

Sales Promotion Strategies Required by Business Education Students for Customer's Retention of Small-Scale Businesses in Rivers State

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Abstract

The aim of the study was to investigate the sales promotion required by business education students for customer's retention of small-scale businesses in Rivers State. Two specific objectives, research questions and hypotheses were posed and formulated for the study. The study adopted a descriptive survey research design. The population of the study comprised of four hundred and fifty-nine (459) third year business education students in Rivers State University (RSU) and Ignatius Ajuru University of Education (IAUE). 100 percent of the entire population was used as the sample and census sampling technique. A structured questionnaire titled: Sales Promotion Strategies Required by Business Education Students for Customer's Retention of Small Scale Businesses Questionnaire (SPSRBESCRSSBQ) was used as instruments for data collection. The instrument was designed on 4 points rating scale (strongly agreed = 4 points, Agreed = 3 points, Disagreed = 2 points and Strongly Disagreed = 1 point) and used to elicit responses from the respondents. The instrument was validated by three experts two from the Department of Business Education in Ignatius Ajuru University of Education and one from Department of Measurement and Evaluation in Rivers State University for face and content validations. The reliability of the instrument was determined using Cronbach Alpha method which yielded a reliability coefficient index of 0.87 respectively. 450 copies of the questionnaire were retrieved and used for the analysis. Mean and standard deviation were used to answer the research questions while t-test was used to test the hypotheses at 0.05 level of significant. The finding of the study revealed that business education students in RSU and IAUE acquired price discounts and coupon strategies for customers' retention of small-scale businesses in Rivers State. The researchers therefore recommend that students upon graduation should be giving opportunity of real-life experiences through various small scale businesses to enable them perform efficiently in business

Keywords: Sales promotion strategies, small scale businesses, business education,

Introduction

Sale promotion is an act of promoting a particular activity that intended to promote the business, product or service. Webster (2019) posited that promotion is the act of furthering the growth or development of something especially the furtherance of the acceptance and sale of merchandise through advertising, publicity or discounting. Promotion as a general term

includes all the ways available to make a product or service known and available to customers of small scale businesses. Sale promotion acts as a competitive weapon by providing an extra incentive for the target audience to purchase or support one over another. Sales promotions have become a vital tool for small scale businesses and its importance has increased significantly over the past two decades.

Small scale businesses retain their existing customer while sourcing for new ones. Central Bank of Nigeria (2010). defined Small and Medium Scale Enterprise is an enterprise that has asset base (excluding land) of between N5million–N500 million and labour force of between 11 and 300. Osuala (2015) defined small scale business as the totality of commercially motivated manufacturing service or processing industrial unit with a number of paid employees and with investment capital in machinery and equipment along not exceeding 150,000 to 200,000. However, Iweyah (2022) stated that small scale businesses are privately owned and operated business, characterized by small teams of employees than companies that operate on large scales. Ezeji (2013) affirmed that small and medium scale enterprise is a small business that is marked by a limited number of employees. Simpson (2011) stated that the concept of small scale business does not have acceptable or uniform definition. The reason is simple, what constitutes a small scale business depends upon the level of industrialization and development in a particular country. Small scale businesses are simply refers as a small business that is privately owned by one, two or more persons which aim is to maximize profit and must have been in business for at least three years with activity. Small-sized enterprises are companies with fewer than 50 employees and medium-sized enterprise as one with less than 250 employees. In addition to small and medium-size companies which employ up to 10 employees. Small scale businesses all over the world play a strong role in economic development of the nation. This role is attributed to the massive employment it provides to the citizenry of the country where it exists. Aremu (2010) posited that small scale businesses provide income, savings and employment generation. Small scale businesses are seen as an important force to generate employment and more equitable income distribution to activate competition, exploit niche markets both internally and internationally to enhance productivity, technical change and stimulate economic development. Nigrini and Andrie (2002) stated that small scale enterprises are seen as an accelerating achievement of wider economic and socio economic objectives. Small scale businesses been acknowledged to have huge potentials for sustainable development and serve as the bedrock of the industrial development of any country. Yerima and David (2007) wrote that apart from providing the numerous goods and services available, small scale businesses also provide for a veritable means of large scale employment for business education graduates.

