THE IMPACT OF DIRECT MARKETING ON SALES PERFORMANCE:
THE CASE OF THE SEED POTATO CO-OP

(2010-2013)

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R014708A

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DECLARATION

Student’s Declaration - I, Beatrice Ratidzo Mukorombindo, do hereby declare that this dissertation is the result of my own investigation and research, except to the extent indicated in the acknowledgements, references, and by comments included in the body of the report, and that this dissertation is therefore my original work and has not been presented in part or in full for any other degree in any other University.

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ABSTRACT

The general conclusion from literature is that direct marketing strategies namely face-to-face selling, direct mailing, catalogue selling, telemarketing, online marketing and direct response advertisements if carried out properly result a number of benefits which include increased sales and profitability, increased loyalty and business with existing customers and expansion of business to new customers. However, most of the existing literature in direct marketing mainly refers to direct marketing experiences in other countries like North America, Europe, Asia and Australia. Therefore, the aim of this study was to attempt to fill the research gap by investigating the impact of direct marketing on sales performance in the potato seed industry in Zimbabwe.

This research was carried out as a single case design of the Seed Potato Co-op (SPC). The data was obtained from face to face interviews of the employees and customers of the Seed Potato Co-op who had been employed or affiliated with the company for a minimum of 3 years. The questions asked were semi-structured and provided rich, in depth information. A qualitative research philosophy was followed and the data that was gathered was analysed through data displays in the form of content analytical summary tables.

The study found that there was no formal marketing plan at the Seed Potato Co-op which resulted in poor communication of marketing activities in the company. The company also only practised one major direct marketing strategy and there was a weak relationship between direct marketing and sales performance. The study showed that several constraints which include a lack of properly trained marketing personnel, no dedicated finances or marketing budget, a lack of a proper customer database and no proper blueprint for carrying out marketing activities inhibited the Seed Potato Co-op from fully undertaking direct marketing during the period under study.

In view of the above, the study recommended that the company to carry out formal marketing planning to give direction to their marketing activities. It was further recommended that the Seed Potato carry out direct marketing using several direct marketing strategies, and also generate, and maintain a customer database.
Key words Direct marketing, customer relationships, integrated marketing communications

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<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Meaning</th>
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<tbody>
<tr>
<td>ARDA</td>
<td>Agricultural and Rural Development Authority</td>
</tr>
<tr>
<td>BSc</td>
<td>Bachelor of Science</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>CLV</td>
<td>Customer Lifetime Value</td>
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<td>DRA</td>
<td>Direct Response Advertising</td>
</tr>
<tr>
<td>G3</td>
<td>Generation 3</td>
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<tr>
<td>G4</td>
<td>Generation 4</td>
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<tr>
<td>G5</td>
<td>Generation 5</td>
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<tr>
<td>SADC</td>
<td>Southern African Development Community</td>
</tr>
<tr>
<td>SPC</td>
<td>Seed Potato Co-op</td>
</tr>
<tr>
<td>SWOT</td>
<td>Strengths Weaknesses Opportunities and Threats</td>
</tr>
<tr>
<td>TV</td>
<td>Television</td>
</tr>
<tr>
<td>ZFC</td>
<td>Zimbabwe Fertilizer Company</td>
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<tr>
<td>ZPMA</td>
<td>Zimbabwe Potato Micropropagation Association</td>
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CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 Introduction

Hasounch & Alqeed (2010) noted that there was a change in the marketing landscape due to the now available tools and technology, companies are more interested in creating relationships with their customers in order to understand their needs and in doing so be able to retain them. Direct marketing provides a direct connection with carefully targeted individual consumers to both obtain an immediate response and cultivate lasting customer relationships (Kotler & Armstrong, 2012).

Businesses who sell their products directly to consumers can get a better price for their products than on the conventional commodity market and there are many personal or non-monetary benefits to direct marketing, like building and retaining relationships with customers (Michigan Department of Agriculture and rural development, 2012). Roberts & Berger, (1999) noted that a major advantage in retaining customers is that profits generated by them tend to accelerate over time.

Direct marketing is gaining importance in the marketing of agricultural products as noted by growth in farmers markets in the past years (Stobbe, et al., 2010). This was supported by Thilmany & Watson (2004) as they noted that agriculture and farmers markets are important in food security and assistance and will continue to grow because producers seeks a personal relationship with their customers and this is achieved through direct marketing.

Literature on direct marketing research have been conducted in different parts of the world. There is however no literature on direct marketing in Zimbabwe and in particular companies in the agricultural sector. It is against this background that this research is intended at filling this research gap by assessing the impact of direct marketing on sales performance through a case study of the Seed Potato Co-op over the period 2010 to 2013.

