

# **Influence of Marketing Research Application on Customer Attraction, Satisfaction and Retention in Small and Medium Scale Enterprises in Borno State, Nigeria**

**Aminu Baba Kura**

Business Education Department Ramat  
Polytechnic Maiduguri

E-mail: [aminubabkurabk207@gmail.com](mailto:aminubabkurabk207@gmail.com)

**Saleh Baba Shehu**

Business Education Department Ramat  
Polytechnic Maiduguri

**Abstract:** The research study examined the influence of marketing research application on customer attraction, satisfaction and retention in small and medium scale enterprises in Borno State, Nigeria. The descriptive Survey design was used. The population of the study consisted owners and managers of registered SMEs in Borno State, Nigeria. The total population is 1,458. A sample of 314 was drawn. The main instrument for data collection was a four-point rating scale questionnaire with 21 items. The data collected were analysed using mean and standard deviation to answer the research questions while the independent t-test was used to test the hypotheses. The findings revealed that Marketing research were applied to a moderate extent in Small and Medium scale Enterprises in Borno State. The study further revealed a significant difference in the mean responses of experienced and less-experienced owners and managers of small and medium enterprises on the extent of marketing research application in small and medium scale enterprises. It was concluded that SME in Borno state apply marketing research only to a moderate extent; and the application of marketing research has had moderate positive influence on customers. Based on the findings and conclusion of the study it is recommended among others that since SMEs in Borno state apply marketing research to a moderate extent there is need for owners and managers of SMEs to employ marketing research extensively. This is achievable by organizing seminars, workshops and conferences among themselves.

**Key words:** Marketing Research Application, Customer, Attraction, Satisfaction, & Retention, SMEs.

---

## **Introduction**

Reliable data collection and information processing form the bedrock of management decisions in contemporary firms. They also form the basis for all the diagnostic and

prognostic efforts of managers. From a marketing stand point, problems can only be anticipated, identified, analyzed and resolved or prevented, if accurate, reliable and relevant information are obtained promptly from both internal and external sources (Ewah & Ekeng, 2009). To actually arrive at useful information, marketing research is important. Busari and Oduwole (2014) opined that marketing research is not a substitute for management decisions; rather it's simply one of many elements that can be used to make management decisions. When conducted in a systematic, analytical, and objective manner, marketing research can reduce uncertainty in decision making and increase the probability and magnitude of success the firm hopes to attain. Thus, the goal of marketing research is to provide the facts and direction which managers of corporate organizations need to take in making important marketing decisions.

Marketing research comprises one of the most important and fascinating facets of marketing. The development of effective marketing strategies is based on the need for an understanding of the consumer and his or her behaviour. However, understanding the consumer can only be achieved through marketing research. According to Ogbadu (2012) marketers who fail to conduct thorough and comprehensive marketing research, run the risk of not achieving their marketing objectives. Attracting and retaining customers can be difficult task, although it is profitable. It is a pointless exercise if there are no customers to retain, hence the need for customer attraction, understanding the role of attraction in a customer commitment decision is an issue that has received little attention in marketing research in SMEs (David 2014). He further stated that, attracting customers by firms means meeting or exceeding customers' needs better than the competitors. Thus, marketing research acts as the link between the consumer and the marketer.

The customers are complex set of human beings that cannot be fully predicted by the marketer except through effective marketing research. In the context of marketing research, customer satisfaction is the way that leads to long-term customer retention because unsatisfied customers have very high switching rate (Qualtrics.Com, 2009). Ibojo (2015) posits that, what every company need are customers, customers, and more customers. This is because customers are the actual agent or stakeholders for determining or judging the success of any product or service. Raja, Muhammad, Naeem, Muhammad, and Sa'eed, (2014) posit that customer satisfaction and retention play a pivotal role in success of every business organization, whether it is meant for a product or a service. They however state that every business needs not only to retain its current customers but also to expand customer base significantly; this is possible only when the target customer is fully satisfied by the company on some parameters. The consumer is a very important element in marketing, hence satisfying him/her is of great concern to the marketer in particular and business organization in general. For marketers to do a proper job in satisfying and retaining customers, a good understanding of customer behavior is imperative.

Marketing plays an important role in company's strategy. Unfortunately, many SMEs tend to overlook the importance of Marketing Research. SMEs in Nigeria have not been able to add expected value to the economy due to many factors including marketers' little engagement in marketing research. Ogbadu (2012) observes that when we talk of marketing research in Nigeria, fingers are always pointed at big organisations and multi-

national establishments. Small and Medium Enterprises in Nigeria fail to understand that marketing research is all-embracing and organization-wide. Often times, SMEs make decisions with limited information and with inadequate facts. Small and Medium Scale Enterprise owners/managers often have a care-free attitude towards marketing research which in most cases affects their capacity to attract and satisfy their customers. This is based on the erroneous assumption that many Small and Medium Enterprises do not conduct marketing research, and even the few SMEs that conduct marketing research hardly apply findings of the research. This could be attributed to the capital intensity of marketing research. Unfortunately, many Small and Medium Enterprises cannot compete favorably in today's market because of their inability to commit to the application of marketing research (Ebitu, 2016). Therefore, one is inclined to ask, to what extent are SMEs conducting marketing research in the bid to attract customers. Are the owners of SMEs properly equipped with the skills needed for marketing research application? How do Small and Medium Scale Enterprises seek to attract and satisfy customers? These and other questions prompted the researcher to conduct a study on the influence of marketing research application on customer attraction, satisfaction and retention in Small and Medium Scale Enterprises in Borno State.

