

# Nigerians' Perception of Locally Made Products: A Study on Textile Fabrics Consumers in Kaduna State

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## Abstract

*The closure of many textile companies in Nigeria is obviously traceable to low patronage of locally made textile fabrics. As a result of this, the study identified some perceptual variables affecting the buyers buying behaviour. It also explored the influence of marketing strategies on the consumers' perception over locally made textile fabrics. Random sampling method was used for the study. A sample size of 98 respondents was used. The study was limited to the respondents within the age range of 50 to 60 years old at Kakuri, Kaduna state (Nigeria). The statistical tools employed for analysis were chi-square, multiple regression and ANOVA. The study reveals that consumers prefer foreign made textiles to locally made ones. In line with the findings of the study, the summary, conclusion and recommendations were put forward by the researcher for the interested consumer, manufacturer and marketing participant in the area of persuasive communication.*

**Key words:** *perception, marketing strategies, consumer preference, perceptual variables, textile fabrics*

**JEL Classification:** *M31*

## Introduction. Background to the Study

In 1990, there were 175 textile factories operating in Nigeria but today we have 42 epileptic operators. Only 12 of these can boast with operating at 30% capacity. Among these, 4 textile factories produce embroidery lace materials as part of their product brands. This further establishes the inadequacy of the local supply of textile products in Nigeria.

The preference among Nigerians for foreign made goods is both alarming and disturbing especially when considered in the light of its effect on local industries. The general notion among some Nigerians is that locally made goods are inferior to imported and foreign made goods in terms of quality and performance to the extent that some local manufacturers have resorted, in a bid to remain relevant, to claiming a foreign origin for their products.

As our society undergoes rapid changes and becomes more affluent, newer social forces make consumers spend a greater part of their income in ways remarkably different from what took place in the past. Consumers want the advantage of the affluent and latest services that technology and business can offer (Achumba, 1996)<sup>1</sup>.

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<sup>1</sup> Achumba, C.I., *The Dynamics of Consumer Behaviour*, Lagos: Mac Williams Publishers Ltd. 1996.

Also marketing failures have been caused by ignorance and underestimation of consumer motivation, perception and behavior in the market place.

In the past manufacturers have had a wrong view that consumers accept or buy anything they are being offered in the market particularly in this part of the world. This assumption has led to gross marketing failure of many manufacturing organization.

The consumer is a personality whose behavior is governed by different and varied influences such as: his society beliefs, attitude, his past learning, experience, perception and his expectations. These form his taste choice and product preference.

There is therefore, need to examine those factors that influence and affect consumer buying decision with a view to uncovering reasons behind Nigerian consumers' seeming preference for foreign products over locally manufactured goods.

The study attempts to examine the influential factors on consumer buying pattern with reference to 'made in Nigeria' textile fabrics.

The general objective of the study is to explore the consumers' perception of locally made products. However the specific objectives are:

1. To determine the role of perception in the adoption of locally made goods;
2. To investigate variables that affect consumers' perception towards products made in Nigeria;
3. To identify the problems and prospects required in marketing locally made products.

## **Literature Review. Causes of Consumer Preference for Foreign Products**

The causes of consumer preference for foreign products are many but they can be grouped under five broad headings: economic factors, historical forces, psychological forces, poor marketing and poor governmental control.

### **Economic Factors**

The economic factors which tend to favor consumer preference for foreign products center around product quality, price, and product availability (Leon and Kanuk, 2007)<sup>2</sup>. There is a popular belief that the qualities of local products are lower than those of their imported counterparts. There is evidence in the literature to substantiate this view. In a survey of 171 consumers in kano metropolis, Agbonifoh (1995)<sup>3</sup> found that 93 percent of the respondents considered locally-produced textiles inferior to the imported ones.

Next to quality as an economic determinant of consumer choice is price. In spite of the widespread belief that locally manufactured products are inferior in quality to the foreign ones, complaints of the high prices of locally-made items are rampant. For example, Shobowale (1997)<sup>4</sup> has claimed that although imported textiles are superior in quality to home-made ones, they are much cheaper.

The final economic factor considered here is product availability. The abundance of foreign brands of many kinds of products in our markets makes it easy for consumers to satisfy their yearnings for these imported items.

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<sup>2</sup> Leon, G.S., Kanuk, L.L., *Consumer Behavior*, New York: Prentice Hall, 2007.

<sup>3</sup> Agbonifoh, B.A., Consumer Preference for Foreign Products, *Nigerian Management Review*, Vol. 10, No 5, 1995.

<sup>4</sup> Shobowale, D., The Future of Manufacturing in Nigeria, *Management in Nigeria*, Vol. 26, No. 3, 1997.

## Psychological Forces

A number of psychological forces operate in the consumer to influence his perception towards local and foreign products.

Firstly, there are individuals who, in the search for distinctiveness, exclusiveness and egotism, seek out those products which can confer these qualities. For example the urge to stand in the crowd can lead one to purchase a rare product, a product which can be described in popular parlance as “one-in-town”. For many Nigerians, foreign products probably have images that bestow these qualities on the buyer or owner. Secondly, for many people, oversea countries are places they would cherish to visit either for sightseeing or for image-boosting purposes; as a result they buy their products as a way of identifying themselves with those countries.