This chapter covers the general background of the study in direct marketing. An industry and company analysis is also conducted with specific emphasis on the Zimbabwe potato industry and in particular The Seed Potato Coop. The chapter also
identifies the statement of the problem, research objectives and research questions. A justification for conducting the study is given, together with the proposition and scope of the study. Finally, the chapter concludes with an outline of the whole study and a chapter summary.

1.2 Background

1.2.1 Industry Analysis: The Zimbabwe Seed Potato Industry

The Zimbabwean Potato industry consists of several components. These are variety development, breeder seed production, seed bulk up, seed imports and certified seed production. This is illustrated in Figure 1.1 below. The Nyanga Experiment Station which is part of the Crop Breeding Institute (A department of the Agricultural Research and Extension Division of the Ministry of Agriculture, Mechanisation and Irrigation Development) develops or imports and tests potato seed varieties which they sell to Seed Houses (Certifying Agencies). These Seed Houses then select farmers in the Nyanga Potato Quarantine Area to bulk up the seed. This is done by growing the seed repeatedly for several seasons from breeder seed to AA3.

The AA3 seed is then delivered to the Seed Houses and inspected by the Seed Services (Another department of the Agricultural Research and Extension Division of the Ministry of Agriculture, Mechanisation and Irrigation Development). After this inspection the seed is certified and sold to ‘A’ seed producers. In 2013 January the Seed Services permitted a potato seed import ‘window’ to be opened to allow for importation of potato seed from South Africa due to reported potato seed shortages in the market. This seed was in the form of Generation 3 (G3), Generation 4 (G4) and Generation 5 (G5).

Certified AA3, G3, G4 and G5 is then sold to ‘A’ seed producers who grow it and produce ‘A’ seed. This seed is delivered back to the Seed Houses for inspection and certification and sold to Table Potato Producers who produce potatoes for consumption sold to traders, processors, retailers or farmers markets.

Seed Houses mainly participate in the processes market in green in the diagram below. Seed Houses perform several roles as marketing agents for potato seed and as Certification Agencies, they are also involved in research and testing for varieties.
before they are registered for production by the Agricultural Research and Extension Division.

The Certifying Agencies are the only legal entities statutorily allowed to market sell and import potato seed in Zimbabwe. They can sell the seed in their outlets or through contracts with other retailers with a B Licence. Potato seed sales since 2013 January were no longer solely of Zimbabwean grown potato seed but South African varieties could also be imported in certain periods in the year when the country was facing shortages.

Up until January 2013, The Seed Potato Co-op was the only operational Seed House in Zimbabwe. As of January 2014 there are eight Seed Houses that are operational in either research only or both research and sales namely Platinum Agriculture, Matapiri, ZPMA, Agricrop, Seedco, ARDA, Progene and The Seed Potato Coop. Platinum Agriculture, Matapiri, ZPMA and Agricrop are mainly involved in selling imported seed whereas The Seed Potato Co-op sells both imported seed and locally produced seed. Seedco, ARDA and Progene are involved in research at the moment.

Although potato seed produced and sold through the formal sector has increased, the demand for seed is still high. The demand is coming from farmers who are realising that potatoes are a viable commodity to grow and can be a welcome cash flow addition to their other agricultural production activities.
1.2.2 Company Analysis: The Seed Potato Co-op

1.2.2.1 Seed Potato Co-op Structure

The Seed Potato Association was established in 1956 and worked closely with the government leading to the development of the potato quarantine area and the setup of the potato breeding station at Nyanga Experiment Station. In 1971 a marketing
arm for The Seed Potato Association, The Seed Potato Co-op (SPC) was formed to provide potato seed certification agency services.

The Seed Potato Co-op is a cooperative of potato seed growers. The directorship of the company comes from the seed growers mainly from the Nyanga Quarantine area. The Co-op sells potato seed on behalf of farmers. The sales provide a commission that is used to cover operating expenses of the Co-op. SPC is a non-profit making organisation that only collects money to cover expenses.

Any excess funds after paying for all expenses are returned to the cooperative members. The main function of the Seed Potato Coop is to assess and control potato seed quality with the assistance of government seed inspectors and to market the seed to other seed and table potato growers. The Seed Potato Coop was the sole marketer of certified potato seed in Zimbabwe up until January 2013. The office in Harare handles all the seed sales to farmers in all parts of the country.

The company’s organogram is illustrated Figure1.2 below. The total staff compliment apart from the board of directors is 8 with the accountant being a consultant who comes in monthly. Since the introduction of the multi-currency system SPC began marketing to create awareness in the market of its presence to both current potato producers and potential potato producers and also to increase sales.

![Figure 1.2: The Seed Potato Co-op Organogram](image-url)
1.2.2.2 Company performance

Since the introduction of the multi-currency system, the company’s sales have grown 100% between 2010 and 2013. They increased from gross sales of roughly $2,5 million year ending 2010 to gross sales of $5 million year ending 2013. The number of pockets and also different varieties sold has also been increasing from 2010 to 2013 as illustrated in the chart below.