The specifically the aim to achieve the following objectives to:

- (i) Examine the extent of application of marketing research in Small and Medium Scale Enterprises in Borno State.
- (ii) Determine the influence of marketing research application on customer attraction in Small and Medium Scale Enterprises in Borno State.
- (iii) Find out the influence of marketing research application on customer satisfaction in Small and Medium Scale Enterprises in Borno State.
- (iv) Examine the influence of marketing Research application on Customer Retention in Small and Medium Scale Enterprises in Borno State.

## **Literature Review**

### **Concept of Small and Medium Scale Enterprise**

In recent times, the small and medium scale enterprises sector is considered to be the back bone of modern-day economy. Historical facts show that prior to the 19<sup>th</sup> century, cottage industries, mostly small and medium scale businesses controlled the economy of Europe (Opafunso & Adepoju, 2014 cited in Utoware & Agbonaye, 2017). They advanced that, the twin oil shocks during the 1970s undermined the mass production model which triggered unexpected reappraisal of the role and importance of small and medium enterprises in global economy. While the importance of Small and medium enterprises has not been in doubt, unfortunately classifying business into large and medium scale is subjective and premised on different value judgment. Such classification has followed different criteria such as employment, sales or investment for defining SMEs. According to extant literature the definition varies in different economies but the underlying concept is the same Abor and Quartey (2010). He further stated that, countries such as USA, Britain and Canada small

scale business is defined in terms of annual turnover. In Britain for example small scale business is conceived as that industry with annual turnover of two million pounds and less with fewer than 200 paid employees. In the same vein, in the case of Japan it is conceptualized as type of industry, paid up capital number and of employee. Consequently, small and medium scale enterprises are defined as those manufacturing with 100 million yen paid up capital 300 employees. Those in whole sale trade 300 million paid up capital 100 employees while those of in retail trade with 100 million paid up capital with 50 employees (Paul, 2017).

In Nigeria, the introduction of SME can be traced back to the year 1945 when Essential Paper No. 24 of 1945 on "A Ten-year plan of development and welfare of Nigeria 1946 was presented" (Opafunso & Adepoju, 2014). A Small and Medium Scale Enterprise was considered an all-time necessity at the beginning, which has gained prominence today and is expected to increase its importance in the future (Basil, 2005). Furthermore, the concept of SMEs varies with culture and peculiar circumstances of the person attempting. The definitions in use depend on the purposes and policies which govern the SMEs sector in a particular country. However, the three parameters that are generally applied by most countries, singly or in combination are capital investment, volume of production and turnover of business (Nwaiwu & Opusunju, 2017). To support this assertion Etuk, Etuk and Baghebo (2014) defined SMEs using certain criteria including, turnover, and number of employees, profit, capital employed, available finance, market share, and relative firm size within the industry.

### **Marketing Research and Customer Attraction**

Marketing-orientated companies attempt to create customer value in order to attract and retain customers. Their aim is to deliver superior value to their target customers. In doing so, they implement the Marketing Research results by meeting and exceeding customer needs better than the competition. (David 1995 in Mattsoon 2009). Attracting and retaining customers can be a difficult task. Customers often face a bewildering array of products and services from which to choose. A customer buys from the firm that offers the highest customer perceived value – the customer's evaluation of the difference between all the benefits and all the costs of a marketing offer to those competing offers (Armstrong and Kotler 2005). Similarly, Chen and Hitt (2002) in Berg (2015) posit that, due to their significance to numerous industries including, technology, entertainment, and communications, the dynamics of network markets have received considerable attention in the past two decades. Many are emerging companies and small businesses, especially those focused on business-to-consumer (B2C) e-commerce, in an aggressive phase of recruiting new customers in what analysts have called a "land grab" More so, Mattsoon (2009) posit that, the expectation is that these early investments in customer acquisition will result in a long-term stream of profits from loyal customers, which will offset these costs. Essential to this strategy is that customers experience some form of "lock-in" or switching costs to prevent them from defecting to another provider. Though customer retention is profitable, it is a pointless exercise if there are no customers to retain (McDonald, Christopher, Knox, and Payne, (2001) in David (2014). Hence, the need for customer attraction, understanding

the role of attraction in a customer commitment decision is the key issue that has received little attention in Marketing Research in SMEs.