## Historical Factors

Habit and previous experiences have considerable influences on consumer perception and choice (Aire, 1983)<sup>5</sup>. Prior to independence most manufactured products consumed in Nigeria imported as there were very few manufacturing enterprises in the country. The qualities of the products of the few local industries in the country at that time could, understandably, not match those of many imported substitutes. That era marked the origin of the notion that foreign products are generally superior to locally-made ones, an ingrained belief that still lingers on in the heads of many Nigerians, perhaps particularly among those of the older generations.

In addition to the above, another historical factor that helps to explain consumer preference for foreign products is the perception of the former colonial masters and early missionaries most of whom tended not to see anything good in Africans.

## Poor Government Attitude

In two major ways, one through commission and the other through omission, the government has contributed immensely to the present perception of many consumers to local products. The government has contributed to the unfavorable attitude of Nigerians to local products either by allowing all kinds of products to be imported (or dumped) into the country at low rates of import duties or through its feeble attempts at checking smuggling. The resultant ease with which foreign products can be obtained has had negative effects on local products. Some of the most affected local industries are textiles, wood treatment, battery, tobacco and cigarettes.

## Poor Marketing

Another factor that encourages consumers to patronize foreign goods is poor marketing<sup>6</sup>. This factor has many facets, the major ones being concerned with the status of marketing in the firm, management attitude to consumer orientation, poor product planning, pricing and promotion.

Alego (1997)<sup>7</sup> pointed out that effective marketing management is essential in the process of building up a favorable image for any product.

The absence of consumer orientation on the part of producers appears to have contributed to the alienation of the Nigerian consumer and the resulting consumer preference for imports.

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<sup>5</sup> Aire, J.U., Consumer Attitudes to ‘Made-In-Nigeria’ Goods and the Implications for Marketing, *Management in Nigeria*, Volume 9, Number 2, 1983.

<sup>6</sup> Ailawadi, K., Nelson, S.A., The Effect of Promotion on Consumption; Buying More and Consuming It Faster, *Journal of Marketing Research*, Vol. 35, 1998, pp. 390 – 398.

<sup>7</sup> Alego, S. B. “Exploring the Problem-Prone Consumers: Hypothesis and Empirical Findings”. *Marketing Journal*, Vol. 11, No.12, 1992

## **Research Hypotheses**

For the purpose of the study the following hypotheses were formulated to guide the study:

1. Consumers of textile products do not prefer foreign textile products to indigenous textile fabrics.
2. Consumers are not in any way influenced by perceptual variables in their buying behavior.
3. Marketing strategies do not have any significance in the consumers' perception towards locally made products.

## **Research Method**

To conduct this study, the researcher used the descriptive survey research method. This method was chosen in order for the researcher to have the opportunity to describe systematically, the facts, qualities and characteristics of the given population as factual and accurately as possible.

The sources of obtained data were both primary and secondary. Data from the primary source was obtained from questionnaire. Data from the secondary source includes information from research work of other people, newspapers, textbooks and business journals.

The targeted population for the purpose of this study is the consumers of locally made fabrics between the age of 50 and 60 years old living at Kakuri in Kaduna state. The population sample was however selected using simple random sampling. The sample size of 98 respondents was considered for the study but only about 47 could be used for the study. In order to extract information from the selected sample group, a questionnaire was constructed and adopted as a suitable instrument for data collection. With the aid of Statistical Package for Social Sciences, the reliability test was conducted and cronchbach alpha of 0.84 was reported. Chi-square, multiple regression and ANOVA were the statistical tools adopted for the testing of the hypotheses.

## **Data Presentation and Analysis**

A hundred copies of questionnaire were distributed to the consumers of locally made textile fabrics in Kakuri, Kaduna state. Responses from 98 respondents were used to test the hypotheses of the study.

### **Test of Hypothesis 1**

t value = 9.936

t significance = 0.019

### **Decision**

From the table below the decision is to reject the null hypothesis ( $H_0$ ) and accept the alternative hypothesis ( $H_1$ ). This is premised on the fact that the calculated value 9.936 is significant at 0.019, which is less than 0.05.

**Table 1.** Research hypothesis 1: Preference for locally made goods

	Observed N	Expected N	Residual
Strongly disagree	10	11.8	-1.8
Disagree	20	11.8	8.3
Undecided	12	11.8	.3
Agree	5	11.8	-6.8
Total	47	11.8	

	I prefer locally-made fabrics to foreign-made fabrics
Chi-Square	9.936
df	3
Asymp.Sig.	.019

Source: field survey, 2007

The implication of this is that consumers perceive foreign-made textile fabrics as being better than locally made fabrics.

