



AN EMPIRICAL INVESTIGATION INTO THE MARKETING PRACTICES OF SMALL AND MEDIUM ENTERPRISES: A CASE STUDY OF A DEVELOPING NATION

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Abstract

The purpose of the study was to investigate the impact of marketing management practices on the performance of Small and Medium Enterprises (SMEs, hereinafter) in Sierra Leone. Both qualitative and quantitative methods were used to investigate the various marketing practices adopted by the owner/managers and their effect on the performance of their enterprises. The data were collected using questionnaire and interview guides and the research adopted both probability and non-probability sampling techniques. The study revealed that a large number of the participants do not have a marketing department. Again, the study shows that most of participants sell their products in towns, villages and to street peddlers. The products and services are priced after calculating the expenses. The products are distributed mostly to street peddlers and packaged in cartons. By the same token, the study reveals a statistically significant relationship between marketing management practices and SMEs performance (employment $r=0.157$, $p<0.01$, wages $r=0.255$, $p<0.01$ and sales $r=-0.153$, $p<0.01$). The study provides one-of-a-kind theoretical and empirical understanding into the marketing practices and their impact on employment, wages and sales of SMEs.

Keywords: SMEs, marketing management, marketing strategies, performance, Sierra Leone



INTRODUCTION

Small and Medium Enterprises are significant contributors to the economic development of any nation. They provide jobs, create wealth, contribute to gross domestic product, reduce poverty, decrease inflation, improved standard of living, contribute to innovation and social benefits (Divakara & Surangi, 2018; Smit & Watkins, 2012; Carvalho & Costa, 2014; Kanu, 2018; Ikeije & Onuba, 2015; Dhaliwal, 2016; Marmullaku, 2015; Naskar, 2019; Akbar, et al., 2017).

Marketing is a key management practice that is amongst the major challenges faced by SMEs, yet one of main practices that fosters their growth and development. The success of any SME depends on an effective marketing practice (Omar & Anas, 2014). A key practice of implementing the marketing concept is a principal strategic path (Kotler & G, 2016) that SMEs may possibly adopt if they are to survive in modern day competition. There is no available definition of marketing within SMEs research. Against this background, the few researchers that attempted to define marketing within the framework of SMEs do so, by relating marketing to entrepreneurial behaviour (Reynolds, 2002). The marketing practices of SMEs are characterised by distinctive attributes that differentiated them from their larger counterparts (Fillis, 2002). That being said, marketing activities of SMEs are disorganised and unconventional (Fillis, 2002). The foregoing statement is buttressed by the premise that SMEs owner/managers do not take into account long-term marketing practices (Gellynck, et al., 2012).

SMEs in Sierra Leone have existed since pre-colonial days and have been playing a significant role in the economic development of the county. They provide skills and training to apprentices operating in the field of carpentry, gold-smith, blacksmith and metal works, employment for youths, reduce poverty and contribute to export growth (Awoko, 2017; Kanu & Conteh, 2017). In spite of these contributions, the sector was neglected and discriminated against after independence both by the government and foreign investors focusing purely on large enterprises as the major contributors to economic development (IslamicDevelopmentBank, 1994). SMEs are the key sector of industrial activities in modern day Sierra Leone. They constitute over 80% of the businesses, although most of them operate in the shadow economy (Kanu, 2015). SMEs in the country both formal and informal are categorized mainly into manufacturing, trade (both retail and wholesale), construction and engineering, transport and service subsector. However, the trade subsector, including wholesale and retail, dominates the SME landscape in the country (IslamicDevelopmentBank, 1994). The purpose of the study is to investigate the impact of marketing management practices on the performance of SMEs in Sierra Leone.

The study attempts to answer one key question:

To what extent is there a relationship between marketing management practices and SMEs performance? Performance in this study is being measured by employment, wages and sales.

Null hypothesis Ho: There is a negative and significant relationship between marketing management practices and SMEs performance.

Alternative hypothesis H1: There is a positive and significant relationship between marketing management practices and SMEs performance.

LITERATURE REVIEW

SMEs Marketing Management

“Marketing Management is “the art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering, and communicating superior customer value” (Kotler & Keller, 2012, p. 5).

“A market consists of all the potential customers sharing a particular need or want who might be willing and able to engage in exchange to satisfy that need and wants” (Kotler, 1997, p. 13).