Business education is an integral part of vocational education aimed at equipping the students with relevant skills for the purpose of making them functional and resourceful in the society, it focuses on skills acquisition in different areas (Accounting, Marketing, Entrepreneurship, management and Office and Information Management) taught at the tertiary

institutions by business educators referred to as lecturers. Also due to vocational dexterity, business education has various components (Business studies, Commerce, Accounting and Marketing) taught at the junior and senior secondary levels of Nigeria education system by business educator known as teachers. Usoro (2016) maintained that Business education programme is concerned with teaching the skills, attitudes and knowledge necessary for a successful career in office and business world.

Statement of the Problem

There are many small scale enterprises in Rivers State. Most of these small scale enterprises were booming at inception but after a few years some of the businesses are today not as viable as they use to be at the time of inception. This could be due to lack of sales promotion strategies such as coupon and price discount to promote their businesses. A kin observation has shown that small scale businesses promotion strategies is lacking behind in urban area in Port Harcourt metropolises as a result of low patronage which adversely affected the growth and profit maximization of the businesses. The effect of not appropriately addressing the above situations will further slowdown the perception of business education graduates on sales promotion strategies and customer retention of small scale businesses. It is against this backdrop that the researchers deemed it necessary to carry out this study on sales promotion strategies and customer retention of small scale enterprises in Rivers State of Nigeria.

Purpose of the Study

The purpose of this study was to determine the sale promotion required by business education students for customer's retention of small scale businesses in Rivers State

Research Questions

The following research questions were raised to guide the study.

1. What are the price discount strategies required by business education students for retention of small scale businesses in Rivers State?
2. What are the coupon strategies required by business education students for retention of small scale businesses in Rivers State?

Null Hypotheses

1. There is no significant difference in the mean ratings on price discounts required by business education students of Rivers State University and Ignatius Ajuru University of Education for customer retention of small scale businesses in Rivers State

2. There is no significant difference in the mean ratings on coupon required by business education students of Rivers State University and Ignatius Ajuru University of Education for customer retention of small scale business in Rivers State

Methodology

The study adopted a descriptive survey research design. The population of the study comprised of four hundred and fifty-nine (459) third year business education students in Rivers State University (RSU) and Ignatius Ajuru University of Education for 2021/2022 academic session which according to RSU and IAUE Departments of Business Education shown in table 1 is 213 and 246, sum of 459. census sampling technique was adopted since the population is of manageable size. A structured questionnaire titled: Sales Promotion Strategies Required by Business Education Students for Customer's Retention of Small Scale Businesses Questionnaire (SPSRBESCRSSBQ) was used as instruments for data collection. The instrument was designed on a 4 points rating scale of agreement, strongly agreed = 4 points, Agreed = 3 points, strongly disagree = 2 points and strongly disagreed = 1 point was used to elicit responses from the respondents. The instrument was validated by three experts two from the Department of Business Education in Ignatius Ajuru University of Education and one from Department of Measurement and Evaluation in Rivers State University for face and content validations. To ensure the consistency of the instrument, the Cronbach Alpha method was adopted and a reliability coefficient index of 0.87 was established. Total 459 copies of the questionnaire administered were retrieved and used for the study. The research questions were answered using mean and standard deviation while t-test was used to test the hypotheses at 0.05 level of significant. The criterion mean score of 2.50 and above were agreed while the mean score below 2.50 was disagreed. In the same vein, the decision rule for the hypotheses was that any hypotheses with t-calculated value less than the t-critical table value of 1.96 was agreed otherwise disagreed.

