

---

## Information Sharing and Marketing Effectiveness of SMEs in Rivers State

Akani, Godspower Henshaw<sup>1</sup> and Agburum, Okechukwu<sup>2</sup>

Department of Marketing, Rivers State University, Nigeria  
[akanigodspower0@gmail.com](mailto:akanigodspower0@gmail.com)<sup>1</sup>, [okechukwu.agburum2@ust.edu.ng](mailto:okechukwu.agburum2@ust.edu.ng)<sup>2</sup>

---

**Abstract:** This study aimed at investigating the relationship between information sharing and marketing effectiveness in clearing and forwarding companies in Rivers State of Nigeria. The study adopted descriptive research design and the target population was 377 SMEs in Port Harcourt. The study used simple random sampling technique to select one respondent from each of the 377 SMEs. A pilot study was carried out to refine the instrument. The quality and consistency of the survey was further assessed using Cronbach's alpha. Data analysis was performed on a computer using Statistical Package for Social Science (SPSS Version 22). Analysis was executed by means of the Pearson's Product Moment Correlation Coefficient (PPMC) technique. The study revealed that information sharing positively and significantly relates with customer satisfaction. The study therefore concludes that, there is a significant relationship between information sharing and marketing effectiveness of SMES in Rivers State of Nigeria, and recommends amongst others that adoption and usage of information sharing that will enhance customer satisfaction in SMEs should be implemented by SMEs. That is, SMEs should be in position to continuously weigh the benefits that accrue from application of information sharing to ensure periodic redesign and improvement to attract customers' satisfaction.

**Keywords:** Customer satisfaction, Information sharing, Marketing effectiveness, Rivers State.

---

### INTRODUCTION

Appraising the marketing effectiveness of business processes has become a central issue in both academia and business, since companies face up to realize valuable and resourceful outcomes. Applying marketing effectiveness feat to this purpose guarantee coalition with a business approach, which implies that marketing effectiveness is dependent on the effectiveness of information sharing in an organization.

Information is an important article of trade applied in the grasping of any goal positioned by an individual or group. Information furnishes an individual with the knowledge desirable to triumph over confrontations and take the proper step timely. Stanley (1990) in Mulauzi and Zulu (2012) conjectured that information is one of the fundamental requirements behind air, water, food, and shelter and for any action to enclose a down-to-earth probability of flourishing implementation; it depends for the most part on the accessibility and admittance to precise and steadfast information. Information is envisaged as an essential reserve that supplies immeasurably to the progress inventiveness of all countries in the globe. Information sharing is a useful asset for decision making, and it superlatively conveys acquaintance, and a well-informed group of people.

Information sharing has been made known to be one of the solutions to thriving supply chains (Whipple *et al.* 2002). Previous scholarly investigations hold up the significance of information sharing in the supply chain. This embrace studies by: Sanders and Premus (2005); and Knemeyer and Murphy (2005);

Ellinger (2000); Lee (2001); Whipple *et al.* (2002). Broadly, information is essential to lend a hand to logistics management to make a multiplicity of decisions arrayed from choice of carriers to preferred inventory levels to the suitable quantity of warehouses (Deeter-Schmelz, 1997). Information sharing incorporates, but is not restricted to, the transmission of information in shipment, tracing, billing transactions, and complaint decisions (Rhea & Shrock, 2000).

Some Scholarly inquiries on information sharing have built up. For instance, Bahtı en, Ay egül and Oznur (2016) examined the effect of satisfaction on firm performance Ankara Turkey, Witell, Gustafsson and Johnson (2014) investigate the influence of customer information on profits from new offerings. These studies were not designed to observed the affiliations between information sharing and marketing effectiveness. Consequently, this study aims to fill the research gap by assessing the association between information sharing and marketing effectiveness. In order to transport the intents of this study, the SMEs in Rivers State of Nigeria were selected. This is grounded on the fact that SMEs contributes substantially to the economy of the State.

