

ENTREPRENEURIAL COMPETITIVENESS AND MARKETING PERFORMANCE OF EATERIES IN PORT HARCOURT

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ABSTRACT

This work aimed at determining the relationship that exists between entrepreneurial competitiveness and marketing performance of eateries in Port Harcourt. The objective of the study was to determine the relationship between entrepreneurial competitiveness and the measures of marketing performance such as profitability, customer satisfaction, and competitive advantage of eateries in Port Harcourt. The population of the study consisted of 195 managers, supervisors and unit heads from 38 eateries in Port Harcourt. Using Krejcie and Morgan table of 1970, the sample size of the study became 132 managers, supervisors and unit heads from 38 eateries in Port Harcourt. Structured questionnaire was used as the instrument for obtaining primary data after due validation. The reliability of the instrument was ascertained using Cronbach Alpha with the least coefficient up to 0.70. Out of one hundred and thirty-two (132) copies of the validated questionnaire that were administered, the researcher was able to retrieve one hundred and twenty-five (125) copies. SPSS Version 20.0 was used to run the analysis. Spearman Rank Order was used for the Bivariate analysis. The findings of the study showed that entrepreneurial competitiveness has strong positive relationship with profitability of eateries in Port Harcourt; entrepreneurial competitiveness has high/strong positive relationship with customer satisfaction of eateries in Port Harcourt, and that; entrepreneurial competitiveness has high/strong positive relationship with competitive advantage of eateries in Port Harcourt. The study concluded that the adoption of entrepreneurial competitiveness by eateries and other businesses is capable of enhancing profitability, customer satisfaction, and competitive advantage, among other things. Amongst other things, the study recommended that managers of eateries across Port Harcourt and the entire Rivers State should be competitive in their managerial roles by retaining great talents that will enhance their market performance in terms of profitability and customer satisfaction.

Keywords: ***Entrepreneurial Competitiveness, Talent Retention, Innovativeness, Marketing Competency, Marketing Performance, Profitability, Customer Satisfaction, Competitive Advantage.***

INTRODUCTION

Marketing performance is a veritable way of measuring the performance of any business organization. This performance brings to the know a great percentage of the value for all the resources invested in the business. Gao and Bradley (2007) in Gao (2010) defined marketing performance as the effectiveness and efficiency of an organization's marketing activities with regard to market-related goals, such as revenues, growth, and market share. Financial performance, which is the key objective of every business organization, is embedded in marketing performance. This is the major reason why every business organization should painstakingly measure its marketing performance. It is one of the tools a business organization can use to measure its progress and also chart its future. How well an eatery is performing as a business organization, can be measured to a great extent by analyzing its marketing performance. Marketing performance have been measured using different parameters, but this work measures market performance in terms of profitability, customer satisfaction, and competitive advantage. There are factors that can inspire marketing performance of a business such as an eatery, of

which entrepreneurial competitiveness is one of them (a very strong one for that matter). It is defined by Ashworth (2015) as a company's ability to achieve more sales or customer loyalty than their competitors due to the quality, price or a combination of both factors. A business such as an eatery can be competitive in terms of talent retention, creation of a value composition, development of customer relationships, review of internal organizations, and investment in new technology, strengthening of employee on boarding process, etc.

However, many eateries in Port Harcourt and other parts of Rivers State are yet to identify and utilize the tools with which to healthily compete with their counterparts. In line with this assertion, James and Gabriel (2018) posited that eateries and relaxation centres in Rivers State do not truly grab the science of competitive advantage and customer satisfaction, as they still go about their competitiveness with grudges and bitterness. Another troubling issue is the dearth of literature on the relationship that exists between entrepreneurial competitiveness and marketing performance of eateries in Port Harcourt (Ashworth, 2015; Makhbul & Hasun, 2016; James & Gabriel, 2018). This implies that the relationship between entrepreneurial competitiveness and marketing performance of eateries in Port Harcourt has not received adequate research attention. This is the knowledge gap which this study intends to cement.

