

## CONVENTIONAL ENTREPRENEUR AND MARKET COMPETITION: EVIDENCE FROM THE OGUN STATE TEXTILE INDUSTRY

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### ABSTRACT

*The study investigated conventional entrepreneur and market competition with emphasis on selected textile industries in Ogun state. The study was anchored on two theories namely, Schumpeterian theory of Innovation and resource based theory. Descriptive survey design was adopted using questionnaire as the prime instrument that generated data from one hundred and fifty (150) textile industries in Ijebu-north local government area of Ogun State. Data generated was analyzed using descriptive statistics and Multiple Regression Analysis. Results from this study indicated that there is statistical significant relationship between marketing competitiveness and performance of conventional entrepreneurs. The implication therefore is that to tackle the problem of poor access to favourable business location and the resulting low sales, conventional entrepreneurs should embrace more marketing mix strategies like calling, texting and using social media as well as word of mouth advertorial in order to attract more customers.*

**Keywords:** Conventional Entrepreneur, Marketing Competition, Marketing Mix, Competence level

### 1.0 Introduction

Business environment is generally perceived to be dynamic, characterized by challenges and offering new opportunities to which firms must respond creatively through entrepreneurship (Abubakar & Bamidele, 2016). The rapid changes in customer needs and technology have created high levels of market and technological uncertainty (Atuahene-Gima & Ko, 2001). Firms are

required to build a new set of imperatives in entrepreneurship and in market orientation.

Competitive marketing is a vital prerequisite conventional entrepreneur to strengthen its market share and minimize the impact of the competition (Adewale, Adesola & Oyewale, 2013). Owomoyela, Oyeniyi and Ola (2013) also see competitive marketing as 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 (Adewale, Adesola & Oyewale, 2013). Marketing competitiveness draws its strength from the overall marketing strategies. It may be defined as those marketing programmes and tactics designed to achieve the objectives of an organization. A competitive marketing outlines the strategic direction and tactical plans that marketing teams must implement to support the company's overall objectives (Ebitu, 2015). It articulates the best uses of a business resources and tactics to achieve its marketing objectives. It states which opportunities are to be pursued by an organization, indicates the specific markets towards which activities are to be targeted, and identifies the types of competitive advantage that are to be developed and exploited (Dibb, Simkin, Pride & Ferrel, 2006). Competitive marketing practices are expected to affect both financial and non-financial outcomes of entrepreneurs, most especially conventional entrepreneurs.

Conventional entrepreneurship is based on the innovative and value creating activities and these activities are the common fields for the profit, business and public sector (Austin, Stevenson & Wei-Skillern, 2006). Another definition stressed by Fowler (2000) is that conventional entrepreneurship is the progress of value creating that feasible socio-economic structure, individuals, governmental and nongovernmental organizations get involved and each of these actors and practices are basically for profit. Peredo and McLean (2006) also enumerated the definition features of conventional entrepreneur as someone that aim either exclusively or in some prominent way to create value of some kind, and pursue that goal through some combination of recognizing and exploiting opportunities to create this value, employing

innovation, tolerating risk and declining to accept limitations in available resources.

According to Bornstein (2004), conventional entrepreneurs are the people whose new ideas centralize the appearing problems, who will force each opportunity in order to sustain their vision and who simply will not give up unless they will obtain their framed goals. In addition to the conclusion in this part, Dees (2008) defined the baseline of conventional entrepreneur someone who play the role of change agents in the sector, by adopting a mission to create and sustain social value (not just private value), recognizing and relentlessly pursuing new opportunities to serve that mission, engaging in a process of continuous innovations, adaptation, and learning, acting boldly without being limited by resources currently in hand.

There is a growing evidence to support the idea that overtime, conventional entrepreneurs that are competitively advantaged are those engaged in marketing, while the marketing approaches used by entrepreneurs reflect this innovative orientation, this may vary in their relationship or effect on business performance (Becherer, Haynes & Helms, 2008). It is critical for conventional entrepreneurs understand which entrepreneurial marketing practices are most effective and therefore important to achieve a variety of successful outcome and ultimately for improved performance.