“Marketing is about identifying and meeting human and social needs. One of the shortest good definitions of marketing is “meeting needs profitably.” (Kotler & Keller, 2012, p. 5)

In recent times, there has been considerable research interest in the field of SME marketing practices (Gilmore, 2011; Chaudhary & Kumar, 2012; Awan & Hashmi, 2014). The majority of these studies have shown the importance of marketing to the growth and sustainability of SMEs. This begs the question, why is marketing important to SMEs? In providing answer to this question, Smith (1990) argued that the success of any small business does not rely only on the presence of the products and markets but equally on the efficient marketing of those products within the markets in question. On the contrary, the research on SMEs marketing has been regarded as a challenging field for researchers for more than 20 years (Chaston & Mangles, 2002). Carson (1990) cited in Hogarth-Scott et al.(1996) in examining small firms’ marketing practices in Belfast concluded that marketing is commonly seen as peripheral to small firms. This was premised on the following factors. Firstly, SMEs make enormous sales and profits without planning their marketing activities. Secondly, entrepreneurs are receptive to marketing when there is a need to grow and expand. The development of SMEs marketing theory is limited which prompted the use of classical marketing models for smaller businesses (Chaston & Mangles, 2002). However, Simpson and Taylor

(2002) formulated a new model; The Role and Relevance of Marketing Model which describe SMEs marketing behaviour.

Marketing processes within the SME sector are informal and unplanned (Blankson & Stokes, 2002). This depends upon the effort of the owner/managers (Chen & Hambrick, 1995). Gilmore et al. (2001) maintained that marketing activities in SMEs are haphazardous, informal, loose, unstructured, spontaneous and reactive. Be that as it may, it is questionable as to whether SMEs need to engage in marketing in order to grow and survive (Hogarth-Scott, et al., 1996). The foregoing authors concluded that small business owners/managers are generalists not marketing specialists. In addition, complex theories or sophisticated formal processes may not be appropriate for small businesses. Contrarily, Carson et al (1995) established that SMEs must employ some kind of marketing activities to generate new sales with a view to grow and survive. Studies have shown that SMEs do not engage in conventional marketing because of limited resources (Carson, 1990; Carson, et al., 1995; Sangeeta & Kumar, 2012). This is confirmed by Carson and Cromie (1989) who maintained that although SMEs do engage in some kind of marketing, they face numerous constraints that prevent them from fully participating in conventional marketing. Such constraints include, lack of access to finance, marketing knowledge and time, poor networking, lack of specialist expertise, fewer customers and a limited number of employees. Moreover, fixed costs monopolize a large part of the sales revenue, leaving virtually less sales revenue to be used in marketing expenditures, thereby reducing their potential to make use of the limited techniques (Stokes, 1994; 1995) and tools such as the internet (Kenny & Dyson, 1989). These constraints reduce SMEs sales in addition to profits which are to be reinvested. Consequently, their growth and survival are hindered thus reducing the potentials to create employments, wealth and contribute effectively to economic growth which brings about the need to provide answer to the question: What can be done to help SMEs especially those in developing countries to engage in conventional marketing?

SMEs Marketing Strategies

Marketing among SMEs is largely done through networking (Gilmore, 2011; Gilmore, et al., 2001) or a combination of transaction, relationship and interaction marketing (Brodie et al., 1997). As stated by MacMillan (1983), the success of any firm depends on building contacts and networks. In that regard, networking in small firms is characterised by two dimensions: First and foremost, it includes sharing expertise or resources in order to manage the marketing processes aimed at increasing sales to existing clientele, gaining greater access to more customers in the present markets or entering completely new markets. Secondly, it includes improving the old products through a combination of existing products or through the development of new

products (Chaston, 1999). Not only that, SMEs engage in marketing through niching. A niche market “is a narrowly defined market containing a group of customers with highly specialised needs” (Chaston & Mangles, 2002, p. 97). Moreover, niche marketing is a generic form of marketing for all SMEs which is generally recommended for them (Kotler, 1997; Waterworth, 1987). This being said, one should be mindful of the fact that large enterprises with adequate resources also practice niche marketing. The implication is that the niching strategy of SMEs depends upon large enterprises’ willingness to neglect the market segments targeted by SMEs. This raises the question, why should large enterprises neglect those market segments, if they are more profitable to SMEs? Niche marketing is more appropriate for small firms because of their resource limitations especially finance (Storey, 1994; Thilmany, 2012; Akbar, et al., 2017). The approach meets the objectives of owner/managers that enter the SME sector driven with the main motive of survival and independence rather than for growth and development (Storey, 1994). SMEs start niching by targeting their home market. But as the market becomes competitive, the enterprises employ ways of expanding their markets geographically resulting in export decisions (Trulsson, 2002). These enterprises practice niching by deliberately selecting market segments that are ignored by large firms (Beaver & Carr, 2002) and by offering products that are totally different from those of the large enterprises. While following this practice, SMEs are keen to avoid direct competition with the large enterprises (Lee, et al., 1999).