CONCEPTUAL FRAMEWORK

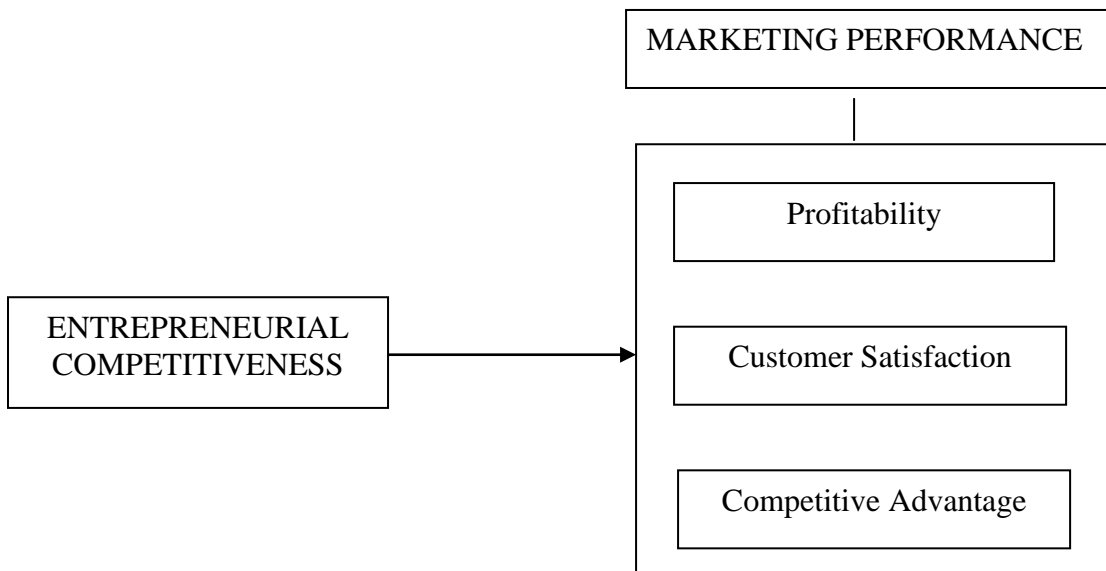


Figure 1: Conceptual Framework of Entrepreneurial Competitiveness and Marketing Performance

Source: Researcher's Desk, 2023.

AIM & OBJECTIVES OF THE STUDY

The aim of this study was to determine the relationship that exists between entrepreneurial competitiveness and marketing performance of eateries in Port Harcourt. The specific objectives of the study include the following:

1. To determine the relationship between entrepreneurial competitiveness and profitability of eateries in Port Harcourt.
2. To determine the relationship between entrepreneurial competitiveness and customer satisfaction of eateries in Port Harcourt. .
3. To determine the relationship between entrepreneurial competitiveness and competitive advantage of eateries in Port Harcourt.

HYPOTHESIS FORMULATION

H01: There is no significant relationship between entrepreneurial competitiveness and profitability of eateries in Port Harcourt.

H02: There is no significant relationship between entrepreneurial competitiveness and customer satisfaction of eateries in Port Harcourt.

H03: There is no significant relationship between entrepreneurial competitiveness and competitive advantage of eateries in Port Harcourt.

LITERATURE REVIEW

ENTREPRENEURIAL COMPETITIVENESS

Entrepreneurial competitiveness refers to a business' ability to balance the price of their products and services with, the quality in order to provide customers with the optimal experience (Howard, 2019). Ashworth (2015) defines entrepreneurial competitiveness as a company's ability to achieve more sales or customer loyalty than their competitors due to the quality, price or a combination of both factors. A business such as an eatery can be competitive in terms of talent retention, creation of a value composition, development of customer relationships, review of internal organizations, investment in new technology, strengthening of employee onboarding process, etc. Some major reasons why it's important to be competitive in business include the following:

i. Contributes to the Creation of New Products and Technologies: Competitiveness in business can lead to the creation of innovative, new products and technologies that benefit the consumer. For example, two eateries competing to offer better services might inspire the building of drones that will help deliver food faster to customers.