![Number of Potato Seed Pockets](image)

*Figure 1.3: Potato Seed Pockets sold monthly from 2010 – 2013*

1.2.2.3 The Seed Potato Co-ops SWOT

The Seed Potato Co-op strengths lie in its brand acceptance and integrity, SPC has gained customer trust and loyalty with its customers due to its continuous presence in the market. It has formed partnerships with ZFC and Windmill for the provision of fertilisers and Gwebi Agricultural College for the provision of training services. The company offers free technical advice to both walk in customers and its seed producers. It is a certifying agency therefore offers certified seed and can also import potato seed. SPC has skilled manpower in the form of agronomists and inspectors with long years of experience and knowledge in potato seed production and handling. The company also has good working relationships with government
departments it interacts with namely Seed Services, Crop Breeding Institute and Plant Quarantine Services.

SPCs weaknesses are mainly in capacity the company has few agronomist and inspectors to provide continuous needed extension services to its growers. They have an inexperienced grower base (single A seed producers) this reduces both the quality and production levels. The company lacks a proper database for growers, traders and farmers. SPC also lacks coherent policies and procedures and has an over reliance on the company cash inflow from seasonal sales only. The Co-op has weak relationships with new and small producers. Distribution is also another weakness they have limited distribution because they have only one sales and warehouse facility in Zimbabwe which is in Msasa, in Harare.

The company’s opportunities mainly lie in the growing interest in potato production and currently the popular potato production in 50kg bags. There is currently increased research and development of new improved potato seed varieties in Zimbabwe and testing of imported varieties to the production conditions in Zimbabwe. There is also opportunity in importing and exporting potato seed that is importing from South Africa and exporting local seed to Zambia, Botswana and Mozambique.

Some of the threats facing the company are weather and SADC seed Harmonisation. Potato seed from Nyanga Quarantine is rain fed and not irrigated therefore high affected by a delay in rainfall in a season. This is done because there is a risk of contamination of water bodies by potato fungal and bacterial diseases due to a concentration of potato seed farmers in one area. Droughts and seasonal changes also affects the non-quarantine farmers by either too much or too little rainfall or too hot or too cold temperatures which are not anticipated. The harmonisation of potato seed in SADC will allow easier access to imported seed varieties at a lower cost therefore reducing capacity of seed production in Zimbabwe and higher risk of non-occurring seed borne diseases to enter country. Illegal table potato importation, side marketing and input shortages at critical times are also among the threats facing the company.
1.3 Statement of the Problem

As cited in the Introduction (Section 1.1) above literature indicates that direct marketing in an organisation will result in increased returns mainly due to the effective immediate response by customers and the long lasting relationships cultivated with customers.

The company analysis in the Background of the study (Section 1.2) highlights that from the period under study the sales of The Seed Potato Co-op were increasing. It was also noted that the company began employing some marketing strategies to create awareness of the company in the industry. Also noted was the emergence of many new competitors into the potato industry.

Did The Seed Potato Co-op employ some direct marketing strategies? Moreover, if so were they the reason for the noted increase in sales in the stated period (2010-2013)? Due to the increase in number of competitors, this may effectively reduce The Seed Potato Co-ops market share. The research problem is therefore to find out if direct marketing strategies have had an effect on the increased sales performance of the company and consequently make recommendations so that the company can reap the benefits of direct marketing mentioned in literature.

1.4 Research Objectives

1. To ascertain whether there were any direct marketing strategies employed by The Seed Potato Co-op from 2010 to 2013.

2. To establish whether there is a formal marketing plan to implement direct marketing strategies at The Seed Potato Co-op.

3. To evaluate the link between direct marketing and sales performance at The Seed Potato Co-op between January 2010 to December 2013.

4. To examine whether there were any inhibitors to the success of direct marketing at The Seed Potato Coop between 2010 and 2013.

5. To recommend measures that ensures that The Seed Potato Co-op benefits from direct marketing as evidenced in literature.
1.5 Research Questions

1. What were direct marketing strategies employed by The Seed Potato Co-op from 2010 to 2013?

2. Is there a formal marketing plan to implement direct marketing strategies at The Seed Potato Co-op?

3. Was there a relationship between direct marketing and sales performance at The Seed Potato Co-op from January 2010 to December 2013?

4. What, if any, were the inhibitors to the success of direct marketing at The Seed Potato Coop between 2010 and 2013?

1.6 Proposition

Direct marketing has achieved limited success at The Seed Potato Co-op due to ineffective marketing strategies and competitor activity.

1.7 Justification of the Research

Direct markets that involve agriculture and farmers markets are rarely researched though direct marketing activities influence the financial performance of the companies and farmers that undertake this activity(Thilmany & Watson, 2004).Direct marketing helps economic development and fosters connections and relationships between producers and consumers(Michigan Department of Agriculture and rural development, 2012).