Results

The results for the study were presented according to each research questions posed in the study as thus:

Research Question 1: What are the price discounts strategies required by business education students for retention of small scale businesses in Rivers State

S/N	Items	RSU (N=213)			IAUE (N=246)		
		\bar{X}	SD	Rmks	\bar{X}	SD	Rmks
1.	Ability to trade discounts	2.52	0.32	Agreed	3.11	0.31	Strongly Agreed
2.	Ability to promotional discounts	2.67	0.32	Agreed	2.62	0.33	Agreed
3.	Ability to quantity discounts	2.84	0.35	Agreed	2.84	0.29	Agreed
4.	Ability to cash discounts	2.50	0.29	Agreed	2.59	0.30	Agreed
5.	Ability to seasonal discounts	2.32	0.31	Disagreed	2.17	0.28	Disagreed
6.	Ability to geographical discounts	2.77	0.31	Agreed	2.97	0.48	Agreed
7.	Ability to decrease price of product	3.01	0.30	Agreed	2.96	0.47	Agreed
8.	Ability to unloading excess inventory	2.53	0.32	Agreed	2.25	0.32	Disagreed
9.	Selling at a loss	2.37	0.31	Disagreed	2.06	0.31	Disagreed
Grand Mean/SD		2.61	0.31	Agreed	2.61	0.34	Agreed

Source: Field Data, (2023)

Table 2 showed the respondents option on the price discounts strategies required by business education students for retention of small-scale businesses in Rivers State. Using the criterion mean of 2.50 as a bench-mark for acceptance, the data on Table 2 showed the respondents had divergent views that business education students required price discount strategies for retention of small-scale businesses in Rivers State. Some of the respondents agreed while some disagreed. They agreed that business education students of Rivers State University and Ignatius Ajuru University of Education require price discounts strategies for customer retention of small-scale businesses in Rivers State.

Research Question 3: What are the coupon strategies required by business education students for retention of small scale businesses in Rivers State

S/N	Items	RSU (N=213)			IAUE (N=246)		
		\bar{X}	SD	Rmks	\bar{X}	SD	Rmks
1.	Ability to increase traffic	2.82	0.32	Agreed	2.61	0.31	Agreed
2.	Ability to increase customer loyalty	3.03	0.26	Strongly Agreed	2.63	0.35	Agreed
3.	Ability to greater brand awareness	2.54	0.35	Agreed	2.94	0.19	Agreed
4.	Ability to Increase sales	2.60	0.29	Agreed	2.73	0.39	Agreed
5.	Ability to higher conversion rates	2.52	0.27	Agreed	3.27	0.28	Strongly agreed
6.	Ability to free trails	2.77	0.31	Agreed	3.97	0.36	Strongly Agreed
7.	Ability to holiday and seasonal sales	2.91	0.30	Agreed	2.51	0.61	Agreed
8.	Ability to buy 1 and get 1 free	2.21	0.41	Disagreed	2.12	0.38	Disagreed
9.	Ability to first purchase discount	2.57	0.50	Agreed	2.06	0.29	Disagreed
	Grand Mean/SD	2.66	0.33	Agreed	2.76	0.35	Agreed

Source: Field data, (2023)

Table 2 showed the respondents option on the coupon strategies required by business education students for retention of small scale businesses in Rivers State. Using the criterion mean of 2.50 as a bench-mark for acceptance, the data on Table 3 showed the respondents had divergent views that business education students required coupon strategies for retention of small scale businesses in Rivers State. Some of the respondents agreed while some disagreed. They agreed that business education students of Rivers State University and Ignatius Ajuru University of Education require coupon strategies for customer retention of small-scale businesses in Rivers State.