ii. Inspires Businesses to Improve and Evolve: Competitiveness is important in business because it can inspire you and your competitors to continue evolving within your industry and beyond. This can help your business stay current and able to adapt to changing consumer needs.

iii. Helps Competitors Contribute to Philanthropic Causes: Another positive element to competitiveness in business is the effect that one business' philanthropic initiatives can influence their competitors. If you own an office supplies store and create an ad campaign that aims to donate free school supplies to inner-city schools, your competitors may do similar acts to create a benevolent brand identity.

MARKETING PERFORMANCE

Marketing performance is the efficiency of a market in utilizing scarce resources to meet consumers' demands for goods and services; that is how well a market has contributed to the optimization of economic welfare (Ambler & Kokkinaki, 2000). It is also the performance of a firm which can be measured through sales revenue, market share, profitability, competitive advantage, customer satisfaction and loyalty (Clark, 2000).

Businesses such as eateries could use sales growth as a way of measuring their marketing performance. Sales growth is an incremental change in the sales of a firm's product over a given time interval, often expressed as a percentage (Ateke & Nwulu, 2017). Sales growth is an important indicator of business wellness, sustainability and competitiveness; hence, it is said to be closely associated with the marketing function (Morgan & Rego, 2006; Ambler, 2003). Sales growth is a strong metric of marketing performance and business wellness by implication. Successful new products contribute to company profit via sales growth. Sales growth is therefore an essential parameter of business wellness (Farris et al., 2010). Sales growth can be measured in terms of profitability and market share. Profitability is described as the degree to which a business or activity yields profits or financial gains. Baumgartner et al. (2012) opined that profitability is measured with respect to income obtained and expenses incurred by the firm. While income refers to money generated from firms' business activities, expenses are costs of the resources used or consumed by the business activities. Market share represents the percentage of an industry or market's total sales that is earned by a particular company over a specified time period. Similarly, market share is viewed as the percentage of a market defined in terms of either units or revenue

that is accounted for by a specific entity, and is represented as a firm's sales revenue or as a firm's sales volume in a given market divided by the total volume sales in that market (Farris et al., 2010).

The marketing performance of every business organization, especially an eatery, can be measured in what is known as Marketing Performance Metrics (MPM). Marketing performance metrics are numeric data that allow marketers to evaluate their performance against organizational goals. As companies seek to run leaner and more efficient businesses, more marketing professionals are tasked to demonstrate how marketing generates revenue and contributes to companies' business goals. Marketing metrics provide frameworks that public relations specialists, brand managers and marketing directors can use to evaluate marketing performance, as well as back their marketing plans and strategies. However, marketing performance can be measured using diverse parameters, but this work utilizes profitability, customer satisfaction, and competitive advantage.

Profitability: Profitability in the concept of this research work is the extent to which a business organization keeps progressing in the generation of financial resources above its financial costs. It is also the measure of the benefit derived from a resource input. That is the ability of a resource input to produce gain. This is the main target of every business organization, even if sometimes the main attention is not focused on making profit but on providing services. As they provide services, the long term goal is still to make enough profit that will cover for the period when no profit or perhaps loss was made.

Profitability as an indicator of marketing performance of eateries is a measure of the capacity or level of higher financial gains these eateries make from their business transactions. This implies the height of financial gains eateries attain over a certain period of time (mostly a year) from all their business transactions. Profitability is an indisputable measure of corporate performance as far as eateries are concerned because their primary aim is to maximize profit. Thus, their ability to generate more revenue over and above expenses (costs) can be used to determine their market-based performance.