**Hypothesis 2**

**Table 2.** Research hypothesis 2: influence of perceptual variables on buying behaviour

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	19.653	3	6.551	10.131	.000
Residual	26.512	41	.647		
Total	46.165	44			

**Decision**

From the above ANOVA table, the decision is to reject the null hypothesis (H0) and accept the alternative hypothesis (H1). This is premised on the fact that the calculated f value of 10.131 is significant at 0.0001 significant levels. The implication is that consumers are influenced by some perceptual variables in their buying behaviour. These perceptual variables include colour, quality and availability of the textile fabrics.

As a result of the findings, a regression model has been developed to measure the degree at which a consumer can be influenced by some perceptual variables in their buying behaviours. The model is hereby expressed below.

**Model**

$$If y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \dots \dots \dots \epsilon,$$

$$Then y = (4.021 + 0.066x_1 + 0.253x_2 + 0.435x_3 + \dots \dots \dots \epsilon.$$

Where y= the degree at which a consumer can be influenced by some perceptual variables in buying behaviour.

X<sub>1</sub> = quality felt;

X<sub>2</sub>= availability of textile fabrics;

X<sub>3</sub>= the colour of the textile fabrics.

$\epsilon$  = slack variables

**Hypothesis 3**

**Table 3.** Research hypothesis 3: influence of marketing variables on consumers' perception

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	11.251	4	2.813	3.178	.023
Residual	38.062	43	.885		
Total	49.313	47			

**Decision**

According to the table above the decision is to reject the null hypothesis (H0) and accept the alternative hypothesis (H1). This is premised on the fact that calculated f value of 3.17 is significant at 0.05 significant levels. It means therefore that marketing contributes significantly in the perception of consumers towards locally made products. As a result of these findings a regression model has been developed to measure the degree at which some marketing variables have influenced the perception of a consumer towards locally made products. The model is hereby shown below.

**Model**

Recall,  $y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \dots + \epsilon$ ,

Then  $y = (2.997 + 0.101x_1 + 0.145x_2 + 0.315x_3 - 0.151x_4 + \dots + \epsilon$ .

Where y= the degree at which marketing variables influence consumer's perception towards locally made products.

X1 = marketing generally;

X2= advertising;

X3= publicity;

X4= personal selling;

$\epsilon$  = dummy variable.

**Discussion of Findings**

From the analysis of collected data, several findings were discovered from the study. Most of the respondents of the study, for example, prefer foreign made textiles to locally made textiles. It was also discovered that the image a person has of himself determines the kind and nature of the product purchased in order to meet up with this perceived image or concept.

In addition, the study revealed that marketing strategies such as advertising and personal selling among others have a great significance on the perception of consumers.

Finally, it was discovered that motivation is an influencing factor in consumer's product purchase and preference. Those consumers are motivated by such variables as quality, colour, past experience, price and product package.

**Recommendations and Conclusion**

From the analyzed data and tested hypotheses, it was unfolded to us that perception is a significant factor in consumer purchase decision, and that the way in which individuals perceive a product affect their product choice and preferences.

The government should enforce laws intended to reduce the exploitation of consumers by producers in area of product quality, price and promotions. In this regard, the standard organization of Nigeria should conduct the inspection of local manufacturers more vigorously and extensively. Its accreditation lists should be made available for public consumption and it should not hesitate to delete the name of any firm whose product quality has declined below acceptable standard. Manufacturers should constantly undertake marketing research to identify the most important psychological factors, which affect consumer's taste and preference of their products so as to evolve a target marketing strategy for effective exploit of the market.

Marketing strategies should be employed, such as pricing strategy, brand strategy, promotional strategy, and advertising among others.

Finally the government should restrict the importation of goods that can be manufactured locally in sufficient quantities.

This research work is based specifically on the consumer's perception over locally made goods. It focused on finding out whether consumer perception over home-made and foreign products is significant not only in terms of their possible consequences for government and for the welfare of Nigeria. There is no denying the fact that in the recent past, ignorance and ego contributed to the preference of foreign goods to made-in-Nigeria goods by Nigerian consumers.

## References

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## Percepția nigerienilor asupra produselor locale: un studiu asupra consumatorilor de mărfuri textile din statul Kaduna

### Rezumat

*Închiderea multor companii ale industriei textile din Nigeria a fost în mod evident determinată de cererea scăzută de mărfuri textile fabricate la nivel local. Prin urmare, studiul a identificat câteva variabile de percepție care afectează comportamentul de achiziție al cumpărătorilor. De asemenea, s-a explorat modul în care strategiile de marketing influențează percepția consumatorilor asupra mărfurilor textile locale. Metoda de studiu utilizată a fost ancheta. A fost folosit un eșantion de 98 de respondenți. Studiul s-a limitat la respondenți cu vârste între 50 și 60 de ani din Kakuri, statul Kaduna (Nigeria). Instrumentele statistice utilizate în analiză au fost: chi-pătrat, regresia multiplă și ANOVA. Studiul demonstrează modul în care consumatorii preferă mărfurile textile importate celor locale. Conform rezultatelor, rezumatul, concluziile și recomandările au fost prezentate de autor pentru interesul consumatorului, producătorului și al specialistului în marketing participant în comunicarea persuasivă.*