### **Problem Statement**

Ideally, there ought to be an indication of sizeable investigations concerning marketing effectiveness of SMEs. There has been, however, limited scope in researches to explore the relative merits or appropriateness of marketing effectiveness adopted by the firms within the context of a developing country like Nigeria. There is a growing concern for poor marketing effectiveness of Nigerian businesses and there is an increasing recognition of the need to integrate information sharing with marketing effectiveness. Furthermore, information sharing has been regarded as having a pivotal role in enhancing marketing effectiveness and is reliant on industry policy; while customer satisfaction outlines the origin of any business's marketing plan since it determined general achievement (Sabir, Irfan, Akhtar, Pervez, & Rehman, 2014), seeing that customer satisfaction is anchored on the gratification a customer acquires following experience of a service or product consumption. Thus, this current study aims to concentrate on the matter of construing the suitability of information sharing espoused by SMEs and how it impacts on marketing effectiveness through customer satisfaction.

## **LITERATURE REVIEW AND HYPOTHESIS**

### **The Concept of Information Sharing**

Information sharing has numerous definitions. It is defined as the transmitting of information on the subject of inventory levels and arrangement, sales data and forecasts, order status, production and delivery programs and capability, and performance metrics (Lee & Whang, 2000). Information sharing is also, perceived as supplying firms with onward perceptibility, enhanced production scheduling, inventory management, and distribution (Sanders & Premus, 2005). Information Sharing: presages the accumulation of communication or intelligence torrent to compose faultless, useful and purposeful standard supply chain by sharing information between suppliers, manufacturers, distributors and retailers (Ikegwuru & Harcourt, 2019). Information sharing thus, refers to the harmonization of information flow crosswise the supply chain and it takes in, but is not restricted to, the conveyance of information in shipment tracing, billing transactions, and complaint decisions (Rhea & Shrock, 2000).

### **Marketing Effectiveness**

Marketing effectiveness describes the extent to which customer's necessities are convened whereas efficiency evaluates how cost-effectively a firm's resources are made use of to realize a prearranged

intensity of customer satisfaction. Based on Neely *et al.*'s assertions; Neely, 2005), The possibility of having an excellent backdrop and acquaintance hinges on the evaluation of a phenomenon only when you can estimate and articulate it numerically (Neely, 1998). This study adopts customer satisfaction as the measure of marketing effectiveness

### **Customer Satisfaction**

Satisfaction is described as a sensation, contentment or discontent experienced by an individual based on evaluation of product professed performance with anticipation (Kotler & Keller, 2009). It is based on assessment of incongruity in customer's anticipation and performance of product or service following utilization. Customer satisfaction is a function of the difference in the expectations of consumers for the product/service earlier than purchase and definite product/service acquired following purchase (Low, Lee & Cheng, 2013). Hence, customer satisfaction is reliant on the product's professed performance comparative to a buyer's anticipations. The customer is exceedingly satisfied and enchanted if the performance of product surpasses expectations. (Armstrong & Kotler, 2005).

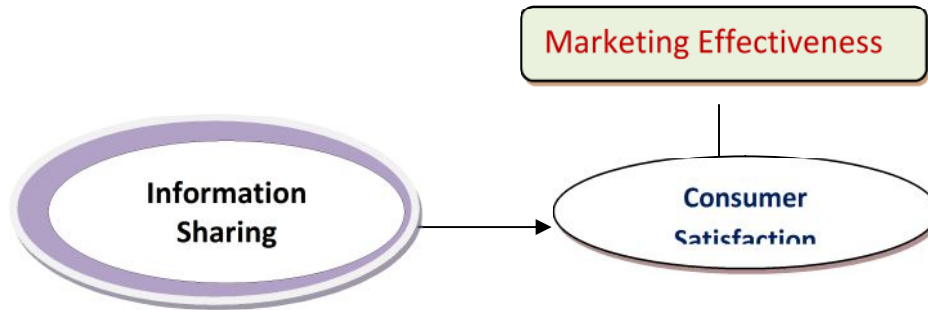
### **Empirical Review**

Baht en, Ay egül and Oznur (2016) examined the effect of satisfaction on firm performance in Ankara Turkey. The study employed measurement items from dissimilar investigations and conducted CFA to test discriminant and convergent validity. The hypotheses were tested by means of LISREL 8.3. The results divulge that conflict and trust explain 76% of the satisfaction; and satisfaction itself explains 44% of the firm performance. The study also, established significant positive effect of satisfaction on firm performance, and the interaction of satisfaction and dyadic knowledge transfer revealed negative, insignificant effect on firm performance. Further, the effect of satisfaction on firm performance is found to be significant barely when the dyadic knowledge transfer between firms is low, while the effect of is still insignificant when the level of knowledge transfer is high.