Customer Satisfaction: According to Peeter et al. (2016), customer satisfaction means that customer evaluation about the product after purchasing is in tandem with his/her expectation. Customers may dissatisfy, satisfy and delight regarding the services which are performed by the particular organization. Having customers satisfied is important as they are willing to spread the positive word-of-mouth with other customers with the loyalty. For past few decades, people only focused on product behaviour in the same manner as a shopper who has functions, features and attributes. Today, customers tend to ask for additional beneficial elements before they finalize their purchases. A pleasant atmosphere is one of those elements which are highly demanded. Jacobson (2017) stressed that if customers do not get fast and friendly service, they will abandon that establishment in search of another one which offers fast, convenient and better services.

Customers' satisfaction as an indicator of marketing performance of eateries implies the extent to which customers' demands are fulfilled in quality and timeliness. Satisfying customers have always been the number one reason why businesses exist. As a result, no business organization will claim to be functioning competitively in the market system if they are not jealously satisfying their customers. Reason being that the more customers they satisfy, the more their niche expands, as customers will even voluntarily do referrals for them. It therefore becomes pertinent that business organizations keep customers' satisfaction at the forefront of their business goal to enhance their market-based performance amongst other things.

Competitive Advantage: Competitive advantage refers to factors that allow a company to produce goods or services better or more cheaply than its rivals (Alexandra, 2021). These factors allow the productive entity to generate more sales or superior margins compared to its market rivals. It is seen by Zack (2019) to be a competitive advantage is an attribute that enables a company to outperform its competitors. This allows a company to achieve superior margins

compared to its competition and generates value for the company and its shareholders. A competitive advantage must be difficult, if not impossible, to duplicate. If it is easily copied or imitated, it is not considered a competitive advantage. It is attributed to a variety of factors including cost structure, branding, the quality of product offerings, the distribution network, intellectual property, and customer service.

Competitive advantage is obtained when an organisation develops or acquires a set of attributes (or execution actions) that allow it to outperform its competitors (Wang, 2014). In other words, competitive advantage is revealed, when activities of a given organization are more profitable than those of its market competitors or when it outperforms them as regards other significant results of activities (Huff et al, 2019), including, for example, the share in the market, product quality or technological advancement. It therefore implies that a business organization such as a manufacturing can boast of its market performance only when it has competitive advantage over its rivals, amongst other things.

METHODOLOGY

The study utilized the explanatory cross-sectional survey research design. The population of the study consisted of 195 managers, supervisors and unit heads from 38 eateries in Port Harcourt. Using Krejcie and Morgan table of 1970, the sample size of the study became 132 managers, supervisors and unit heads from 38 eateries in Port Harcourt. Structured questionnaire was used as the instrument for obtaining primary data. The instrument was validated by two experts in Test and Measurement. The reliability of the instrument was ascertained using Cronbach Alpha with the least coefficient up to 0.70. Out of one hundred and thirty-two (132) copies of the validated questionnaire that were administered, the researcher was able to retrieve one hundred and twenty-five (125) copies. The Statistical Package for Social Sciences (SPSS) version 20.0 was applied in the data analysis using the statistical tool: the test of hypotheses was done using Spearman's Rank Order Correlation Coefficient. The Spearman's (rho) correlation was used to analyze the relationship between independent and dependent variables at $P < 0.05$ (two-tailed test). Below is the formula:

The formula is presented below:

$$r = 1 - \frac{6\sum d^2}{n(n^2 - 1)}$$

Where:

n = number of pairs of data

d = difference between the ranking in each set of data.

∑ = Summation.

Decision Rule: The tests of hypotheses will be considered two tailed and is carried out at a 95% confidence interval.

ANALYSIS

Ho₁: There is no significant relationship between entrepreneurial competitiveness and profitability of eateries in Port Harcourt.

Ho₂: There is no significant relationship between entrepreneurial competitiveness and customer satisfaction of eateries in Port Harcourt.

Ho₃: There is no significant relationship between entrepreneurial competitiveness and competitive advantage of eateries in Port Harcourt.