In addition to the approaches discussed above, Carson et al. (1995) classified the level of SME marketing into three generic methods. Firstly, SMEs engage in little or no marketing. In such a scenario firms have little or no information about their potential customers, and if they do, it could be patchy and fragmented information. Secondly, SMEs employ the implicit and simple marketing activity which is common in the sector. In this situation, firms employ marketing activities seen as a natural component of their business activities, yet still these marketing activities remain fragmented as a result of lack of resources such as finance coupled with ignorance of marketing activities. Finally, SMEs make use of explicit and sophisticated marketing that enables them to employ every marketing activity seen as an integral component of their objectives and purposes.

In conclusion, generic marketing practices stated in textbooks could rarely exist in SMEs (Gilmore, et al., 2001). Although “formal marketing is incompatible with the decision characteristics of entrepreneurs. Formal may be interesting to the entrepreneur, but it is unlikely to relate closely enough to his/her situation-specific requirements or solve company problems” (Carson, 1993, p. 194). In the same vein, marketing skills such as advertising, choosing good distribution channels and good market coverage areas will help SMEs achieve superior performance.

METHODOLOGY

The study adopted a mixed method approach employing qualitative and quantitative methods. The primary data collection was done using interviews and self-designed questionnaire. SMEs in the four provinces of the country were defined as the target population from where the study sample was drawn for this study. Most of the questionnaires were self-administered. The questionnaires have been used to obtain information from the owner/managers regarding their marketing management practices. The choice of interviewing the respondents was based on the fact that they were willing to express more of their opinions on their marketing practices.

This research used both probability (stratified random sampling) and non-probability (snowball and purposive sampling) sampling techniques. The sample size (n) of SMEs obtained for the survey was 525. The premise for arguing the case of stratified sampling in this study was that it enables the sample to be more representative and improves the accuracy of estimation upon selection of a relevant stratification variable (Saunders, et al., 2000). The sampling methodology designed in this study provided information on SMEs development in Sierra Leone. The 525-sample size was distributed among the four regional cities of Freetown, Makeni, Bo and Kenema using the proportion of SMEs in each city. Amongst the 525 SMEs selected for the sample only 323 were completed which became the valid sample of the study. A total of 31 SMEs owner/managers were interviewed.

Following Creswell's (2007), qualitative data analysis approach, the semi-structured interview data for this study was analysed using excerpt extracted from the owner/managers responses. The quantitative data analysis was done using SPSS employing techniques such as descriptive statistics and bivariate correlation. The questionnaire which consisted mainly of interval scale variables permitted the use of Pearson Product-Moment Correlation Analysis as a measure of relationship between the dependent and independent variables.

RESULTS

SMEs are recognised as the principal drivers of job creation, gross domestic product growth and entrepreneurship (Karadag, 2016; McCartan-Quinn & Carson, 2003) and are the backbone of many economies. This being the case, research on the marketing activities in this sector is scarce. Thus, there is a need to investigate the marketing activities of SMEs in Sierra Leone. Regarding having a marketing department or a marketing manager, 86.1% of the respondents did not have a marketing department or a marketing manager (see Figure 1 below).

Have Marketing Department/Marketing Manager

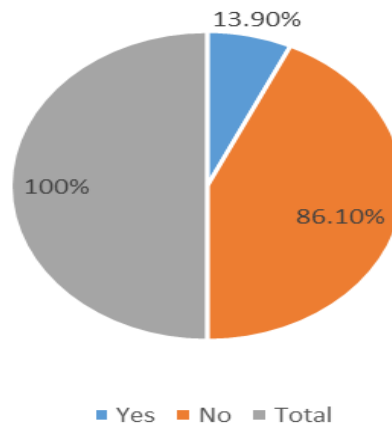


Figure 1: Marketing department/marketing manager

Best market coverage area helps to maximize sales. This is especially true for the retail businesses that must have access to passing pedestrians and vehicular traffic. Correspondingly, good market coverage area prevents an incredible loss of capital. On this account, the study investigates the market coverage area of the SMEs. As Figure 2 below shows, as many as 69.3% of the respondents confirmed that their market coverage areas were towns and villages within the district, 26% operate in most towns and villages within the province, 2.5% sell throughout the country and as few as 2.2% sell outside the country especially those that engaged in the diamond trade. Furthermore, asking the respondents who trade their products mainly diamonds and where they are being sold, one stated as follows:

“Having a diamond export license, I always travel to Belgium to sell my diamonds. In the event I could not travel because of certain reasons beyond my control I will have to export my diamonds to a foreign agent in Belgium who sell on my behalf”.