The change in the competitiveness within the marketing environment has made competition tougher for conventional entrepreneurs. The need for of an acceptable understanding of entrepreneurial marketing strategies and its applicability to business as a conventional entrepreneur has gradually become an issue of pivotal concern to many scholars, entrepreneurs and employees (Olannye & Eromafuru, 2016). Thus, marketing competition in this area has

received little attention. There is also need to know the marketing mix used by conventional in face of competition for better performance.

Another bone of contention is that scholars have examined how conventional entrepreneur performance can be enhanced using the dimensions of entrepreneurial marketing (Gunger, Sclim & Hale, 2012). However, these studies were conducted in advanced countries and particular on fast foods; consequently there is need for such studies in developing countries, like Nigeria. Therefore, this study attempt to examine conventional entrepreneur and market competition among textile industries in Ogun State.

The specific objectives are first and foremost to identify and describe the marketing mix strategies used by conventional entrepreneurs in the face of competition. Secondly, examine the entrepreneurial competence level of conventional entrepreneur.

Answer will be provided to the following research questions in order to achieve the objective of the study. Firstly, what are the marketing mix strategies used by conventional entrepreneurs in the face of competition? Secondly, what is the entrepreneurial competence level of conventional entrepreneur?

This paper sought to clarify the validity of this research by testing this hypothesis:

**H<sub>01</sub>:** There is no significant relationship between marketing competitiveness and performance of conventional entrepreneurs.

This study will help the owners and managers of textile industries to know the marketing mix that is needed to be used during the face of competition. Also, it will expose textile industries the essence and importance of innovativeness in their

business. The study will contribute to existing literature on the subjected matters.

The study will be subdivided into four sections in which the first section dealt with the introduction. Section two of this study elaborated on the literature review. Section three dealt with the research methodology and analysis. Section four focused on the summary, conclusion, recommendation and finally the references used for the study.

## **2.0 Literature Review**

### **2.1.1 Concept of Marketing**

Marketing is a central concern of entrepreneurial research, even though entrepreneurs are not typically marketing experts (Jones, 2010). The term marketing has resulted to confusion and misconception to many people. Firstly, marketing has been confused with advertising, selling and even with common sense. Although advertising is one of the more visible forms of marketing, it is but one small element of marketing. Marketing is not selling. In fact, some experts suggest that if entrepreneurs engage in effective marketing, it can reduce the need for selling. Marketing is not simply common sense. While good entrepreneurs are often perceptive and intuitive, these traits alone are not sufficient for making successful marketing decisions (Mason & Brown, 2011). However, according to Ajagbe et al., (2011), effective marketing requires intimate knowledge and understanding of consumers and competition that goes beyond simple common sense. Secondly, there are misconceptions about marketing, including many negative ones. For example, marketing is not hucksterism; it is not selling unwanted things and taking the customer's money nor is marketing about manipulating, fooling, or tricking the customer.

### **2.1.2 Entrepreneurship Marketing**

The term entrepreneurial marketing merges as two formally distinct disciplines and is used to describe the marketing processes of firms pursuing opportunities in uncertain market circumstances often under constrained resources (Hunt & Siat, 2013). To understand entrepreneurial marketing it is paramount to first establish the meaning of terms “Marketing” and “Entrepreneurship”. Prevalent conceptualizations of marketing centres on a set of activities that facilitates exchange relationships. Consider a commonly accepted definition promulgated by the American Marketing Association. Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational goals. The entrepreneur has become a hero in recessionary times and the ability to operate to grow a business in a challenging business environment is important for society (Mehran & Morteza, 2013). Entrepreneurship can be conceptualized as a process that occurs in organizations of all sizes and types; they defined it as “the process of creating value by bringing together a unique package of resources to exploit an opportunity”. The process itself include the set of activities necessary to identify an opportunity, define a business concept, assess the needed resources, acquire those resources, and manage and harvest the venture.

The concept of entrepreneurial marketing describe the values, skills and behaviours of entrepreneur in addressing their problems and finding business opportunities, it represents a different approach to envisaging the business itself, its relationship with the market place and the role of marketing function within the firm or as a strategic entrepreneurial posture or behaviour in marketing which is represented

by an individual/organization (Sabrina& Swald, 2010).