Witell, Gustafsson and Johnson (2014) investigated the influence of customer on profits from new offerings by means of survey carried out in the context of NPD in goods and services. The study assembled a distinctive database combined with key informant assessment answers with financial data for 244 firms. The findings demonstrate that getting hold of customer information during NPD influences the profits from new offerings, which shows a discrepancy depending on the stage of the NPD process. The financial rewards from getting hold of customer information for goods are uppermost in the early stages of the NPD process and turns down in later stages. However, the financial rewards for services are lofty in the early and late stages of the NPD process.

Lewis (2006) studied effects of information sharing, organizational capabilities and relationship characteristics on outsourcing performance in the supply chain. Data were drawn from logistics executives in the United States. Analysis was carried out with moderated multiple regression analysis to ascertain the connection between information sharing and perceived outsourcing performance, including the interaction effects of organizational capabilities and relationship characteristics. The findings designate that a significant relationship exist between information sharing and outsourcing performance. The study also found a significant relationship between moderator relationship variables of communication and perceived satisfaction with a previous outcome.

Based on the review of literature, the following research model was developed:



**Figure 1:** Research Model of Information Sharing and Marketing Effectiveness

**Source:** Designed by the Researchers (2020).

Based on the research model, the following hypothesis was raised:

**H<sub>01</sub>:** There is no significant relationship between information sharing and customer satisfaction o SMEs in Rivers State.

## **METHODOLOGY**

The study adopted a cross-sectional study on all the SMEs registered with the Rivers State Chamber of Commerce and Industry, Port Harcourt. There are approximately 2000 SMEs that are registered with the Rivers State Chamber of Commerce and Industry, Port Harcourt. The sample size for this study was obtained from the guideline developed by Krejcie & Morgan (1970) on the determination of size from a given population. The application of this model, gave the study a minimum sample size of 377. The study adopted the purposive sampling technique. The key informants approach was used to evaluate Chief Executive Officers (CEOs) or branch managers of the firms studied. The study was therefore, a macro analysis, and 377 SMEs were administered with a questionnaire. The number of completed and usable response is 215 out of 377 responses, with a response rate of 57%. The employed the Pearson's Product Moment Coefficient Correlation analysis to illustrate the relationship between the independent variable and the dependent variable.

## **ANALYSIS**

In this section, the hypothesis proposed for the study was subjected to statistical tests using the Pearson's Product Moment Correlation Coefficient statistical tool.

**Table 1: Description of the Degree of Association between Variables**

Correlation Coefficient (r)	Description/Interpretation
± 0.80 – 1.0	Very Strong
± 0.60 – 0.79	Strong
± 0.40 – 0.59	Moderate
± 0.20 – 0.39	Weak
± 0.00 – 0.19	Very Weak

The positive (+) sign in the value of r indicates a direct/positive relationship while negative (-) sign in value of r indicates an indirect/negative or inverse relationship. Therefore, the sign of the r value explains the direction of association or nature of relationship between the variables.

**Decision Rule**

Reject the null hypothesis (H0) if PV < 0.05 for 2-tailed test and conclude that significant relationship exists.

**Table 2: Correlation Analysis on Information Sharing and Customer Satisfaction Correlations**

			Information Sharing	Customer Satisfaction
Pearson's r	Information Sharing	Correlation Coefficient	1.000	.656 <sup>**</sup>
		Sig. (2-tailed)	.	.000
		N	215	215
	Customer Satisfaction	Correlation Coefficient	.656 <sup>**</sup>	1.000
		Sig. (2-tailed)	.000	.
		N	215	215

<sup>\*\*</sup>. Correlation is significant at the 0.01 level (2-tailed).

Source: (SPSS Output 2020)

Table 2 shows that the Pearson's correlation coefficient ( $r = 0.656^{**}$ ), this value is high, implying that a strong relationship exists between information sharing and customer satisfaction. The positive sign of the correlation coefficient means that positive relationships exist between them. That is to say that an increase in customers' satisfaction is associated with the embracing of information sharing in the SMEs studied. The probability value is  $(0.000) < (0.05)$  level of significance; hence the researcher rejects the null hypothesis and concludes that there is a significant relationship between information sharing and customer satisfaction.