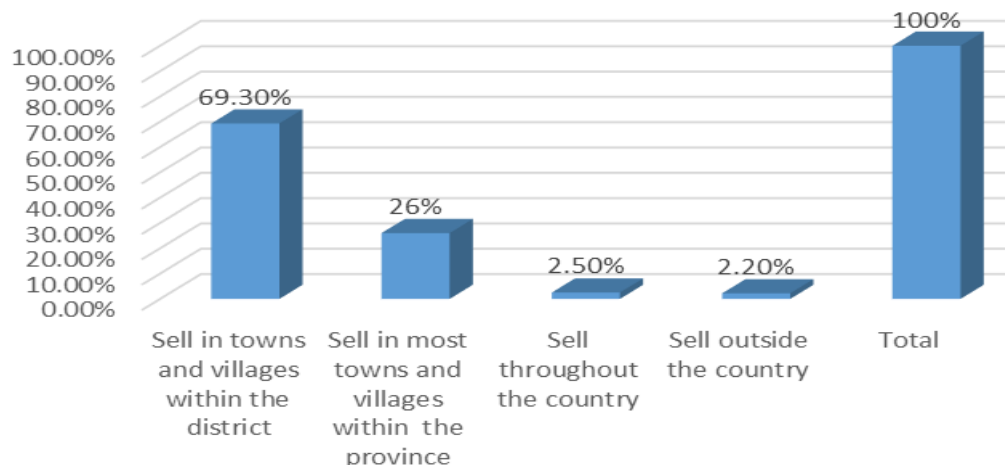


Figure 2: Market Coverage Area

Maintaining a strong customer base is vital to the success of any business. Considering the increasing market competition, it is important for SMEs owner/managers to build a personal and strong relationship with their customers. This study, therefore, investigates the customers of SMEs owner/managers in the country. As can be seen in Figure 3 below when respondents were asked who they sell their products or service, about 6.5% sell their products to private companies. Just over half of the respondents (52%) sell to street peddlers and few as 2.5% sell to government offices and parastatals. Alternatively, as many as 39% sell to retailers and wholesalers. In a semi-structured interview, when respondents were asked to describe their marketing strategies; the following responses were given:

Respondent 1

“I buy my products (soap) wholesale from my customers and later I retail them through my children who go to the surrounding villages and sell the products on trays on their heads”.

Respondent 2

“I retail my products (used clothes) in the surrounding local market squares. Sometimes, I sell to white collar workers in government and private offices”.

Respondent 3

“Apart from doing radio advertisement to inform potential customers about my enterprise, I also play loud music in the evening hours to attract customers and at the same time creating awareness of my enterprise”.

Respondent 4

“As a seller of cold drinks and other food items, I display some of my products on top of the Colemans to attract customers. Using this marketing strategy, potential buyers find it easy to know what I am selling”.