Null Hypothesis 1: There is no significant difference in the mean ratings on price discounts strategies required by business education students of Rivers State University and Ignatius Ajuru University of Education for customer retention of small scale businesses in Rivers State

Table 4: Z-test result on price discounts strategies required by business education students of Rivers State University and Ignatius Ajuru University of Education for customer retention of small scale businesses in Rivers State

Respondents	N	\bar{X}	SD	t-Cal	t-Crit	Sig	Decision
RSU	213	2.61	0.31	1.16	1.96	0.05	Accepted
IAUE	246	2.61	0.34				

Source: Field Data, (2023)

Table 4: Above revealed a t-calculated value of 1.16 which is less than the standard t-critical value of 1.96; the null hypothesis was accepted. The result therefore showed that there is no significant difference on price discounts strategies required by business education students of Rivers State University and Ignatius Ajuru University of Education for customer retention of small scale businesses in Rivers State. This implies that at 0.5 level of significance there's no significant difference between mean ratings on price discounts strategies required by business education students of Rivers State University and Ignatius Ajuru University of Education for customer retention of small-scale businesses in Rivers State

Null Hypothesis 2: There is no significant difference in the mean ratings on coupon strategies required by business education students of Rivers State University and Ignatius Ajuru University of Education for customer retention of small-scale businesses in Rivers State

Table 4: Z-test result on coupon strategies required by Business Education Students of Rivers State University and Ignatius Ajuru University of Education for Customer Retention of Small-Scale Businesses in Rivers State

Respondents	N	Mean	SD	t-Cal	t-Crit	Sig	Decision
RSU	213	2.64	0.33	1.24	1.96	0.05	Accepted
IAUE	246	2.76	0.35				

Source :Field Data, (2023)

Table 4: Revealed a t-calculated value of 1.24 which is less than the standard t-critical value of 1.96; the null hypothesis was accepted. The result therefore is that there is no significant difference on coupon strategies required by business education students of Rivers State University and Ignatius Ajuru University of Education for customer retention of small scale businesses in Rivers State. This implies that at 0.5 level of significance there's no

significant difference between mean ratings on coupon strategies required by business education students of Rivers State University and Ignatius Ajuru University of Education for customer retention of small scale businesses in Rivers State

Discussion of Findings

Discussion of the study were made according to the research questions posed in the study

Price Discount Strategies Required by Business Education Students for Retention of Small Scale Businesses in Rivers State

The findings in research question one revealed that business education students of Rivers State University and Ignatius Ajuru University of Education acquisition of price discounts strategies for customer retention of small scale businesses in Rivers State. Similarly, the hypothesis testing indicated no significant different in the opinions of the respondents in RSU and IAUE on the customer's retention of small-scale businesses. The finding is in collaborations with the views of Iweyah (2021) who stated that price discounts strategies when effectively used stimulates the initiative of the customer's. Based on the views of Lembeck, (2016) the researchers are of the views that the acquisition of price discounts strategies by business education students of Rivers State University and Ignatius Ajuru University of Education will lead to customer's retention of small-scale businesses in Rivers State

Coupon Strategies Required by Business Education Students for Retention of Small Scale Businesses in Rivers State

The findings in research question one revealed that business education students of Rivers State University and Ignatius Ajuru University of Education on the acquisition of coupon strategies for customer retention of small scale businesses in Rivers State. Similarly, the hypothesis testing indicated no significant different in the opinions of the respondents in RSU and IAUE on the customer's retention of small scale businesses. The findings of this study aligns with Usoro (2016) who stated that acquisition of marketing skills lead to development posterity of small scale businesses. Based on the views of Chang, (2017), the researchers are of the views that the acquisition of coupon strategies by business education students of Rivers State University and Ignatius Ajuru University of Education will lead to sale promotion of small scale businesses in Rivers state

Conclusion

Based on the findings of the study, it was concluded that business education students of Rivers State University and Ignatius Ajuru University of Education acquired price discounts and coupon strategies for customer retention of small-scale businesses in Rivers State.

Recommendations

Based on the conclusion of the study, the following recommendations are made:

1. Small scale businesses should use the print and mass media in creating awareness on the availability of different sales promotion strategies for customer retention in Rivers State
2. Business education students should acquire knowledge on the various tools for sales promotion strategies for customer's retention of small-scale businesses in Rivers State
3. Educational planners in Nigeria should provide training for business education students on how to use various sales promotion strategies to retain their customers in Rivers State.

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