This study will benefit the researcher who is employed in the industry to gain a better understanding of the industry. The research also aids the company in identifying if the impact of direct marketing on their sales performance and any weaknesses if any that may have been preventing the company from fully experiencing the benefits of direct marketing.
Since this is, the first study of this nature to be undertaken in the country in the potato seed industry the research will contribute to the general understanding of this area of study from the Zimbabwean perspective. The academic community will also benefit from the findings of this research which they can utilise.

1.8 Scope of the Research

The study will cover the period from January 2010 to December 2013. This is when The Seed Potato Co-op began direct marketing in an effort to bring awareness and increase sales. The study will mainly be carried out in Harare at the offices of The Seed Potato Co-op in Msasa. This is because the company is situated in one location, it has no branch network. The main respondents that will be engaged will be The Seed Potato Co-op staff and customers.

1.9 Structure of the Research

Chapter 1

This chapter of the research contains the introduction and background of the research. It also covers the Problem statement, proposition and justification of the research. Research objectives and questions are also in this chapter.

Chapter 2

The main focus of this chapter will be the literature review. This outlines the research that has been carried out by other scholars in this area of study and also the theory concerning the subject matter. The conceptual framework is also outlined in this chapter.

Chapter 3

This chapter will describe the methodology that will be used in carrying out the research. It also outlines the research design, research philosophy, strategies and the justification of the single case study approach. Sources of data, preparation of data, data collection, and analysis and research limitations if any are also covered in this chapter.

Chapter 4
This chapter looks at the results and discusses the findings. This chapter relates the results to the theoretical framework covered in chapter 2.

Chapter 5

This chapter will look at the conclusions of the research and proffer some recommendations from the findings of the study.

1.10 Chapter Conclusion

This chapter covered the general background of the study in direct marketing. An industry and company analysis is also conducted with specific emphasis on the Zimbabwe potato industry and in particular The Seed Potato Coop. The chapter also identified the statement of the problem, research objectives and research questions. A justification for conducting the study is given, together with the proposition and scope of the study. Finally, the chapter concluded with an outline of the whole study and a chapter summary.
CHAPTER 2 LITERATURE REVIEW

2.1 Introduction

Literature review is a vital component of the entire research process and makes valued contributions to every step, it mainly functions to bring clarity and focus to the research problem, improve methodology, broaden researcher’s knowledge base and contextualise findings(Kumar, 2005). Reviewing literature critically provides the groundwork on which research is built, its main purpose is to aid in developing a good understanding and awareness into relevant previous research and the trends that have emerged(Saunders, et al., 2007).

This chapter reviews existing literature on direct marketing, with a particular focus on agriculture. It seeks to discuss in depth the direct marketing strategies that can be employed, the benefits, limitations and the effect of direct marketing on sales performance. The chapter ends with a critique of the existing literature, a conceptual framework for the case and a chapter summary.

2.2 Direct Marketing Definition

Marketing as defined by Kotler, et al.,(1999), “A social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others” p10.

Van Der Putten (1998) highlighted two main opposing approaches to communication in marketing, the first approach is mass marketing which is a single communication message broadcast to all potential customers through print and electronic media in contrast direct marketing is a cost effective, two way, one on one communication with individuals. The focus of this study is on direct marking.

Direct Marketing is defined by the Direct Marketing Association as “Direct Marketing is an interactive system of marketing, which uses one or more advertising media to effect a measurable response and/or transaction at any location”(Hoekstra & Schijns, 1995, p. 3).
Within the context of this study direct marketing is defined as “direct communication with an individual or institutional customer, meant to generate a reply, in the form of an order (direct order), an information request (sale preparation) and/or the visit to a store or another place to buy a certain product or service (traffic creation)” (Dogan, 2012, p. 399).

2.3 Rationale for Direct Marketing

This section outlines the reasons for the use of direct marketing. Some of the reasons for its increased popularity include weakening of mass media advertising effectiveness, change in attitude towards shopping, increased use of different technologies and bypassing of intermediaries (Lambin, 2007).

2.3.1 Weakening of mass media advertising's effectiveness

Mass marketing is no longer an effective and dependable method hence the shift to direct marketing which studies customer’s characteristics needs and chooses clients as their target for promotion (Singoei & Wang, 2013). Media such as radio, newspapers and television is used to expose high magnitudes of large populations to mass media campaigns which are often unsuccessful due to fractured and cluttered media environment and use of unsuitable or poorly investigated layout (e.g., boring factual messages or age-inappropriate content) (Wakefield, et al., 2010).

Cost of brand image advertising is rising which results in weak effectiveness of mass media (Lambin, 2007). Technologies like the internet, mobile phones and personal digital assistants are used in some mass media campaigns, but beneficiaries of the adverts are required to actively choose to seek information by participating for example by clicking on a web link this may result in ineffectiveness of the advert when users choose not to participate (Wakefield, et al., 2010).