### **Marketing Research and Customer Satisfaction**

Customers do not conduct Marketing Research activities on their own. However, the benefits to all research activities are available to consumers. In fact, the purpose of Marketing Research is to study/understand the needs, expectations, problems, etc. of consumers and to give maximum possible convenience and satisfaction to them. This suggests that customers secure the maximum benefits of research activities indirectly as all research activities are basically for the benefit and convenience of customers (Starbucks, 2008). Similarly, Moiseenko (2015) posits that, after identifying competitors, the next step is to identify customers. Not only who they are, but what they want, need, what they will buy and how much they will pay for the product. It is important to count customers. How many of them are out there who will pay for your services or product? You can help your effort greatly by summarizing your list of different customer bases, how much they are willing to pay for service, and how frequently they need it. Customer satisfaction in company's marketing activities is strategic and satisfying the customers becomes the starting points to defining business objectives.

According to Youjae (2010) in Ebuti (2014), studies have revealed that marketing research have correlation with customers' satisfaction. However, the direction of the satisfaction depends on how effective the firm has conducted its researches. Customer satisfaction is the overall essence of the impression about the supplier by the customers. This impression which a customer makes regarding supplier is the sum total of all the processes the customer goes through communicating the supplier before doing any marketing, product manufacturing, quality of products and services and responses to customers' complaints and queries to post delivery services. It therefore necessary on the marketing firms to conduct extensive, in-depth, relevant and careful analysis so as attract the customers rather than scare them. According to Zaborek, (2015) a well developed and implemented marketing research may result in additional revenue to the organization. If this has to be, it must create customer satisfaction. Therefore, the extent of customer satisfaction for any product or service depends on the proper implementation of research findings by managers in the organization.

### **Marketing Research and Customer Retention**

A business that wants to succeed in today's global competitive market, where customers are empowered and brand loyalty erosion is increasing gather information on its market to provide excellent real-time customer service. This requires a more complex approach. Organisations need to investigate custom needs, they have to build relationships with both existing and potential customers, and they will have to satisfy their customers' needs (Rootman 2006 cited in Lambard 2011). These are made possible based on the available information which is obtainable through marketing research. ICT has led to intensified price competition, as it increases customer ability to gather information about variety of products and prices. They are able to research products and their prices, product quality and other variable that may induce them to buy. These and other factors have infused



competition into the market. By implication, marketers have to device ways of attracting and retaining customers. More so, customer retention has become an area of study if marketers want to remain on stage Lambard (2011).

Organisations become more aware of the importance of marketing research and its potential to help them acquire new customers, retain existing ones and maximize their lifetime value. Through marketing research Barabba and Gerald (1991) in Osongo (2016) opine that having good knowledge about your customers gives marketer opportunity to serve them appropriately and impliedly maintain continuous patronage. Equally, understanding your existing customers - why do customers choose your product over competitors? What do they value? Is it service, product quality or the prestige associated with consuming your product/service? Who influences their buying decision? What magazines do they read? What websites do they visit? What do they enjoy doing? Marketers need to address these questions holistic if at all they want to take competitive advantage and maintain its market share. The context and philosophy of a Business can lead to the manner in which firms retain their customers and the firms employ the use of some specific tactics once it knows who their customers are (Zeithalm and Bitner 1996 cited in Osongo 2016).

Through marketing research marketers are able to understand their customers by their needs. This will lead the customer to perceive that the organisation is concerned with the customer's needs, and this in turn may lead to greater satisfaction towards the organisation. When the customer has additional experiences with the organisation in which the customer's needs were satisfied, the customer may develop a sense of loyalty to the organisation (Egan 2004 in Humman & Oleno, 2014).

### **Practical Application of Marketing Research by Owners/Managers of SMEs in Nigeria**

According to Ogbadu (2012) the slow pace of research and indeed marketing research among Small and Medium Enterprises in Nigeria is agonizing. There is need for practical application of Marketing Research by Small and Medium Enterprises in Nigeria. The need to be equipped with proper information to ensure decision making in business calls for gathering and analyzing data. Marketing Research, therefore, is needed by SMEs to generate information for decision making. Also, the competitive strength in business organisations put pressure on companies to research into finding the best way to gain competitive advantage. It will enhance more profits and expand business. Research leads to systematic gathering and storage of information which later could be used by the organisation which is basically to plan and make decision. Marketing Research, not only provide SMEs with the necessary decision-making tools but also help them a mass substantial data that may be used in many ways (Jaworki & Kohli, 1995 as cited in Ogbadu, 2012). It was stated earlier that, practical application of Marketing Research is not yet common among Small and Medium Enterprises in Nigeria. That is, most Marketing Research programme in Nigeria is being undertaken by the large-scale business in the country instance multi - national corporations, banks, among others. And the level of articulation of marketing research among small and medium enterprises in Nigeria is just very poor and quite unlike in the U.S.; Japan and Europe (Idris, 2006, Elegbe, 2008 cited in

Abor, & Quartey, 2010). These regions of the world had or have a well-articulated and widespread marketing research programme and practices.