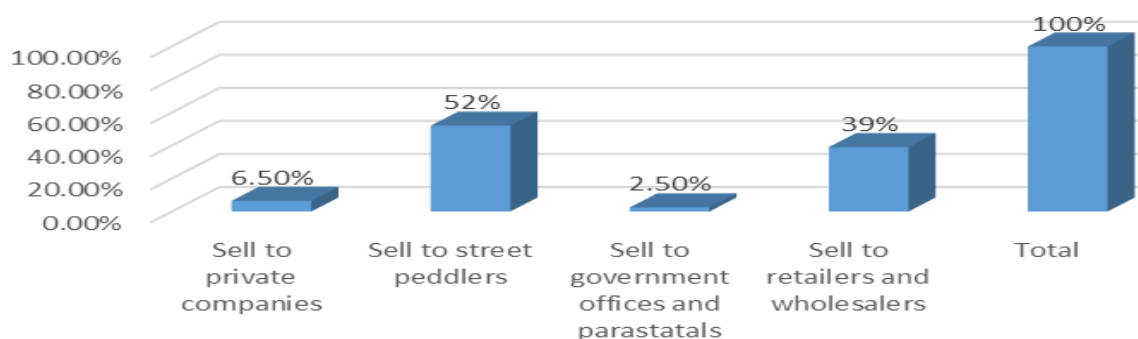


Figure 3: Customers

Pricing of goods and services is one of the most important objectives of marketing activities as it leads to the success or failure of every single business. The aim of all businesses is not only to generate sales. It is also to make profits which can be achieved through good pricing practices. Making the right price decision can help the enterprise not to lose money. Nonetheless, prices set too low result in the enterprise losing additional profits. The fact is that most customers perceived goods/services with very low prices as having low/poor quality. At the same time, an attempt to raise prices to higher levels may drive customers away, which will decrease the purchase of the goods and services. However, it is important for SMEs owner/managers to set the right price levels to attract and retain customers. As a result, the study investigates the pricing strategies of SMEs owner/managers in Sierra Leone. As can be seen in Table 1 below, many as 92.2% of the respondents sell their products and services after calculating expenses. Similarly, 66.9% of the respondents are using competitive pricing strategies. Half of the respondents (55.1%) are using penetration pricing strategies. A total of 70.9% are in favour of pricing their products and services based on quality.

Table 1: Pricing

Independent Variable	Mean	Standard Deviation	Disagree	Strongly disagree	Indifferent	Agree	Strongly agree
Sell after calculating expenses	4.37	0.877	2.8%	2.5%	2.5%	39.3%	52.9%
Charge based on market price	3.52	1.156	10.5%	8.0%	14.6%	52.3%	14.6%
Set low prices to penetrate market	3.12	1.288	18.9%	13.0%	13.0%	47.4%	7.7%
Charge based on quality of products or services	3.70	1.129	9.0%	4.6%	15.5%	49.5%	21.4%

N=323

Using the right distribution channel is also necessary for the success of all businesses. This will help marketers get their products/services to the right customers at the right time. Thus, this study seeks to investigate the channels SMEs owner/managers use to distribute their products/services to their customers. As Table 2 below reveals, 63.7% of the respondents disagreed with the statement that they distribute their products through wholesalers. The

majority of the respondents (77.4%) distribute their products through retailers. Conversely, 49.2% disagreed with the statement that they distribute their products through dealers and 90.1% distribute directly to their customers who are mostly street peddlers.

Table 2: Distribution channels

Independent Variable	Mean	Standard Deviation	Disagree	Strongly disagree	Indifferent	Agree	Strongly agree
Distribute products through wholesales	2.25	1.465	49.8%	13.9%	6.5%	20.7%	9.0%
Distribute products through retailers	3.65	1.231	12.4%	7.4%	2.8%	57.9%	19.5%
Distribute products through dealers	2.52	1.298	33.7%	15.5%	19.2%	28.5%	3.10%
Distribute products directly to customers	4.18	0.878	3.1%	2.8%	4.0%	52.9%	37.2%

N=323

Promotion is very important for the success of every business, as it helps to inform customers about the availability of new products or services in the market. Concurrently, promotion contributes to the success of SMEs through its effects on sales. In addition, it helps to spread awareness of the products or services. This study, therefore, seeks to investigate the promotional strategies of SMEs in the country. When respondents were asked to indicate which methods of promotion they are using to promote their products and services and which ones they found most effective. The study reveals that word of mouth was the most widely used method of advertisement with around 81.1% of respondents using this medium to promote their products and services. A close second is sign posts and radio advertisements. Each is used by around 48.9% and 30% of the respondents respectively. Another promotional tool is the naming ceremonies promotion which is used by 21% of the respondents. This is followed by t-shirt promotion (11.1%). As few as 6.8% used public transport to advertise their products and services. Word of mouth promotion was favoured by the respondents because it is a less expensive means of promotion (see Table 3).

Table 3: Advertising

Independent Variable	Mean	Standard Deviation	Disagree	Strongly disagree	Indifferent	Agree	Strongly agree
Radio advertisement	2.21	1.438	48.6%	19.8%	1.5%	22.0%	8.0%
Public transportation advertisement	1.53	0.910	64.1%	28.2%	0.9%	4.3%	2.5%
Sign post advertisement	2.90	1.605	31.0%	19.2%	0.9%	26.9%	22.0%
T-shirt advertisement	1.63	1.065	64.1%	23.5%	1.2%	7.7%	3.4%
Word of mouth advertisement	3.76	1.136	10.5%	4.0%	4.3%	61.6%	19.5%
Naming ceremonies advertisement	2.04	1.280	50.2%	21.4%	7.4%	16.7%	4.3%

N=323

Packaging is very important to any enterprise because it does not only protects, but advertises the products. There are many different types of packaging use among businesses. In view of this, the study attempts to investigate the packaging methods of SMEs in the country. As Table 4 below reveals, 25.1% of the respondents packaged their products in bags, 57.9% in boxes, 23.8% in cans, 69.7% in cartons and 53.2% in plastic bottles/bags. On the other hand, 69% of the respondents disagreed with the statement that they package their products in tins.