Businesses operate in an environment characterized by a high risk and low possibilities of anticipating categories of factors: a change, complexity, chaos, and contradiction (Sterpu, 2011). Beverland and Lockstin (2004) refer to entrepreneurial marketing as “effectual action” or the adaptation of marketing theory for the unique needs of firms. These effectual actions simultaneously address many issues: opportunity, innovation, risk and resources constraints for such firms, these actions are the task of the individual owners/operator. In one of the most comprehensive discussions, on entrepreneurial marketing, Morris, Schindehutteand Laforge(2002) characterize entrepreneurial marketing as an organizational orientation having seven underlying dimensions. Four of these dimensions: pro-activeness, opportunity-focused, risk taking and innovation-oriented builds directly on research examining the entrepreneurial orientation of the firm. Entrepreneurial activities therefore will result in positive macro-economic outcomes and can lead to improved performance in established organizations, markets which have enough freedom in entrepreneurial marketing processes can be strategically employed to create superior value for the firm’s customers and owners. Itsuggested that entrepreneurial marketing practices are expected to affect both financial and non-financial outcomes.

### **2.1.3 Understanding Conventional Entrepreneur**

Dees (2008) affirms that the entrepreneurship concept can be applied in the commercial area as well as in other area. For the researcher, the term conventional entrepreneurship may be new, but the phenomenon is not. The conventional

entrepreneurs have always existed, even if not called as such. By the combination of different concepts related to the conventional entrepreneurial activity: Say's value creation, Schumpeter's innovation and change agents, Drucker's opportunity pursue and Stevenson's resourcefulness, Dees (2008) defines conventional entrepreneurs as follows:

- They play the role of change agents in the society by facing the causes of the problems instead of merely dealing with the symptoms; they try to create sustainable changes and improvements.
- They adopt a mission to create and sustain value: the impact is the main measure; they look for long-term returns in their investments.
- They engage themselves in a process of continuous innovation, adaptation and learning: they look for innovative ways to guarantee that their enterprises have access to the resources as long as they are generating good value.
- They act boldly without being limited by resources currently available: they use the scarce resources on a very efficient basis – do much more with a lot less - and achieve to attract resources from investors, leveraging their limited resources through partnerships and contributions.
- They show a high sense of accountability and transparency to the constituencies served and for the outcomes created: they promote real improvements for the community and show the returns for economic - for the investing partners; they assess their progress in terms of financial and managerial outcomes.

Dees (2008) believes that the leaders of the economy can express these characteristics in different ways. The closer a person gets to meet these conditions, the more that person fits the model of a conventional entrepreneur. The conventional entrepreneurs know the needs and values of their target market, understand the expectations of the people who help and invest some kind of resource such as time, money or expertise. They explore all kind of resources. The researcher says that the conventional entrepreneurs possess a set of outstanding behavioural characteristics; therefore, is mandatory to stimulate and reward such behaviours. However, the author remembers that not all leaders of conventional entrepreneurship can be considered entrepreneurs.

Despite the diversity of definitions of the conventional entrepreneurship exposed in the literature, there are two main points in common among the several authors. The first refers to the elements related to the set of beliefs and values that are behind the desire to create and develop enterprise. According to Barendsen & Gardner (2004), conventional entrepreneurs have different backgrounds and beliefs. After their case study, they concluded that atypical events helped in those individuals' formation. The second point refers to the competences that some people possess, some of those directly linked to the conventional entrepreneurs' characteristics. As Roberts and Woods (2005) affirm, many of the attributes and talents of both are very similar. Both are visionary and innovative; both are attentive to opportunities, they value the construction of alliances and networks of contacts and are passionate about what they do.

#### **2.1.4 Characteristics and Skills of Conventional Entrepreneurs**

Conducted studies and researchers have emphasized the conventional entrepreneurial nature by expressing their particular behaviours and characteristics. Hoogendoorn, Pennings and Thurik (2010) gather the empirical findings along five themes which are subject to the individual perspective. These are skills, background/experience, discourse, demographics and motives. Nevertheless, one fact should not be skipped is that mentioned clustered themes are not a widely agreed form of characteristics of conventional entrepreneurs.