Though, small and medium enterprises may not be in position to conduct extensive, in-depth and highly relevant data that are adequate enough to provide necessary information for decision making. Ayuba and Kazeem (2015) posit that, Small scale survey and focus groups are low cost ways to gather information from potential and libraries or on the internet and can be easily accessed by a small business owner.

### ***Related Empirical review***

Ebitu, Ufot, and Olom (2015), in a descriptive survey study based on qualitative and quantitative data carried out on relationship between marketing problems and performance of selected Small and Medium Scale Enterprises in southern senatorial district of Cross River Nigeria, showed that out of the sample of 150 owners and managers of SMEs, which reveals that a significant relationship between the marketing problems experienced by SMEs and increase in their profit margin and sales volume.

Similarly, Dike (2015) conducted a descriptive survey study on Impact of Marketing Research on Business Management in Nigeria. Stratified, simple random, convenience, and judgmental sampling procedures were adopted and with a sample size of 390 was determined using Yamane (1967) formula (Eboh, 2009). The findings revealed the extent of the effects of marketing research at 18.08 percent had non-significant positive effects on business management in Nigeria. This implied that only eighteen percent of marketing research data was utilized in business decision making while about eighty-two percent languished unused in the marketing practitioners' shelves, confirming the statistical insignificance of the impact. The study concludes that, the relevance of marketing research in the ever-increasing competitive, dynamic marketing and academic environment, defines its broad prospects in Nigeria. Marketing research findings should reflect the marketing practitioners' language or business realities.

Ibojo (2015) carried out another analysis on the impact of customer satisfaction on customer retention in Oyo, Nigeria. The work employed survey design and data were collected from both primary and secondary sources. The primary data included a structured questionnaire used to elicit information from the target respondents who were customers of the reputable bank in Oyo while the secondary data encompass the use of related materials, journals and periodicals. The findings showed the value of 0.717 which reveals that customer satisfaction independently accounts for 71.7% of the variation in customer retention. The statistics of 41.173 revealed that the model is statistically significant at 0.05 significant levels. It was concluded that the effective satisfaction of customers will give room for customer retention. More so, there was a significant relationship between customer satisfaction and customer retention.

Ebitu (2015) employed survey approach to study marketing strategies and consumers' satisfaction of cement products in Calabar, Nigeria with a sample of 182 using primary and secondary sources to obtain data for statistical analysis. The results of the analysis revealed that United Cement Company marketing strategies have significant positive impact on cement consumers' satisfaction in Calabar. It was therefore recommended that UniCem

should retain its current marketing strategies in Calabar because they have positive influences on consumers' satisfaction.

Ayuba, and Kazeem (2015) conducted a study titled: The role of marketing research on the performance of business organization in some selected businesses in federal capital territory Abuja. The study adopted the descriptive survey design with a sample size of 250. The result of the study showed that marketing research process plays a significant role in the performance of business organizations which means that there is a positive relationship between marketing research and the performance of business organizations. This reveals that the impact of marketing research as a variable tool for enhancing business activities in organizations.

### **Methodology**

The study adopted descriptive survey research design. A total sample of 314 respondents was selected from a total population of 1,458 respondents; multi-stage sampling techniques were used to select 314 owners and managers of SMEs as respondents in the study. The sample was drawn proportionately from the three senatorial zones: Borno north, central and south respectively. Stratified random sampling technique was employed to divide the sample into strata (urban-189 and rural-125); these towns were selected based on accessibility, size and the level of commercial activities. Simple random sampling was employed to select respondents from each zone. This was done by 'hat drawn' method where pieces of paper containing "Yes" and "No" were wrapped. The instrument used was the Influence of Marketing Research Application on Customer Attraction, Satisfaction and Retention in Small and Medium Scale Enterprises Questionnaire (IMRACASRSMEQ). The questionnaire consisted of 11 items based on the purposes of the study and the research questions. The instrument was face-validated by three experts from the Department of Business and Entrepreneurship Education, Kwara State University, Malete. Cronbach Alpha was used to determine the reliability of the instrument which yielded a reliability coefficient of 0.76. Each of the items was assigned four response options of High Extent (HE-4 points), Moderate Extent (ME-3 points), Low Extent (LE-2 points) and No Extent (NE-1 point). The data collected were analysed using the mean and standard deviation. The mean was used to answer the research questions while the standard deviation was used to determine the closeness or otherwise of the responses from the mean.

### **Presentation of results**

A total of three hundred and fourteen (314) questionnaires were distributed, however only two hundred and forty-four (244) were correctly filled and returned, giving a response rate of seventy-eight-point two (78.2) percent, which was considered to be adequate.