Table 4: Packaging

Independent Variable	Mean	Standard Deviation	Disagree	Strongly disagree	Indifferent	Agree	Strongly agree
Package products in bags	2.05	1.305	52.0%	19.2%	3.7%	22.3%	2.8%
Package products in boxes	3.00	1.316	21.7%	18.0%	2.5%	54.5%	3.4%
Package products in cans	2.04	1.239	48.9%	22.9%	4.3%	22.9%	0.9%
Package products in cartons	3.35	1.266	15.5%	12.7%	2.2%	60.4%	9.3%
Package products in tins	2.08	1.254	48.3%	20.7%	5.9%	24.5%	0.6%
Package products in plastic bottles/bags	2.99	1.356	22.9%	16.1%	7.7%	45.8%	7.4%

N=323

Inferential analysis

Pearson's Correlation Coefficient Analysis was done so as to determine the relationship between marketing management practices and SMEs performance. Since the marketing variables did not meet the reliability criteria, factor analysis approach was used to create new constructs. By employing this approach, the 23 items used to measure the efficiency of marketing management practices on SMEs performance were reduced to three principal components comprising (1) t-shirt advertising, public transport advertising and radio advertising (Advertisement) (2) package products in cans, package products in cartons and package products in boxes (Packaging) and (3) distribution of products through wholesalers and dealers (Distribution). The eight components explain 62.90% of the total variance. The Kaiser-Meyer-Olkin Measure of Sampling Adequacy value is 0.616. This implies that factor analysis is meaningful. The Bartlett's Test of Sphericity is significant at $p=0.000$.

Table 5: Factor analysis

Main constructs	Kaiser-Meyer-Olkin Measure of Sampling Adequacy(KMO)	Bartlett's Test of Sphericity significant at
Marketing Management	0.616	0.000

Table 6: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy(KMO)		0.616
Bartlett's Test of Sphericity	Approx. Chi-Square	391.438
	df	28
	Sig.	0.000

Table 7: Summary of Final Factor Analysis Results

Marketing Management practices	Component		
	1	2	3
T-shirt advertisement	0.750		0.318
Public transportation advertisement	0.699		0.443
Radio advertisement	0.618	0.333	
Package products in cans		0.645	
Package products in cartons	-0.444	0.610	
Package products in boxes	-0.509	0.604	
Distribute products through wholesales	0.300	0.306	-0.727
Distribute products through dealers		0.541	-0.557