Conventional entrepreneurial behaviours may be issued with various aspects according to depth of investigations. For example, Mair and Noboa (2006) reported only three titles of characteristics in their research. They are stated as follows: traits and skills, behaviour, context and background.

Conventional entrepreneurs are driven by profit approach that is the essential for their existence. It is an important point that makes conventional entrepreneurial ventures distinctive and presents their great skill (Leadbeater, 1997). However, Dees (2008) claimed that individuals may be seeking different types of pioneers for their society. Conventional entrepreneurs' specific characteristics reveal that they have the ability to overcome issues with their leadership skills. To conclude, conventional entrepreneurs are identified as the leading power of their society and their great challenge is that they utilize innovative way of thinking for improvement.

#### **2.1.5 Entrepreneurial Competence Areas**

Man, Theresa and Chan (2002) defined entrepreneurial competencies as higher-level characteristics encompassing personality traits, skills and knowledge, which can be

seen as the total ability of the entrepreneur to perform a job successfully. They developed a theoretical framework using the concept of the competency approach to study the entrepreneurs' characteristics. According to their approach, the underlying quality of the most valuable worker lies in their 'competencies'. This framework focuses on the entrepreneur's role in determining firm performance and can be applied to firms which are smaller in size and that bear the name of the entrepreneur or founder (Sanchez, 2011). Because of its comprehensiveness, Man, Theresa and Chan (2002) categorization of entrepreneurial competencies was utilized in this study. Six major competency areas were identified in their work.

**Opportunity Competencies:** One of the most distinguishing competencies for the entrepreneur is the opportunity related competency. For instance, McClelland (1987) finds 'to see and act on opportunities' as one of the competencies for successful entrepreneurs. Chandler and Jansen (Umeze & Ohen, 2015) suggest that one of the most important entrepreneurial roles is the ability to recognize and envision taking advantage of opportunities. This category of competencies comprises of the entrepreneurial activities in spotting opportunities, actively seeking new opportunities, and developing the opportunities.

**Organizing Competencies:** The second group of competencies is similar to the managerial competencies suggested in the literature. For instance, McClelland's (1987) efficiency orientation, concern for high quality of work, and monitoring should be the required competencies in managing various functional areas in a firm so as to keep the firm operating efficiently. Umeze and Ohen (2015) in their study also suggested the importance

of managerial roles of an entrepreneur in human competence. Strategic competencies: Being the owner of the firm, the entrepreneur must set the direction for the business. This category of competencies requires the entrepreneur to have a vision or a big picture in their mind for their business, to have clear goals to achieve, or to formulate and implement strategies to achieve these vision and goals, for example, Lau, Chan and Man (2000) strategic planning competencies. In essence, these competencies are related to setting, evaluating and implementing the strategies of the firm, while calling for abilities and skills from a broader and long-term perspective.

**Relationship Competencies:** This group of competencies relates to person-to-person or individual-to-group based interactions, e.g., building a context of cooperation and trust, using contacts and connections, persuasive ability, communication and interpersonal skill (Man *et al.*, 2002). To successfully do so, the entrepreneur needs to possess competencies in relationship building, communication, persuasive and interpersonal abilities (Lau *et al.*, 2000). Bird (1995) described this relationship building activities as entrepreneurial bonding, which includes not only the creation of relationship, but also the restructuring of relationships as the firm grows. Evidence suggests that small firms in particular are critically dependent on their networks, because it is through these that they gain advice and support from professionals and experts such as lawyers, accountants, and consultants (Ramsden & Bennett, 2005), government bodies, research and training institutes, and even suppliers and customers (Ritter and Gemunden, 2004).

**Commitment Competencies:** Successful entrepreneurs are often characterized as diligent people with a restless attitude in

their work. In other words, they have a strong competency in totally committing, determining and dedicating, as well as taking proactive actions towards their responsibilities and duties. To sum up, commitment competencies drive the entrepreneur to move ahead with the business.