**Table 1: Mean and standard deviation of responses on the extent to which Marketing Research is applied in Small and Medium Scale Enterprises**

S/N	Item Statements	$\bar{X}$	SD	Remark
1.	Small and Medium Scale Enterprises utilize Marketing Research to gain competitive advantage.	3.34	0.82	Moderate Extent
2.	I apply Marketing Research to identifying potential customers.	2.72	0.74	Moderate Extent
3.	Small and Medium Scale Enterprises use Marketing Research to get ideas for development of new product.	3.06	0.95	Moderate Extent
4.	Owners/managers of SMEs apply Marketing Research in identifying customers' preference of firm's products/services.	2.73	1.15	Moderate Extent
5.	Owners/managers utilize Marketing Research in maximizing customers' lifetime value.	2.91	0.88	Moderate Extent
6.	Small and Medium Scale Enterprises apply Marketing Research to get good information about customers, thereby lead to customers' satisfaction.	3.03	0.97	Moderate Extent
7.	Owners/managers of SMEs use Marketing Research to bring about the growth of market share.	2.85	0.69	Moderate Extent
8.	I apply Marketing Research to enhance the understanding of factors that influences consumers buying behavior.	3.39	0.85	Moderate Extent
9.	Small and Medium Scale Enterprises utilize Marketing Research to establish and maintain long-term customer relationships.	3.24	0.84	Moderate Extent
10.	Owners of SMEs use Marketing Research to identify unsatisfied customers and conversely get them satisfied.	3.20	0.94	Moderate Extent
11.	My firm applies Marketing Research to enhance the ability to change brand name in order to attract customers.	2.18	1.12	Low Extent
<b>Weighted average</b>		<b>2.97</b>	<b>0.90</b>	<b>Moderate Extent</b>

**Source:** Field Survey, 2018

Analysis of data in Table 1 reveals that Small and Medium Scale Enterprises utilize marketing research to gain competitive advantage to moderate extent (mean = 3.34), the same way the respondents indicated that they apply marketing research to moderate extent to identify potential customers (mean = 2.72). In addition, the respondents indicated that SMEs use marketing research to get ideas for development of new product to moderate extent (mean = 3.06), also Owners/managers of SMEs apply marketing research to moderate extent in identifying customers' preference of firm's products/services based

on the responses of the respondents (mean = 2.73). The respondents indicated that owners/managers utilize marketing research in maximizing customers' lifetime value in moderate extent (mean = 2.91), same way SMEs apply marketing research to moderate extent to get good information about customers, thereby lead to customers' satisfaction (mean = 3.03). The respondents also stated that their firms applied marketing research to low extent to enhance the ability to change brand name in order to attract customers (mean = 2.18). All the items have low standard deviation values which signifies variability of response are below the fixed value of 1.96. Similarly, the respondents unanimously indicated moderate extent for all the constructs except for item 11 where they indicated low extent. This means that all the constructs are applied in SMEs. This implied that marketing research are applied to a moderate extent in SMEs in Borno State (mean = 2.97, SD = 0.90).

Research Question 2: To what extent does marketing research application influence Customer Attraction in Small and Medium Scale Enterprises in Borno State?

**Table 2: Mean and standard deviation of responses on the extent marketing research application influence customer attraction in Small and Medium Scale Enterprises**

S/ N	Item Statements	$\bar{X}$	SD	Remark
1.	Small and medium scale enterprises owners/managers apply Marketing research to enable create customer value in order to attract customers.	3.44	0.74	Moderate Extent
2.	Small and medium scale enterprises use Marketing Research to evolve in consumers-oriented promotion techniques that best convince customers' patronage.	3.37	0.84	Moderate Extent
3.	Managers of small and medium scale enterprises utilize Marketing Research to change brand name thereby attracting customers.	2.26	1.07	Low Extent
4.	Small and medium scale enterprises apply Marketing Research to design and test appropriate packages of company's products and make packaging as attractive as possible.	2.72	1.01	Moderate Extent
5.	Owners/managers of SMEs apply Marketing Research to aids the provision of wide variety of goods for the convenience of consumers.	3.26	0.97	Moderate Extent
6.	SMEs owners/managers utilize Marketing Research to provide a dynamic network markets that give easy access to customers and customers to firms' products/services.	3.45	0.78	Moderate Extent

7.	SMEs use Marketing Research to provide good understanding of customers thereby providing them with goods/services based on their requirements.	3.43	0.72	Moderate Extent
8.	Owners/managers of SMEs utilize Marketing Research to discover potential customers, investigate customers' needs, and build relationships with potential customers.	3.43	0.82	Moderate Extent
9.	Small and medium scale enterprises apply Marketing Research to contrasts pre-purchase expectation of their customers there by attracting more customers.	3.30	0.90	Moderate Extent
<b>Weighted average</b>		<b>3.18</b>	<b>0.87</b>	<b>Moderate Extent</b>