## **DISCUSSION**

This study provides an empirical explanation for a formation that investigates the relationship between information sharing and marketing effectiveness in SMEs in Rivers State of Nigeria. The hypothesis tested depicts that the sample of SMEs studies distinctly demonstrate that information sharing explained a strong relationship with customer satisfaction in SMEs in Rivers State. The significant results of the investigation anchored on the PPMC technique can be underscored that information sharing input to illuminating SMEs customers' satisfaction in Rivers State was as a result of the customer being exceedingly satisfied and enchanted as a result of the performance of products as detailed in the information sharing process of SMEs. This finding is in harmony with Witell *et al.* (2014) whose findings demonstrate that getting hold of customer information during new product development influences the profits from new offerings.

## **CONCLUSION**

The general objective of this study is to evaluate information sharing and marketing effectiveness with focus on SMEs in Rivers State of Nigeria. It was found that, the relationship between information sharing and customer satisfaction is good. In reference to the research objectives set, the researchers assert that information sharing plays a very important role especially with respect to the SMEs industry because, if information is not accessible on time consumers will switch on to other brands and the firm will lose its market share and for this reason, a robust marketing effectiveness is the requirement of this industry. The study therefore concludes that there is a significant relationship between information sharing and marketing effectiveness of SMEs in Rivers State of Nigeria.

## **RECOMMENDATIONS**

Below are practical recommendations that will yield substantial results in boosting SMEs marketing effectiveness:

1. Adoption and usage of information sharing that will enhance customer satisfaction in SMEs should be implemented by SMEs. That is, SMEs should be in position to continuously weigh the benefits that accrue from application of information sharing to ensure periodic redesign and improvement to attract customers' satisfaction.
2. SMEs should ensure strict adherence to their policies and guideline regarding the application of information sharing. That is the responsible SMEs should execute their duties in accordance with their policies to ensure marketing effectiveness.

## References

- Bahtı en, K., Ay egül, E. S., & Öznur Ö. T. (2016). The moderating effect of knowledge transfer on satisfaction-performance relationship. *International Journal of Business and Social Research*, 6(5), 49-63.
- Deeter-Schmelz, D. (1997). Applying teams to logistics processes: Information acquisition and the impact of team role clarity and norms. *Journal of Business Logistics*, 18(1), 159-178.
- Ellinger, A. (2000). Improving marketing/logistics cross-functional collaboration in the supply chain. *Industrial Marketing Management*, 29(1), 85–96.
- Ikegwuru, M. K., & Harcourt, H. (2019). Platform as a service and supply chain performance: Evidence from Nigerian retail petroleum marketing firms. *Journal of Emerging Technologies and Innovative Research*, 6(12), 232-245.
- Kotler, P. & Keller, K. L. (2009). *Marketing management*. 13<sup>th</sup> Edition. Pearson Education Inc.
- Lewis, A. T. (2006). *The effects of information sharing, organizational capability and relationship characteristics on outsourcing performance in the supply chain: An empirical study*. Doctoral thesis, Ohio State University.
- Low, L., & Cheng, L. (2013). The link between customer satisfaction and price sensitivity: An investigation of retailing industry in Taiwan, *Journal of Retailing and Consumer Services*. 20, 1–10.
- Mulauzi, F., & Zulu, M. (2012). Information and knowledge: A panacea for increased food security among women in Chipata District: The Case of Luangeni. Social Policies and Social Development: OSSREA Zambia Chapter Academic Workshop Proceedings, University of Zambia Senate Chamber, Lusaka, Zambia, 15th October, 2012, pp.121-144. ISBN: 978-9982-22-845-9.
- Neely, A. (1998). *Measuring business performance*. Economist Books, London.
- Rhea, M., & Shrock, D. (2000). Measuring the effectiveness of physical distribution customer service programs. *Journal of Business Logistics*, 8(1),31-45.
- Sanders, N., & R. Premus (2005). Modeling the relationship between firm IT capability, collaboration and performance. *Journal of Business Logistics*, 26(1), 1-23.
- Whipple, J., Frankel, R. & Daugherty, P. (2002). Information support for alliances: Performance implications. *Journal of Business Logistics*, 23(2), 67-82.
- Witell, L., Gustafsson, A., & Johnson, M. D. (2014). The effect of customer information during new product development on profits from goods and services .Retrieved (September 2, 2020), from Cornell University, School of Hospitality Administration site: <http://scholarship.sha.cornell.edu/articles/707>.