Volume 14 Issue 34
Originally issued as E6

Global Journal of Management and Business Research: E Marketing
Volume 14 Issue 6 Version 1.0 Year 2014
Type: Double Blind Peer Reviewed International Research Journal
Publisher: Global Journals Inc. (USA)
Online ISSN: 2249-4588 & Print ISSN: 0975-5853

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GJMBR-E Classification: *JEL Code: O10, M00*

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Macromarketing and Economic Development of Nigeria: A Conceptual Review

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I. Introduction

Macromarketing is a marketing that is loosely talk about. The sum of marketing activities in each sector would ultimately bring about the macro marketing. But often the important of macro marketing is not given the prominent place in the scholarly work. It is evident that much have not been written about macro-marekting and economic development. A sustained economic development is not possible without active participation of the macro firms.

Economic development is generally perceived as consisting of improvements in material welfare, eradication of mass poverty and a movement in the production structure away from agricultural toward industrial activities (Ogwo & N kamnebe, 2009). Economic development look at majorly a change in income plus its effect on economy and social structure of the society which implies that there must be an increment in the standard of living and improvement in health and other conditions of living.

II. The Concept of Macromarketing

Marketing institutions and governments all over the world are under severe pressure to address society's problem, conflicting interests and the reciprocal effects of society on marketing and marketing on society. Shultz (nd) opined that macro marketing deals with vital issues beyond comparatively simple exchanges between buyers and sellers, or even relationships between companies and customers. He further mentioned that macro marketing is an important mechanism to study both opportunities and short comings of marketing, and both its intended positive effects and unintended deleterious effects. This suggests that macromarketing includes an optimistic perspective; that it seeks functional mechanisms to enhance marketing processes, to the benefit of the largest number of stakeholders, the world over.

Macromarketing is the overall view of the aggregate activity in the economy for meeting society's objectives of a proper flow of goods and services (Shapiro, 1973). Macromarketing is integral to society and its welfare. Macromarketing entails activities performed by the marketing system of an economy. Macromarketing refers to the study of marketing systems, the impact and consequence of marketing systems on society and the impact and consequence of society on marketing systems (Hunt, 1981). "Marketing system refers to join functioning of all those individuals, companies and institutions which together ensure that the right products are manufactures, that information about the products is communicated to the target markets and that the products are made available at the right places at the right time and at the right price" (Agbonifoh Ogwo, Nnolim & Nkamnebe, 2006: 26).

Macromarketing focus on problems and potential of marketing activities from a more societal perspective, rather than from the firm's perspective. Macromarketing functions are categorized into three (3) unique areas namely: merchandising, physical distribution and auxillary activities which unique areas are dominated by micro firm's activities.

The merchandising activity simply entail knowing what consumers need and making it available at the right time, price and place for them to purchase. It also include buying, selling of products, standardization, and grading.

The physical distribution function involve the order processing, material handling, inventory control, warehousing, transportation and customer service.

Auxiliary function; are those activities that expedite and facilitate the performance of merchandising and physical distribution which include marketing information, risk bearing and financing. These activities are dominated by micro firms, which outcome sum to affect other sector of the economy.

Macromarketing remains a significant determinant and cornerstone to economic development of any nation. This is because it focuses on the entire economic system [C + I + G + (x – M)] with special

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emphasis on its aggregate performance. It is pertinent to note that the economic indicator state cannot be possible without micro-macro marketing activity involved. Macromarketing pertains to the aggregates of marketing transactions or exchange activities, institutions, behaviour and performance analysed with respect to such units as industries, sectors regions or the marketing system as a whole (Spratlen, 1975).

III. Macromarketing and Economic Development

The purpose of macromarketing is to save the world (Fish, 2001). This is because macromarketing is integral to society and its welfare. "Macromarketing focuses on the effect of the total exchange system on economic development" (Nickels & Hill, 1978). Macromarketing functions (merchandizing, physical distribution and auxiliary activities) aim at improving material welfare, and eradication of mass poverty in our society.

The joint functioning of individuals, companies and institutions assist in increasing per capita income of masses, create employment, improve the standard of living, encourage investment (this is because people patronizes the products of companies), improve infrastructural facilities as firms tend to be more socially responsible in the society. Macromarketing focuses on the entire economy System.

Effective and sustained poverty alleviation depends on activities of macromarketing. Business, perhaps reluctant to invest in poor markets, has begun to see the fortune at the bottom of the pyramid (Prahalad, 2005). According to Kotler, Roberto & Leisner (2006) corporations have usually made philanthropic contributions but are now seeing the value of untapped and new market. Also, business social responsibilities by macromarketing – infrastructural development, free education, assistance for the elderly and disabled, etc tend to improve and alleviate poverty in our society.

Government at Federal, State and Local level engage in price subsidies; microfinance and self-employment programmes; relief institutions and services; supporting judicial and legal reforms for improving poor people's physical and financial access to justice; relief institutions and services, etc.

