniently and that attractive packaging, before purchase, is an aid to selling. This also supports the view of Asri *et al.* (2020) that the most influential elements on food packaging are the font style and the packaging materials. When products of SMEs have a distinct look, it sticks in people's minds. Consistent packaging elements like logos, colours, and fonts make brands easier to remember. The more customers see SMEs packaging, the more they recognize and trust their brands. This recognition could lead to more sales and loyal customers (Saad *et al.* 2020).

Table 3 reveals the possible influence of sales promotion on managing service breakdown among SMEs in Anambra State. Nine items were rated high extent. This suggests that sales promotion could be instrumental in managing service breakdown among SMEs. The finding is in consonance with that of Akanji & Olowe (2022) who stated that sales promotion is the business of communicating with customers and providing them with information that will assist them in making a decision to purchase a product or service. The finding also agrees with Segun (2022) who stated that publicity and sales promotion are veritable tools for actualizing organizational marketing goals in a competitive marketing environment. Sales promotion also enables SMEs to introduce a new product; increase sales; attract more customers;

create brand awareness; encourage brand presence; create differentiation; and create word of mouth (Mauligita & Windasari, 2021).

### Conclusion

The study attempted to determine Influence of Marketing Strategies on Managing Service Breakdown among Small and Medium Enterprises (SMEs) in Anambra State. This Study has indicated that advertisement, packaging design, and sales promotion have respective significantly influence on managing service breakdown among SMEs in Anambra State. It is therefore concluded that a good marketing strategy such as a good advertisement, good packaging design, and quality sales promotion are inevitable marketing strategies for efficient managing of service breakdowns, not only among SMEs in Anambra State but also beyond, thereby improving customer satisfaction and patronage. It is also concluded that the above-mentioned marketing strategies are instrumental to sustaining all SMEs businesses consequent upon efficient services. Good customer service enables SMEs to ensure customer loyalty, customer retention, competitive advantage, positive reputation, increased sales, profitability, brand loyalty, business development, enhanced public image, higher productivity, and referrals.

### Recommendations

The following recommendations were made from the findings of the study:

1. Management of SMEs should develop new methods in the aspect of promotion.
2. Management of SMEs should tailor promotion by using social media, word of mouth, visual, audio, face-to-face channels.

3. Management of SMEs should devise better packaging designs to forestall service breakdown,
4. Policy makers should take into account the way enterprises apply specific marketing mix strategies when formulating enterprise policies.
5. Service management education should be enshrined in the Business Education curriculum.

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