2.3.2 Change in attitude towards shopping

Lambin (2007) noted that customers now perceive shopping as time consuming and seek efficient ways to carry out the process. Catalogue and online shopping are the a new and innovative ways of shopping that provide a wider range of merchandise
and are a convenient shopping alternatives that provide for a huge market numerous direct marketing opportunities(Jun & Jaafar, 2011).

2.3.3 Increased use of different technologies

The use of different technologies namely mobile phones and other portable wireless electronic communications devices has made it convenient for consumers to purchase goods and services and for marketers to directly communicate with the customer(King, 2008). Furthermore, the widespread use of low cost computers has also facilitated the creation and use of databases for the storage of information on customers(Lambin, 2007).

2.3.4 Bypass of Intermediaries

Research on e-commerce suggests that the advent of electronic markets decreases costs for buyers and sellers by the ability of the producers of particular products and services bypassing traditional market intermediaries (for example wholesalers and retailers) and communicating directly with the final consumer(Giaglis, et al., 2002).

2.4 Direct Marketing Strategies

Direct marketing’s emphases is on direct communication with the consumer(Hasounch & Alqeed, 2010). Various strategies are used by direct marketers to reach potential customers these are covered in this section these include, the traditional face-to-face, direct mailing, catalogue selling, telemarketing, online marketing and television direct response advertisements(Lambin, 2007). Direct response advertisements are not limited to television but also appear in newspapers, magazines and radios(Giladi & Friedman, 2000).

2.4.1 Face-to-face marketing

Face-to-face marketing forms a personal connection and builds trust between a company and its target audience(Murphy, 2010). Gestures like a warm handshake, engaging conversation and acknowledging customers on an individual level forms meaningful and profitable business relationships(Murphy, 2010). This strategy is mainly used by farmers where they sell their products directly to consumers through farmers markets, on farm and roadside sales(Bruch & Ernst, 2010).
Some of the advantages of face-to-face marketing or door-to-door selling include consumer convenience, special individual attention though it may also have some limitations which include the high costs of transportation and training of staff, high numbers of working couples or working singles reduce the chances of finding a potential customer at home and an image problem as the sales people are portrayed as bothersome (Kotler, et al., 1999).

2.4.2 Direct-mail

“Directmail is unsolicited advertising or promotional material (that is, material the recipient has not requested) sent to an individual or company through the mail” (Bly, 1996, p. 275). It involves the mailing of letters, flyers, advertisements and samples to a mailing list which is developed by a company from its customer list or obtained from a mailing list house (Kotler, et al., 1999). The direct mail is sent to people a company has never done business with (Bly, 1996).

Accountability is one of the strengths of direct mail, the mailings are measurable, easily tracked and parameters that include response rate, breakeven point, cost per response, cost per customer, and return on investment can be obtained (Turner, 2008). Direct mail can be through the post, fax, email and voicemail, the last three methods have high speeds compared to the post though they may all be regarded as ‘junk mail’ sent to uninterested customers (Kotler, et al., 1999).

2.4.3 Catalogue selling

A catalogue is defined in Burke, et al., (2003) as a, “list of materials available in a particular collection, arranged in a systematic order, to facilitate the retrieval of an item or items in a collection through searching by an appropriate access point” (p291). In catalogue selling an organization provides a catalogue from which potential customers choose items and place orders by mail or telephone (Liao & Chen, 2004).

This form of direct marketing increases efficiency and convenience for customers and it benefits the retailer by reducing costs of personal selling and operating stores by saving on expensive store fixtures and also marketing in remote low cost areas (Liao & Chen, 2004). A large number of consumers enjoy catalogues that they
are willing to pay for them thus catalogue marketers sell their catalogues in supermarkets, book stores and on magazine stands where they are easily accessible (Kotler, et al., 1999).

2.4.4 Telemarketing (or telephone marketing)

Colombia Electronic Encyclopedia (2013) described telemarketing as advertising and selling products or services to customers and also gauging consumer preferences using the telephone. Trained staff and automatic, rapid-dial equipment are used by firms to make the telephone calls, where telemarketers generally follow a script to gather slight response from consumers useful for their surveys (Colombia Electronic Encyclopedia, 2013).

Apart from sales, these telephone calls can include research, testing, database construction, making appointments for sales inquiry, follow ups, motivation or customer care initiatives (Kotler, et al., 1999).

One of the benefits of Telemarketing is that it is a cost-effective form of direct marketing (Scott, 1994). Telemarketing is also fast and efficient way of marketing (Rosen, 1999). It also provides buying convenience and increased product and service information (Kotler, et al., 1999). Though it can also be regarded as invasion of privacy and annoying to customers who may not be interested in the product hence proper targeting is imperative (Kotler, et al., 1999).