---

**Source:** Field Survey, 2018

Analysis of data in Table 2 reveals that small and medium scale enterprises owners/managers apply marketing research to enable them create customer value in order to attract customers to moderate extent (mean = 3.44). Same way the respondents indicated that small and medium scale enterprises use marketing research to evolve in consumers-oriented promotion techniques that best convince customers' patronage to moderate extent (mean = 3.37). In addition, the respondents indicated that small and medium scale enterprises apply marketing research to design and test appropriate packages of company's products and make packaging as attractive as possible to moderate extent (mean = 2.72). In addition, owners/managers of SMEs apply marketing research to aid the provision of wide variety of goods for the convenience of consumers to moderate extent based on the responses of the respondents (mean = 3.26). The respondents indicated that SMEs owners/managers utilize marketing research to provide a dynamic network markets that give easy access to customers and customers to firms' products/services to moderate extent (mean = 3.45), same way SMEs use marketing research to provide good understanding of customers thereby providing them with goods/services based on their requirements to moderate extent (mean = 3.43). All the items have low standard deviation values which mean that the respondents' responses are not widely spread from the mean. Similarly, the respondents unanimously indicated moderate extent for all the constructs except for Item 3 where they indicated low extent. This means that virtually all the constructs influence customer attraction in SMEs. This implied that marketing research application influences customer attraction to moderate extent in SMEs in Borno State (mean = 3.18, SD = 0.87).

### **Test of Hypothesis**

The null hypothesis of the study was tested using independent t-test. The null hypothesis was tested at 0.05 level of significance. The summary of the test of hypothesis was presented in Tables 3:

H<sub>01</sub>: There is no significant difference in the mean responses of experienced and less-experienced owners and managers of Small and Medium Enterprises on the extent of Marketing Research Application in SMEs in Borno State.

**Table 3: Summary of t-test of the difference between the mean responses of experienced and less-experienced respondents on the extent of marketing research application in small and medium scale enterprises**

Group	N	Mean	SD	t-cal	Df	p-value	Decision
Experienced	168	2.70	0.41	17.070	299	0.000	Rejected
LessExperienced	133	3.31	0.08				

**Source:** Field Survey, 2018

P<0.05

The data in Table 2 reveals that there are 168 experienced and 133 less experienced respondents. This shows that there was moderate extent of marketing research application in SMEs ( $\bar{x} = 2.70$ ; SD = 0.41) and ( $\bar{x} = 3.31$ ; SD = 0.08). The Table reveals that there was significant difference in the mean responses of experienced and less-experienced owners/managers of small and medium enterprises on the extent of marketing research application in small and medium scale enterprises ( $t_{299} = 17.070$ ,  $P < 0.05$ ). Therefore, the null hypothesis, one was rejected. This implies that experienced and less experienced owners/managers of SMEs differ significantly in their responses regarding the extent of marketing research application.

**Table 4: Summary of t-test of the difference between the mean scores of respondents in urban and rural areas regarding the influence of marketing research application on customer attraction in small and medium scale enterprises**

Group	N	Mean	SD	t-cal	Df	p-value	Decision
Urban	186	3.19	0.35	-0.114	299	0.885	Not Rejected
Rural	115	3.18	0.19				

**Source:** Field Survey, 2018

P>0.05

The data in Table 4 reveals that there are 186 respondents from urban areas and 115 respondents from rural areas. The urban and rural respondents' responses show that marketing research influenced customer attraction in SMEs to a moderate extent ( $\bar{x} = 3.19$ ; SD = 0.35) and ( $\bar{x} = 3.18$ ; SD = 0.19). Their responses are close to the mean as the standard deviations are very low. The table reveals that there was no significant difference in mean score of respondents in urban and rural areas regarding the influence of marketing research on customer attraction in SMEs ( $t_{299} = -0.114$ ,  $P > 0.05$ ). Therefore, the second null hypothesis was not rejected. This implies that both urban and rural respondents did not differ in their responses regarding the influence of marketing research on customer attraction in SMEs. Though there was a slight difference between their mean responses with urban respondents having higher mean responses, but the difference was not statistically significant (mean difference = 0.01).

### Discussion of Findings

Based on the findings, the null hypothesis one ( $H_{01}$ ) reveals that SMEs moderately apply marketing research (mean = 2.97, SD = 0.90). The finding further reveals that there was significant difference in the mean responses of experienced and less-experienced owners/managers of small and medium enterprises on the extent of marketing research application in small and medium scale enterprises ( $t_{299} = 17.070$ ,  $P < 0.05$ ). The null hypothesis was rejected.

Their responses show that experienced owners/managers rated the extent of marketing research application higher than that of less experience SMEs did. This finding was found to be in agreement with the opinion of Nduka, Okocha and Chris-Nnamdi (2017) who claim that successful companies fulfill marketing research better than less successful companies. In a similar vein, Osongo (2011) asserts that the use of marketing research is not only related with company success by satisfying and retaining customers, but also issue of marketing such as innovation and product design, success of new products, export performance, product decisions among others.