Table 1: Correlation between Entrepreneurial Competitiveness and Marketing Organizational Performance

		Entrepreneurial Competitiveness	Profitability	Customer Satisfaction	Competitive Advantage
	Correlation	1.000	0.712**	0.661**	0.747**
	Coefficient				
Entrepreneurial Competitiveness	Sig.(2-tailed)		.000	.000	.000
	N	132	132	132	132
	Correlation	0.712**	1.000	0.772**	0.773**
	Coefficient				
Profitability	Sig. (2-tailed)	.000		.000	.000
	N	132	132	132	132
Spearman's rho	Correlation	0.661**	0.772**	1.000	0.561**
	Coefficient				
Customer Satisfaction	Sig. (2-tailed)	.000	.000		.000
	N	132	132	132	132
	Correlation	0.747**	0.773**	0.561**	1.000
	Coefficient				
Competitive Advantage	Sig. (2-tailed)	.000	.000	.000	
	N	132	132	132	132

** Correlation is Significant at the 0.01 level (2-tailed).

Source: SPSS Output

Column two of the above table shows r value of 0.712 at a significance level of 0.00 which is less than the chosen alpha level of 0.05 for the hypothesis relating entrepreneurial competitiveness and profitability. Since the significance value is less than the alpha level of 0.05, the null hypothesis (H₀) which states that there is no significant relationship between entrepreneurial competitiveness and profitability of eateries in Port Harcourt is rejected and the alternate hypothesis (H_{a1}) is accepted. This implies that entrepreneurial competitiveness has strong positive relationship with profitability of eateries in Port Harcourt.

Column three of the above table shows r value of 0.661 at a significance level of 0.00 which is less than the chosen alpha level of 0.05 for the hypothesis relating entrepreneurial competitiveness and customer satisfaction. Since the significance value is less than the alpha level of 0.05, the null hypothesis (H₀₂) which states that there is no significant relationship between entrepreneurial competitiveness and customer satisfaction of eateries in Port Harcourt is rejected and the alternate hypothesis (H_{a0}) is accepted. This implies that entrepreneurial competitiveness has high/strong positive relationship with customer satisfaction of eateries in Port Harcourt.

Column four of the above table shows r value of 0.747 at a significance level of 0.00 which is less than the chosen alpha level of 0.05 for the hypothesis relating entrepreneurial competitiveness and competitive advantage. Since the significance value is less than the alpha level of 0.05, the null hypothesis (H₀₃) which states that there is no significant relationship between entrepreneurial competitiveness and competitive advantage of eateries in Port Harcourt is rejected and the alternate hypothesis (H_{a3}) is accepted. This implies that entrepreneurial competitiveness has high/strong positive relationship with competitive advantage of eateries in Port Harcourt. These results show that entrepreneurial competitiveness has strong positive relationship with marketing performance of eateries in Port Harcourt.

CONCLUSION

From the empirical analysis carried out, the study has shown that entrepreneurial competitiveness has strong positive relationship with profitability, customer satisfaction and competitive advantage of eateries in Port Harcourt. This implies that entrepreneurs in the

eatery business can gain profitability, customer satisfaction, and as well as competitive advantage by adopting the tool of competitiveness in carrying out their businesses. The study therefore concludes that the adoption of entrepreneurial competitiveness by eateries and other businesses is capable of enhancing profitability, customer satisfaction, and competitive advantage, among other things.

RECOMMENDATIONS

1. Managers of eateries across Port Harcourt and the entire Rivers State should be competitive in their managerial roles by retaining great talents that will enhance their market performance in terms of profitability and customer satisfaction.
2. As a way of being competitive, managers and supervisors of eateries should adopt innovative approaches to their service delivery that will help boost their competitive advantage and as well as customer satisfaction, amongst other things.
3. Managers, supervisors, and unit heads of eateries should be trained on the key variables of competitiveness in business that will help their businesses to perform favourably in terms of profitability, customer satisfaction, and competitive advantage.

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