Competition among marketing institutions, companies have contributed to better production of products to consumers. Macromarketing promotes through its various functions (merchandizing, contractual, physical distribution, promotional, auxiliary) the diffusion of innovations and technology transfers from developed nations to developing country like Nigeria, has aided economic development. Macromarketing make possible economic integration and full utilization of a country's productive capacity by inspiring the entrepreneurial spirit of individuals. This spirit is parallel to vicious cycle theory of economic development. This theory emphasized that as long as low income, increase birth rate, falling death rate and fluctuating payment of foreign exchange persist in developing economy, the economy of a country will always remain under developed. Nigeria is ranked marginal as first in African economy, with inherent features. Macromarketing is predicted on the individuals, companies and institutions unit activities that emulate into aggregate effect in the economy.

IV. Macromarketing and its Implication in the Society: Sectorial Performance

a) Macromarketing in the retail industry

According to Ebitu (2003) opined that retail operations account for about 85 per cent of the total business establishment in Nigeria. Retailing contributes a lot to offering employment to Nigerians, thereby improving their per capita income, enhancing individual standard of living and provides a pivot for economic development. The positive economic outlook brought about by macromarketing has led to the sprinking up of multinational and domestic retail outlets like ShopRite, Woolworth, Curtis, wal-mart stores incorporated etc in Nigeria has translated to more employment generation; revenue for government; standardization, grading, and final processing of goods; provision of information concerning the nature and use of goods; and other chain effect factors that will certainly function to the good of the society at large(Euromonitor,2014)

b) Macromarketing in the telecommunication industry

The Nigeria telecommunication founded 1960 to 1985 consisted of the department of post and telecommunication both existed to bring solution to Nigeria communication problem (Ijewere & Gbandi, 2002). The institutional responsibility, NITEL was to provide telecommunication serious across the whole country, Nigeria, but little was achieved to the task. After 43 years of its establishment, NITEL had about half a million lines available to over 100 million Nigerian. This shows a complete failure in its statutory responsibility.

The complete deregulation of the telecommunication industry in 2001 opened a vista of opportunities to macromarketing firms – MTN, Globacom, Airtel, Etisalat. It is evident that a lot of marketing activities are being undertaken by firms in telecommunication industry that guarantees the needed success in the overall economy. The total number of active GSM lines as at October 2013, was 119, 101, 719 million lines; this appreciable result is strongly connected to macromarketing activities of various individual organizations in the telecom sector (NCC, 2013).

The services provided by GSM firms include voice call, included data services, short message

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service (SMS), conference call, multimedia service as and the host of services currently enjoyed by the subscribers today. A special telecom services that have really benefited the health sector is the telemedicine (McNay, 2001). This telemedicine will reduce the health tourism undertaken by Nigerians in South Africa, India, USA, etc.

The resultant effect of macromarketing activities in the telecommunication industry have effect on the aggregate economy in Nigeria which has led to job creation, better satisfaction of service compared to the days of NITEL, increase in return of investment (ROI) of telecom firms. The advent of GSM as triggered the spirit of entrepreneurship among Nigerians in the area of dealership to all phone rental, the cell phone repair shops, the static/itinerant calls shop and the street recharge card hawkers.

c) Macromarketing in the aviation industry

The play of key activities in the Nigerian aviation industry was dominated by Nigeria Airway between 1963 that the Federal Government fully bought it. The airline had the monopoly of proving domestic and international air services along the West African Coast, Europe and the United States (Ladan, 2012).

Today, Air route in Nigeria is dominated by the macromarketing activities of Aero Contractors, ABC Airline, Bellviero, Sosoliso, Dana, Kabo etc. Which have brought much needed satisfaction by airline passenger till date (Adugu-Ani, 2007). The macromarketing activities in the aviation industry possesses tremendous effect on the economy development of Nigeria – job creation, increase in per capita income of citizens, airline passenger's satisfaction.

The NBS (2005) reports that 2005 to 2007 the aviations industry witness some growth that in 2008 passengers movement increased by 21 percent, cargo movement rose by774.6 per cent and aircraft movement increased by 2.3 per cent. Air transport has contributed $10billion to Gross Domestic Product (GDP) of Nigeria (Shadare, 2004)

V. Conclusion

Macromarketing is truly an essential force to ensuring economic development of any nation. Macromarketing function brings about job creation; improvement in standard of living; increase in per capita income; inspire the spirit of entrepreneurs in the lives of Nigerians; increases government revenues, improvement in infrastructural facilities of the society as firms intend to show how responsible they are to the publics. Economic development is impossible to achieve without the activities of macromarketing. This is so because economic development measure continuous increase in human progress which is manifested in improvement in standard of living, improved health and other condition of living. Standard of living measures the per capita income of individuals that is brought about by productivity cause by micro-macro marketing activities in the economy.

VI. Recommendations

1. Government should provide an enabling environment (security for life and property) for firms in different sectors of the economy to carry out their business activities.
2. Government policies (fair taxes, protection of infant industries, local content requirement etc).
3. Firms in different sectors of the economy should embark on corporate social responsibility (infrastructural development, poverty alleviation programme, skill acquisition programme etc) in enhancing economic development.

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