2.4.5 Online Marketing

Yazdaniard, et al. (2011) described online marketing as a way of advertising products or services over the internet, wireless media and through email and can alternatively be called internet marketing, digital marketing, web marketing, or e-marketing. Online marketing satisfies customers at a higher level because it allows for product and service customization (Cetina, et al., 2013).

Two main categories of online marketing are prevalent namely commercial online services and the internet where commercial online services provide online information and marketing information including libraries, education, travel sports, reference, shopping to subscribers who pay a monthly fee (Kotler, et al., 1999). They
use special networks and operate their own computers connected to the internet hence more secure than the open internet (Kotler, et al., 1999).

The internet provides different means in which customers can be targeted and accessed including Email, Listservs, Newsgroup, File Transfer Protocol and the World Wide Web (Yazdaniard, et al., 2011). Databases can be developed with detailed information on all clients current and potential can be kept along with their information on their reaction regarding the secure repository and the usage of their personal data (Cetina, et al., 2013).

2.4.6 Direct Response Marketing

Direct response marketing is where a potential customer is invited to reply, requesting specifics about the product being marketed (Winship & Corkindale, 1975). In direct response advertising there are some notable important factors; the product has specific consumers both current and potential, the message is written in a personal way to the consumer and the products offered are not offered in traditional retail advertising or they differ in price, type, or may have certain advantages over competing brands (Gordean & Harea, 2010).

This use of direct response advertising often includes a phone number and/or address in the advertisement so as to generate a response in various forms which may include a sale, inquiry, donation or membership (Giladi & Friedman, 2000). The product must aid the audience answer a problem or fulfil a specific need to produce a direct response (O’Leary, 2003).

Direct response advertising is similar to mass marketing but with the added element of leaving a phone number or free phone number and therefore gives the customer the choice to respond or not to the advert (Kotler, et al., 1999). Direct response advertisements appear in television newspapers, magazines and radios (Giladi & Friedman, 2000). It can be used to generate sales, create brand awareness, deliver brand or product information and it is a way of gathering names and addresses of consumers for follow up and mailing lists (Kotler, et al., 1999).
2.5 Direct Marketing Concepts and Practises

This section covers the marketing planning and the four main characteristics of direct marketing, it also covers the direct marketing process, integrated direct marketing and data mining and lastly the application of direct marketing.

2.5.1 Marketing Planning

A marketing plan can be defined as a document that sets outs a company’s marketing objectives and provides strategies for these objectives (Westwood, 2002).

Every business has an obligation to prepare marketing plans for its products, brands and markets and the main components of the plan are an executive summary, current marketing situation, SWOT analysis, objectives and issues, marketing strategies, action programmes, budgets and controls (Kotler, et al., 1999).

Some benefits of marketing plans are that they improve organisational communication, increase a company’s readiness to experience change, match available resources to chosen opportunities, reduces conflicts about organisational future direction and they provide a framework for continuous review of operation of the company (McDonald, 2008).

Marketing planning has been shown to be an area of major weakness for most organisations, many companies that thought were planning were in actual fact forecasting and budgeting which has resulted in companies suffering operational difficulties (McDonald & Wilson, 2011).

2.5.2 Direct Marketing Characteristics

Four main aspects characterise direct marketing which are that direct marketing is: Non-public (the message is targeted for a specific type of individual or group of individuals), Customized (the message is prepared in such a way that it appeals to a specific customer or group), Up-to-date (the message is current or can be formulated very quickly) and Interactive (the message can be changed or adapted depending on the customers reactions (Kotler, 2001).
2.5.3 Direct Marketing Process

The most important objective of direct marketing is to achieve a sale, and also create a relationship that will provide repeated sales (Lambin, 2007). Direct marketing is involved in every part of the sales, distribution and customer service needs of the product or service that can be measured (Test, 2001).

Developing a relationship with the customer is done by creating a communication channel between the producer and the consumer and maintaining that relationship is done by activities which include reengaging former customers, obtaining prospective customers, keeping customers informed, preparing them for the later purchase and creating advertising material in the form of catalogues and leaflets (Lambin, 2007).

This follows that the marketers then create and offer relevant products for the target customers (Bose & Chen, 2009). The offer should be attractive in order to invite a favourable response from the prospect, it could be an offer to buy a product, to inspect a product, offer for a free sample or participation in a contest or club (Lambin, 2007). The messages developed for customers are personalised by including appropriate details of the potential customers (Lambin, 2007).

Direct marketing efforts search for a measurable reaction (Fotea, et al., 2011). This response could be in the form of an order, sales appointment, confirmation of receipt of information, an agreement to attend an exhibition and more information about customers' needs and wants (Lambin, 2007).

The responses obtained are tracked, measured and maintained in a computer database (Giladi & Friedman, 2000). A database is defined as "an organised collection of information," (Kim, 2005, p. 1). A marketing database can be defined as "... an organised collection of data about individual customers, prospects or suspects that is accessible and actionable for such marketing purposes as lead generation, lead qualification, sale of a product or of a service, or maintenance of customer relationships" (Kotler, 1997, p. 721).