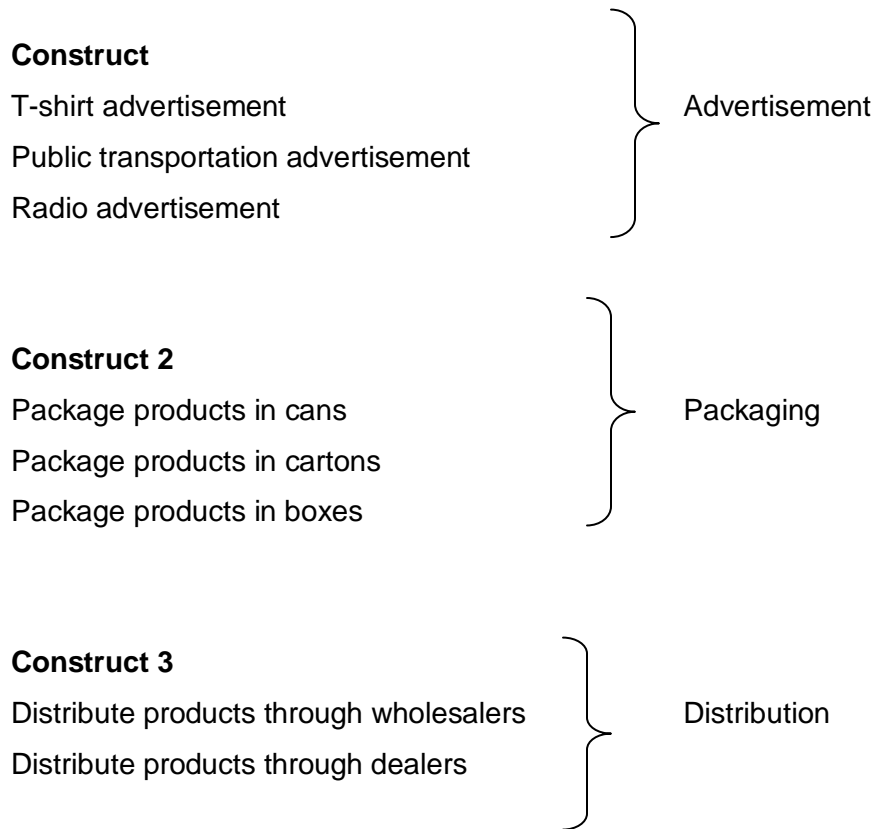


Table 8: Pearson product-moment correlation Analysis

Independent Variables	Dependent Variables		
	SALES	EMPLOYMENT	WAGES
Marketing Management	R=-0.153(**) P=0.006	R=0.157(**) P=0.005	R=0.255(**) P=0.000
Advertisement	R=0.078 P=0.160	R=0.317(**) P=0.000	R=-0.068 P=0.303
Packaging	R=0.082 P=0.144	R=-0.050 P=0.368	R=0.210(**) P=0.001
Distribution	R=-0.040 P=0.478	R=-0.190(**) P=0.001	R=-0.044 P=0.501

Recently, there has been an increased research interest in the marketing practices of SMEs (Siu, 2000; Simpson, et al., 2015; Islam, et al., 2011). A number of these studies indicated the importance of marketing among SMEs. Entrepreneurs having marketing knowledge and the ability to understand it reduce risks and help to understand customers' needs and wants. Accordingly, SMEs marketing practices depend on many factors such as product, process, region, the nature of the market served, the background of the owner/managers and the

industry within which the SME operates (Fuller, 1994). On the account of that, the researcher predicted a positive association between the marketing management practices and SMEs performance (employment, wages and sales). On the basis of this, Table 8 reveals a statistically significant relationship between marketing management practices and SMEs performance. This alternative hypothesis is supported based on the Pearson product-moment correlation results (employment $r=0.157$, $p<0.01$, wages $r=0.255$, $p<0.01$ and sales $r=-0.153$, $p<0.01$). These findings are complementary to those of Slater and Narver (1995) and (Oyedijo, et al., 2012).

Additionally, to determine which aspects of marketing influence SMEs performance, the three marketing constructs including advertisement, packaging and distribution were analysed separately. The Pearson Product-Moment Correlation Analysis in Table 8 showed a positive and significant relationship between advertisement and employment with $r=0.317$, $p<0.05$. This could suggest that the more SMEs owner/managers engage in advertisement, the greater the potential they generate employment. Conversely, the Pearson Product-Moment Correlation Analysis showed a non-significant statistical relationship with sales and wages. Similarly, Table 8 indicated a significant positive relationship between packaging and wages with $r=0.210$, $p<0.01$. Equally the Pearson Product-Moment Correlation coefficients for sales and employment were not statistically significant. The table also provides some interesting findings. For instance, there is a significant negative relationship between distribution and employment with $r=-0.190$, $p<0.01$. However, distribution showed a non-statistically significant relationship with sales and wages.

DISCUSSION

In today's competitive market, SMEs owner/managers tend to improve their marketing strategies whether formal or informal to broaden their customer base, and attract more sales. The results of these findings show that marketing management practices are positively associated with employment and wages. This implies that good marketing management practices enhance the desired changes on employment and wages, therefore, contribute to economic development. In other words, the greater the relationship the greater the influence on employment and wages. Notwithstanding that, given the severe limitations and financial constraints of the SME sector, they tend to rely heavily on cheap marketing tools that help them to bolster sales, employment and wages. For example, the descriptive statistics above indicate that word of mouth was the most effective and widely used marketing tool to promote the products/services. In a semi structured interview one respondent stated: *"I use word of mouth to promote my products simply because it is cheap and effective. I don't need to pay anybody to promote for me"*. Another respondent stated that: *"I promote sales of my products by providing*

value to my customer, by selling wide varieties of products rather than investing in expensive promotional activities". Table 2 further revealed that the majority of the respondents distribute their products directly to their customers. Regarding packaging, the vast number of respondents packaged their products in cartons. In terms of pricing, a large percentage of the participants sell their products and services after calculating expenses. All these marketing strategies are typical of the SME sector. Similarly, the results of the findings revealed that marketing management is negatively associated with sales. Implying that the respondents perceived a weak relationship between marketing management practices and their ability to increase sales.