**Conceptual Competencies:** Conceptual competencies represent a category of competencies which are not easily identifiable behaviors but are often considered to be important for entrepreneurial success. The ability in making cognitive and analytical thinking, learning, decision making and problem solving, sustaining temporal tension, innovating and coping with uncertainty and risk belong to this category. They have a stronger linkage with entrepreneurial traits and are less directly observable. They involve high level of conceptual activities and are reflected in the entrepreneur's behaviours when they conduct analysis, learn, make decisions and solve problems etc. They may also enhance the effectiveness of carrying a task in the present or in the future. Similar to strategic competencies, conceptual competencies require a more abstract level of abilities. However, unlike strategic competencies, conceptual competencies are concerned with a shorter-term perspective, resolving instant events, or requiring intuitive responses (Man, Theresa & Chan, 2002).

## 2.2 Theoretical Review

### 2.1.1 Schumpeterian theory of Innovation

Schumpeter distinguished innovation as the function of the entrepreneur. Since that there has been the "unfortunate" discontinuity between the orthodox microeconomics and the Schumpeterian entrepreneurship. Schumpeter was the most influential Harvard professor in the 1930s and

1940s. Schumpeter has been mentioned as the father of entrepreneurship and (irregular) growth theories. Schumpeter is today more important than ever before. Today, entrepreneurs are powerful players in the global markets. Because enterprises dominate the global markets of commodities, they can collectively determine the rules of the game in the core market segments. The global economy is in expansion. We need new radical innovation and, thereby, economic growth. There are one billion young people (15-24 years old), 80% in developing countries, in the labour market with few opportunities for productive work. Capacity building is the major instrument that the World Youth Report 2005 by the UN stresses.

Schumpeter (1949) termed these entrepreneurial innovations “New Combinations” (Ibid.). Since tradition and routine stifled change, Schumpeter held that innovations tend to be undertaken by new firms. Thus in Schumpeter’s theory of innovation, entrepreneurial changes in business activity created an environment conducive to further change. Innovations were copied, applied in similar and related lines, and even transferred to other non-related fields. Through this widespread entrepreneurial copying, significant innovations transformed entire sectors of the economy. One consequence of extensive imitation was “that innovations do not remain isolated events, and are not evenly distributed in time, but that on the contrary they tend to cluster, to come about in bunches, simply because some, and then most, firms follow in the wake of successful innovation”. The result, the Austrian economist concluded, was that innovation pushed capitalist economic development forward not evenly, but rather by jerks and rushes. It was a distinct and painful process. The above instigated the third research

question. In preparation for a product launch, a business must choose whether to invest in traditional advertising such as print, outdoor and online advertising, or other forms of promotion including email and fliers. Purchasing media space on television and radio networks is another delivery method for promoting a launch. Other businesses choose to rely on viral marketing, creating interest in a product online and allowing social networks and individual customers to promote the product through conversation. Promotional marketing follows a predetermined schedule, which lays out a time line for advertising campaign launches in various media and defines the promotional angle so that all marketing for a product launch can be consistent (Schumpeter, 1949).

### 2.2.2 Resource Based Theory

Resource-based view has become one of the most influential and cited theories in the history of management theorizing. It aspires to explain the internal sources of a firm’s sustained competitive advantage (Kraaijenbrink, Spender & Groen, 2010). It was Penrose who established the foundations of the resource-based view as a theory (Penrose, 2009). Penrose first provides a logical explanation to the growth rate of the firm by clarifying the causal relationships among firm resources, production capability and performance. Her concern is mainly on efficient and innovative use of resources. She claimed that bundles of productive resources controlled by firms could vary significantly by firm, that firms in this sense are fundamentally heterogeneous even if they are in the same industry (Barney and Clark, 2007). The knowledge based literature of the firm fosters and develops the resource based theory in that it considers knowledge to be the most complex of an organization’s resources (Alavi & Leidner, 2001). The currently dominant view of business strategy – resource-based theory or resource based view (RBV) of firms –

is based on the concept of economic rent and the view of the company as a collection of capabilities. This view of strategy has a coherence and integrative role that places it well ahead of other mechanisms of strategic decision making.

Ganotakis and Love (2010) used the Resource Based Theory (RBT) to explain the importance of human capital to entrepreneurship. According to RBT, human capital is considered to be a source of competitive advantage for entrepreneurial firms. Ownership of firm-specific assets enables a company to develop a competitive advantage. This leads to idiosyncratic endowments of proprietary resources (Peppard & Rylander, 2001). According to RBT, sustainable competitive advantage results from resources that are inimitable, not substitutable, tacit in nature, and synergistic. Therefore, managers need to be able to identify the key resources and drivers of performance and value in their organizations.