The core of the database system is to converse directly to customers and ask for their tangible response, the database is used to record customer responses and
information such as past purchase behaviours, preferred brands, size of orders and generate the next message (Lambin, 2007). Development of a marketing database system is pertinent to direct marketing (Lambin, 2007). It allows a firm to determine the return on their expenditure by carrying out a cost-benefit analysis with the information (Giladi & Friedman, 2000).

2.5.4 Integrated Direct Marketing and data mining

From the definition of direct marketing it can be noted that critical to its success is the need for continued communication (Roman, 1992). Companies are now integrating their marketing communications by using the direct marketing strategies in an effort to sell products (Kotler, 2001). Integrated marketing is when all the departments in a company work together to serve customer’s needs (Kotler, 2001). Integrated direct marketing is when “direct marketing campaigns that use multiple vehicles and multiple stages to improve response rates and profits” (Kotler, et al., 1999, p. 976). A multimedia, multistage marketing campaign below can be used to illustrate integrated direct marketing (Kotler, et al., 1999).

News Campaigns about a new product → Paid ad with a response mechanism → Direct mail or email → Outbound telemarketing → Face-to-face sales calls → Ongoing Communication (Kotler, 2001).

Here the news campaigns of a product are followed up by a paid advert which creates awareness for the products and generates inquiries after receiving the enquiries a direct mail or email is sent out to the customer and follow up outbound telephone calls are made, though some may require a face-to-face enquiry and demonstration, this all encompasses ongoing communication with the customer (Kotler, et al., 1999).

The marketer endeavours to increase profits and response rates by increasing the different types of media and stages that increase the sales as opposed to the costs (Kotler, et al., 1999).

“Direct marketing messages often include an invitation for the customer to respond to the message” (Hasounch & Alqeed, 2010, p. 53). Multiple follow ups are used with
the intention of mining information on the needs of customers this activity is crucial to the success of direct marketing (Roman, 1992).

The aim of data mining in direct marketing is to identify the most likely customer to direct targeted advertising and this is done by statistical, artificial intelligence models and neural networks (Tang, 2011). Direct media aids in increasing communication between companies and their customers in an effort to build lasting relationships (Hasounch & Alqeed, 2010).

2.5.5 Direct Marketing Applications

Tingoy & Bostan (2007) described ‘demassification’ as a transference of exclusive and personalized messages to every consumer in a heterogeneous mass. Market ‘demassification’ has given rise to an increasing number of market niches (Kotler, et al., 1999). In line with that Tapp (2008) noted that the major applications of direct marketing are targeting and segmentation. The aim being to secure customers and retain them (Sargeant & West, 2001).

Market segmentation involves identifying and profiling distinctive groups of customers who may prefer or need different products or marketing mixes and can be recognised by looking at demographic, psychographic and behavioural differences among buyers and those segments presenting the best opportunity are then targeted (Kotler, 2001). Direct marketing allows the sales force to concentrate more efficiently on these micro markets with products that can meet specific customer’s requirements (Kotler, et al., 1999).

2.6 Benefits of Direct Marketing

Direct marketing complements other forms of marketing and contributes to the company’s overall communications strategy (Meta-Morphix, 2005). This section covers the benefits of direct marketing. As noted by Fotea, et al (2011) The benefits of direct marketing are accrued by both the customer and the marketer but this study will concentrate on the benefits accrued by the marketer.
2.6.1 Increases loyalty and business with existing customers

Retailers were noted to use direct marketing as a means to win new business from current customers and to build customer loyalty (Shields & Reynolds, 1996). Direct marketing works best at appealing to existing consumers by increasing affinity towards the brand (Meta-Morphix, 2005). Through direct marketing long term relationships are formed which create and increase customer loyalty (Anderson, et al., 2009). Increased customer loyalty is beneficial to the supplier in that it increases certainty of business, growth and profitability (Anderson, et al., 2009).

2.6.2 Expands business to new customers

Direct marketing teaches and ultimately inspires consumers to initiate discussions with the hope that some of these discussions will lead to the purchase of the advertised product (Perry, et al., 2013). By constantly finding out what the customer is interested in a direct marketer can develop a product that attracts and satisfies the customer, the customer will not only support the business but also generate new business by informing others about it (Padgham, 2005).

2.6.3 Generates data on customers

Tapp in Hasouneh & Alqeed (2010) states that, “the key to modern direct marketing is the capture of individual customer details at the first sale, so that the marketer can begin a relationship with that customer, subsequently treating them differently over time in order to generate repeat business” (p54). Through direct marketing internal customer, lists can be developed which comprise of the customers information specifically names, addresses, phone numbers and emails which are kept on an Excel spreadsheet or database, this data is then used to communicate with customers (WSDA, 2010).