In addition, advertisement showed a positive and significant relationship with employment. This could suggest that SMEs that advertise their products and services have the ability to create more jobs than their counterparts that do not engage in any form of advertisement. On the other hand, Pearson Product-Moment Correlation Analysis indicated that there was no apparent significant statistical relationship between advertisement and the performance variables (sales and wages). Therefore, advertisement did not seem to have a major impact on sales and wages. The non-significant statistical relationship is an indication that the most used promotional tool, word of mouth, as indicated in descriptive statistics among SMEs in Sierra Leone does not capture much of the attention of the customers who are to come in contact with the products or services. In this respect, it can be stated that lack of finance prevented SMEs to engage in formal advertising practices like radio, television, newspapers and so on. Another possible explanation for the non-significant statistical relationship between advertisement and the remaining performance variables could be that word of mouth might have carried a message that is different regarding the products and services. This study could, therefore, argue that the distorted message may cause potential customers to have a wrong impression about the products or services being sold. Thus, this results in poor sales and reduces the potential of SMEs to contribute to economic development. Packaging was also found to be positively related to wages. This finding concludes that SMEs that package their products are expected to pay more wages as a result of high profits resulting from good packaging. Alternatively, packaging was not found to be significantly related to sales and employment.

Finally, distribution of goods and services does not seem to have a desirable effect on sales and wages of the SMEs in the sample. The non-significant relationship could be linked to problems such as lack of access to finance, poor access to joint ventures and so on. Lack of access to finance could mean that those enterprises that do not engage in joint ventures may not afford the high distribution cost implying that they could not access potential markets (Kanu, 2009) This might affect their performance. Consistent with this, Skjoette-Larsen (2000)

mentioned that the competitiveness of any enterprise in the modern day market hinges on their potential to distribute goods and services to their customers quickly and efficiently. The final result of the marketing management analysis reveals a significant negative relationship between distribution of goods/services and employment. Indicating that the distribution of goods/services and employment could be inversely related. This could suggest that the greater the relationship the less likely that the distribution of goods/services could influence employment.

CONCLUSION

On the balance of the analysis, the stated hereunder conclusions are proposed: Most of the SMEs did not have a marketing department or a marketing manager. The coverage areas of the surveyed SMEs consist of towns and villages within the district. The owner/managers sell their products to street peddlers, use cost-plus pricing strategy, and distribute the products through retailers. The research also indicated that word of mouth is the commonest promotional tool employed and the products are packaged mostly in cartons. Based on the results of the study, it can be established that the marketing management practices have a desired effect on SMEs performance. The relationship was corroborated through Pearson product-moment correlation Analysis which showed a statistically significant relationship between marketing management practices and employment, wages and sales.

POLICY IMPLICATIONS

Marketing management is central to the success of each and every business. Studies have shown that owner/managers with knowledge on the market help to reduce risks. Nevertheless, literature reviews on SMEs in Sierra Leone have shown that owner/managers are production-oriented disregarding the needs of the market. Added to this, the product ranges and market coverage areas of SMEs are limited. Similarly, the findings from this study indicated that SMEs customers were mainly street peddlers, who are their main distribution channel. At the same time, they practise informal methods of advertising. Hence, the owner/managers should expand their customer base and distributional channels. They should also practise formal methods of promoting their products or services.

LIMITATIONS OF THE STUDY

Similar to other studies, this research faced numerous limitations. Because of limited funds, this study could not cover all the SMEs in the four provinces in the country. However, the study focused on only a selection of SMEs that are located in the provincial headquarters as the sample size and is considered as a representation of all SMEs in the country. The research was

also limited by the lack of adequate sampling frames in Sierra Leone. For this reason, only one sample frame was used to identify SMEs owner/managers in the country. Most of the sampled SMEs had been closed down due to reasons such as the death of owner/managers, lack of finance and mismanagement. A number of the sampled enterprises have changed location and the numbering of houses in the provincial headquarters have been changed. This made it difficult to locate the actual sampled enterprises in the survey.

RECOMMENDATIONS FOR FUTURE RESEARCH

The findings of this study reveals that the marketing management practices showed a significantly positive relationship with employment and wages. Nonetheless, there is a significant negative relationship between the marketing management practices and sales. Hence, the findings of the study should serve as a base for future research, on the marketing management practices among SMEs not only in Sierra Leone, but in the whole of Africa. Where little research, if any has been done on the marketing activities of SMEs.

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