The RBT also states that a company's competitive advantage is derived from the company's ability to assemble and exploit an appropriate combination of resources. Such resources can be tangible or intangible, and represent the inputs into a firm's production process; such as capital, equipment, the skills of individual employees, patents, financing, and talented managers. As a company's effectiveness and capabilities increase, the set of available resources tends to become larger. Through continued use, these "capabilities", defined as the capacity for a set of resources to interactively perform a stretch task or an activity, become stronger and more difficult for competitors to understand and imitate. (R&D expenditures) and can be used to augment future production possibilities.

### 3.0 Methodology

The study area will be focused on Ijebu-North Local Government Area, Ogun State. This area was chosen because of time and financial constraint, and the researcher's familiarity with the area. Population is the total number of subjects that researchers are interested in studying. Since this study focuses on conventional entrepreneurs in which the textile industry is chosen as the case study. The population of the study comprised of the entire three hundred (300) textile industries that registered under Textile Industries Associations in Ago-Iwoye, Ogun State. The population of this study is distributed across the owners (the head) of the entire textile industries in Ago-Iwoye, Ogun State. This will enable the researcher to get the in-depth information from them.

Therefore, from 300 employees of the study area, a sample size of 175 respondents is thus selected for this research work using Yaro Yamani's (1998) formula below for sample size determination.

$$n = \frac{S}{1 + S(\alpha)^2}$$

Where n = sample size

S = population size

$\alpha$  = margin of error

i.e. S = 300;  $\alpha$  = 5% (0.05).

This study adopted a descriptive survey research. The design was adopted because of its appropriateness in describing the current situation of phenomenon. It also gives factual information.

The type of data that was used in this study is a primary data. The primary data were questionnaire and personal observation. The primary data allows direct gathering of information from the respondents. The main instrument that was used is a questionnaire. The questionnaire consists of five sections (Section A to E). Section A focused on the demographic information of the participant.

The section B-E was design along with the research questions and hypotheses.

The questionnaire was given a critical look for correction in order to ascertain the validity of the instrument. In order to test the reliability of the questionnaire; it was subjected to Pearson Moment Correlation Coefficient analysis.

The data obtained from field was analysed using Statistical Package for Social Science. The section A was analysed using

simple percentage and frequency count while the section B, C and D was analysed using correlation analysis.

For this study, the analytical techniques employed in analysing the data collected, using the Statistical Package for Social Sciences (SPSS 21.0), were the Simple Percentage Analysis, the Product Moment Correlation Coefficient and the Regression Analysis (ANOVA).The descriptive statistics of the data is shown

**Table 3.1: Descriptive Statistics of the Data**

|                           |                  |                   |                    |                       |                 |
|---------------------------|------------------|-------------------|--------------------|-----------------------|-----------------|
| <b>Gender</b>             | <i>Male</i>      | <i>Female</i>     |                    |                       |                 |
|                           | 38.3%            | 61.7%             |                    |                       |                 |
| <b>Age of Respondents</b> | <i>20-25</i>     | <i>26-30</i>      | <i>31-35</i>       | <i>36 years above</i> |                 |
|                           | 35.3%            | 40.6%             | 18.8%              | 5.3%                  |                 |
| <b>Marital Status</b>     | <i>Single</i>    | <i>Married</i>    | <i>Separated</i>   | <i>Divorced</i>       | <i>Windowed</i> |
|                           | 36.1%            | 48.1%             | 7.5%               | 6.0%                  | 2.3%            |
| <b>Working Experience</b> | <i>1-5 years</i> | <i>5-10 years</i> | <i>11-15 years</i> |                       |                 |
|                           | 48.9%            | 35.3%             | 15.8%              |                       |                 |

*Source: Field Survey (2018)*

### 3.1 Testing of Hypothesis

**H<sub>01</sub>:** There is no significant relationship between marketing competitiveness and performance of conventional entrepreneurs.