### **Conclusion**

After statistical analysis of the data, the researcher arrived at the following conclusions: SMEs in Borno State apply marketing research only to a moderate extent; and that application of marketing research has had moderate positive influence on customer attraction. This implies that marketing research application has had the potential to play a significant role in the success of SMEs. This indicates that the success of small and medium scale enterprises depends on the proper implementation of marketing research by their owners/managers which in most cases positively affects their capacity to satisfy and retain customers. This further has implications on improved citizens' standard of living and the nation's general growth and development.

### **Recommendations**

Based on the findings obtained in the study and conclusion drawn, the researcher made the following recommendations:

1. Since SMEs in Borno state apply marketing research to a moderate extent there is need for owners/managers to employ marketing research extensively. This is achievable by organizing seminars, workshops and conferences among themselves.
2. SMEs in Borno state should learn to use marketing research to attract customers. A study of demographic characteristics of potential customers will enable SMEs owners and managers to identify instrument of attracting customer to their products; through different form of advertising.
3. SMEs owners/managers should explore ways by which they can gain easy access to loans which can enable them adequately finance marketing research activities as, this the only way that they can be able to survive and expand their market share in competitive market.

### **REFERENCES**

- Abugu, J. O. (2014). *The Principles and Practice of Modern Marketing*. First edition. Enugu. New moon publishers.
- Ayuba, B. & Kazeem, A. O. (2015). The Role of Marketing Research on the Performance of Business Organisations. *European Journal of Business and Management* vol.7, (6). Retrieved on 25<sup>th</sup>, April 2018 from <https://www.iiste.org/journals/index.php/EJBM/article/view/20309/20724>



- Abor, J. & P. Quartey (2010). Issues in SME Development in Ghana and South Africa. *International Research Journal of Finance and Economics*. Issue 39 available at: [http://www.eurojournals.com/irjfe\\_39\\_15.pdf](http://www.eurojournals.com/irjfe_39_15.pdf) (Retrieved on 25<sup>th</sup>, June 2018)
- Berg, H. (2015). *Faces of Marketing: Examining Consumer Responses to depictions of people in marketing*. Dissertation: Stockholm School Economics. Ineko; Printers.
- Bulut, A. Z. (2013). Impact of Marketing Research activities on marketing performance in textile companies: *International Journal of Management Economics and Business*.
- Busari, O. S. & Oduwale, W. K. (2014). Marketing Challenges and Opportunities Confronting Small Scale Businesses in Nigeria – A Lesson for Young Entrepreneur. *Journal of Poverty, Investment and Development - An Open Access International Journal*. 5(1). Retrieved on 27<sup>th</sup>, March 2018, from <http://www.iiste.org/Journals/index.php/JPID/article/viewFile/12045/12382>.
- David, R. (2014). What Attracts Customers to Online Stores and What keeps them Coming Back? *Journal of the Academy of Marketing Science*. 30(4)
- Ewah, S. O. E. & Ekeng, A. B. (2009). Problems and Prospects of Marketing in Developing Economies: The Nigerian Experience. *International Journal of Business and Management* 4(9). <http://ccsenet.org/journal/index.php/ijbm/article/viewFile/3788/99> Retrieved 3<sup>rd</sup> December, 2017.
- Ebitu, E. T. (2016) Marketing Strategies And The Performance Of Small And Medium Enterprises In Akwa Ibom State, Nigeria *British Journal of Marketing Studies*, 4(5). <http://www.eajournals.org/wp-content/uploads/Marketing-Strategies-and-the-Performance-of-Small-and-Medium-Enterprises-in-Akwa-Ibom-State-Nigeria.pdf>
- Ebitu, E. T., Ufot, J. A. & Olom, P. A. (2015). Marketing Problems and the Performance of Selected Small and Medium Enterprises (SMEs) in Southern Senatorial District of Cross River State, Nigeria. *American International Journal of Contemporary Research*. 5(5). Retrieved on 27<sup>th</sup>, March 2018, from [http://www.ajicrnet.com/journals/Vol5No5October\\_2015/9.pdf](http://www.ajicrnet.com/journals/Vol5No5October_2015/9.pdf).
- Gou, K. (2008). *Decide: A Decision-Making Model for More Effective Decision Making by Health Care Manager*. The Health Care Manager. 27(2). <https://www.doi.org/10.1097/01.HCM.0000285045.27290.90PMD18475113>.
- Hummam, W. & Olena, K. (2014). *The impact of complaint Management on Customers Retention Bank Industry in Sweden and Lebanon*. Faculty of Education and Economic Studies, Department of Business and Economic Studies. Master Thesis (Advance level), 15hp Business and Administration. University of Galvet. Retrieved on 27<sup>th</sup>, March 2018, from <http://hig.divaportal.org/smash/get/diva2:731082/FULLTEXT01>