**Table 3.2 Relationship between Marketing Competitiveness and Performance**

| Variables                 | N   | X       | Std. Dev. | r-cal  | Sig  | Remark      |
|---------------------------|-----|---------|-----------|--------|------|-------------|
| Marketing Competitiveness | 133 | 26.5865 | 3.56780   | .340** | .000 | Significant |
| Performance               | 133 | 5.7143  | 1.59341   |        |      |             |

Therefore, the result showed a significant relationship ( $r=.340$ ,  $P>0.05$ ). This implies that the mean score for Marketing Competitiveness of 26.5865 obtainable has significant relationship with the mean value of Performance of 5.7143. The r-cal is greater the 0.05 ( $.340>0.05$ ). That is, the observed relationship is statistically significant. Hence, there is significant relationship between

marketing competitiveness and performance of conventional entrepreneurs.

It also revealed that there is statistical significant relationship between marketing competitiveness and performance of conventional entrepreneurs. These results are in line with the findings of Gona (2008) that examined marketing strategies and profitability analysis of conventional entrepreneurs in Sokoto metropolis, Nigeria.

The study ranked preparing well and treating customers well as the top two marketing mix strategy utilized by the respondents. Use of advertisement was ranked the least. It also confirmed the findings of Lisa and Theodore (2011) in a study conducted on the role of marketing mix in successful independent conventional entrepreneurial which found out that the four most important elements in the success of the conventional entrepreneur are product quality, service, targeted promotions, and customer relationships. It also agrees with Mehta and Maniam (2002) who undertook an exploratory study on marketing determinants of customers' attitudes towards selecting a business and found out that the overall factors of importance based upon the means scores ranking supports that customers find quality, responsive, friendly staff, atmosphere/surrounding-cozy and overall image and reputation.

#### **4.0 Discussion and implication for management**

This study investigates conventional entrepreneur and market competition in Ogun State with focus on textile industries. The findings of the study revealed that majority of the respondents listen to opinion of their customers (48.9%), almost all the respondents use customer information to improve quality of product and their business objective is mainly on customer needs. 55.6% agreed that their prices are determined by customers value and 46.6% strongly agree that they look at other people price before charging because of competitive strength. Almost all the respondents opined that they are creative in method of operation and this creativeness has positive effect on business performance. 63.9% of the respondents negotiate with their customers while 70.7% agree that they maintain a personal network of contacts with customers. Lastly, 45.9%

communicate effectively with their customers.

The results of this study indicate the association between marketing competitiveness and performance of conventional entrepreneurs. Also, it revealed a significant relationship between utilization of marketing mix strategies and entrepreneurial competence level of conventional entrepreneurs. The implication therefore is that if the conventional entrepreneurs are able to harness marketing mix, they will be able to forge a good marketing strategy which will enable them realize the desired impact on their target customers. A better application of marketing mix strategies can help entrepreneurs eliminate any challenge in their business.

The study recommends the following after careful observation of the findings in this study. Firstly, to tackle the problem of poor access to favourable business location and the resulting low sales, conventional entrepreneurs should embrace more marketing mix strategies like calling, texting and using social media as well as word of mouth advertorial in order to attract more customers. Furthermore, the problems associated with low sales and bad weather effect can be managed by keeping regular checks on customers' strength and offering services in line with demand. If possible, there businesses should be sited at strategic and consumer friendly locations. In addition, financial institutions especially those owned by the government should devote more low cost credit funds towards the setting up of micro enterprises especially since they are capital intensive. Favourable moratorium and tax holiday should be provided to encourage the growth/expansion of enterprises. Lastly, conventional entrepreneurs should be more proactive in terms of seeking the assistance/incorporate the services of other

persons in skills that they lack that are highly needed for their business to succeed or grow. It is critical for a conventional entrepreneur to understand which entrepreneurial marketing practices are most effective in time of competition and therefore important to achieve a variety of successful outcome and ultimately for improved performance. Textile industries are beehive of activities and

gaining a lot of attention. The managers and employees needs to be market oriented, creative and innovative to compete favourably among their colleagues. Therefore, owners and managers of textile industries need to adopt a behaviour which ensures the development and application of marketing mix.

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