- Ibojo, B. O. (2014). Impact of Customer Satisfaction on Customer Retention: A Case Study of a Reputable Bank in Oyo, Oyo State. *Nigeria International Journal of Managerial Studies and Research* Volume3,(2).  
<http://www.ijmsrjournal.org/iosr/ibn/papers/vo>
- Kotler, P. (2005). Marketing Insights from A to Z. From sales obsession to marketing effectiveness. *Harvard Business Review*, 55(6), 67-75.
- Lambard, M. R. (2011). Customer Retention through Customer Relationship Management; The exploration of two-way communication and Conflict handling. *African Journal of Business Management*.5(9).  
[https://us.sagepub.com/sites/default/files/upm-binaries/53627\\_ch1%2C2.pdf](https://us.sagepub.com/sites/default/files/upm-binaries/53627_ch1%2C2.pdf)  
(Retrieved on 25<sup>th</sup>, April 2018)
- Mattsoon, K. (2009). Customer Satisfaction in the Retail Market. Thesis. Degree Programme of *International Business, Economics and Tourism*. Vaasan Ammattikorkeakoulu, University of Applied Science.  
<http://www.projectalevel.co.uk/business/mix.htm> (Retrieved on 28<sup>th</sup>, April 2018).
- McDonakd, M. (2007). *Marketing Plan*. (6<sup>th</sup> edition). Oxford- England: Butterworth-Heinemann.
- Moiseenko, T. S. (2013). *Importance of Marketing Research*. Retrieved on 27<sup>th</sup>, March 2018, from <http://www.master.donntu.org/pub2002/fem/moiseenko>
- Nduka, C. Okocha, R. E. & Chris-Nnamchi, J. N. (2017).Diagnostics of Customer Satisfaction in the Hospitality Industry: Evidence from Nigeria. *British Journal of MarketingStudies*,5(1)<http://www.eajournals.org/wp-content/uploads/Diagnostics-of-Customer-Satisfaction-in-the-Hospitality-Industry-Evidence-from-Nigeria.pdf> (Retrieved on 25<sup>th</sup>, April 2018).
- Nwaiwu, B. N. & Opusunju, M. I. (2017). Small and Medium Scale Enterprises and National Development: Nigeria Perspective. *Conference Proceedings*, 4(1)
- Ogbadu, E. E. (2012). Appraisal of the Practical Application of Marketing Research by SMES in Nigeria. *Kuwait Chapter of Arabian Journal of Business and ManagementReview*2(2).[http://www.arabianjbmr.com/pdfs/KD\\_VOL\\_2\\_2/4.pdf](http://www.arabianjbmr.com/pdfs/KD_VOL_2_2/4.pdf). Retrieved 3<sup>rd</sup> December, 2017.
- Onwubiko, N. D. (2015). Impact of Marketing Research on Business Management in Nigeria. *British Journal of Marketing Studies*, 3(1), 16-26.
- Osongo, L. K. (2016). The Effects of Marketing Strategies on Customer Retention. A Case of the Health Insurance in Kenya. Thesis in Degree of Masters in Science Marketing. School of Business, University of Nairobi.

[http://erepository.uonbi.ac.ke/bitstream/handle/11295/99039/Onsongo\\_The%20Eff%20of%20Marketing%20Strategies%20on%20Customer%20Retention%20a%20Case%20of%20the%20Health%20Insurance%20in%20Kenya.pdf?sequence=1&isAllowed=1](http://erepository.uonbi.ac.ke/bitstream/handle/11295/99039/Onsongo_The%20Eff%20of%20Marketing%20Strategies%20on%20Customer%20Retention%20a%20Case%20of%20the%20Health%20Insurance%20in%20Kenya.pdf?sequence=1&isAllowed=1)  
(Retrieved on 20<sup>th</sup>, April 2018)

Paul, B. I. (2017). Small and Medium Enterprises in Nigeria: The Problems and Prospects. *Conference Proceedings*, 4(1), 2017.

Raja, I. S., Muhammad, I., Naeem, A., Muhammad, A. P., & Asadur, R. (2014) *Customer satisfaction in Restaurant Industry*. Examining the Model in Local Industry Perspective <http://www.pbr.iobm.edu.pk/wp-content/uploads/2016/01/4-Kauseer-Saeed.pdf> (Retrieved on 5th November, 2017).

Starbucks Marketing Management. (2008). *Beaucastel Organization*. Online available from <http://beaucastel.org/marketing-management/starbucks-marketing-management.html> (Accessed, 24th march, 2017).

Utoware, J. D. & Agbonaye, A. J. (2017). Impact of Business Education Programme on Small Medium Scale Enterprises (SMEs) Growth and National Development in Nigeria. *Conference Proceedings*, 4(1), 2017.

Zabore, P. (2015). *Elements of Marketing Research*. EU Co-funded project: Youth Design Management <https://www.researchgate.net/publication/279749417> (Retrieved 17 April, 2018)