2.6.4 Increases sales and profitability

Well planned direct marketing campaigns besides generating incremental margins also “protect price premiums, increase frequency of purchase, and make the most of cross selling opportunities” (Meta-Morphix, 2005, p. 14).
2.6.5 Generates specific responses through targeting of specific customers

Direct marketing is useful in targeting a specific group of consumers to encourage an immediate purchase (O'Leary, 2003). Brand marketers are using direct marketing because of its effectiveness and its easiness to convert to cash to build their brands; because of the added time, direct response offers to position their products and better compel the consumer to buy (O'Leary, 2003). An absolute measurable response is provided by direct marketing, the seller goes directly to a potential customer who is likely to be interested in the product provided by the databases at the disposal of the seller (Metzler, 1995).

2.6.6 Maximises Customer Lifetime Value (CLV)

“CLV is generally defined as the present value of all future profits obtained from a customer over his or her life of relationship with a firm”, (Gupta, et al., 2006, p. 141). Direct marketing effectively aims to maximise the CLV above other marketing methods (Kim, et al., 2009).

2.6.7 Provides Product Exclusivity and Cost reduction

Direct Marketing reduces transaction costs by provision of exclusive products and services directed to a specific customer as opposed to the generalised expensive media advertisements (Liao, et al., 2011).

2.6.8 Convenient and Time saving

Shopping at home using catalogues or online is convenient and saves times and transport costs, it also provides the customer with a wider choice space in a short period of time and industrial customers can learn about the products they are interested in relatively a small period (Kotler, et al., 1999).

2.7 Impact of Direct Marketing on Sales Performance

The most vital feature of any business is selling their brand(s) because sales sustain a business existence, however to create sales, advertising and marketing must be seen or heard by prospective buyers and inspire them to react to the material in some way desired by the marketer (Okyere, et al., 2011).
Direct marketing methods usually have different effects on sales and fundraising performance depending on the way in which they are employed, the use of interactive direct marketing tends to have a positive relationship with sales and fundraising performance (Arnold & Tapp, 2001).

Direct Marketing increases profits in the retail channel and aids in increasing overall profitability for the manufacturer of the product (Chiang, et al., 2003). Marketing directly also comprises collecting information from customers that can be used to grow future sales (Test, 2001). If implemented correctly direct marketing is important in determining customer needs which guide sales of products and services and also provides measurable results that lead to increased sales and profits (Test, 2001).

2.8 Limitations of Direct Marketing

This section discusses the weaknesses or activities that hinder success of direct marketing.

2.8.1 Organisational weaknesses

Organisational inefficiencies like absence of appropriate mechanism for capturing and updating customer information, reliance on external databases making access to data slow and costly and an absence of “ownership” and technology to support direct marketing within the marketing function reduce the effectiveness of direct marketing (Shields & Reynolds, 1996).

2.8.2 Invasion of privacy

Though desired targeted customers may be viewed as active shoppers interested in shopping they may not be interested in the direct marketing efforts (Shields & Reynolds, 1996). Many potential recipients of direct marketing efforts perceive some of the strategies used as an invasion of privacy i.e. Unsolicited telephone calls and junk mail (Lambin, 2007). Some customers do not see themselves as having a relationship with a retailer and would dislike the retailer’s supposition that one does exist (Shields & Reynolds, 1996).
2.8.3 Lack of marketing skills

Deficient management and marketing skills are two issues that have been highlighted in the agricultural marketing and farm operators with a wider base of marketing skills are more likely to increase sales relative to those who are using less marketing skills (Park, et al., 2014).

2.9 Direct Marketing and Agriculture

“Direct marketing is an example of the changing face of agriculture and new entrants can use these marketing structures to receive a higher margin on sales to support growth” (Roberts, et al., 2008, p. 19).

Direct marketing channels have developed and farmers and agricultural producers are using them resulting in the rapid growth of food production and consumption (Matson, et al., 2014). Farmers make use of direct marketing channels to access farmers and side-step supply chain intermediaries in order to reduce costs (Sullivan, et al., 2013).

Direct marketing is mainly practised by farmers as a means of increasing the returns on their business (Roberts, et al., 2008). Farmers engage in direct marketing activities to diversify their skills and use of time though it requires an increased effort for selling, distribution and transportation (Starr, et al., 2003).

Direct marketing of agricultural products has grown in the past years and direct marketing methods are considered financially secure than other marketing methods, governments that encourage viable agriculture should support and encourage direct marketing to increase its profitability (Stobbe, et al., 2010).

An added advantage of direct marketing in agriculture is that of being able to spread risk for farmers through market diversification (Tang, 2011). Farmers are able to sell their produce in various markets which include farmer markets, on farm retail, roadside stands (Bruch & Ernst, 2010). Direct marketing also provides diversification on a farm level where labour resources are re assigned to activities that are different from traditional agricultural production which can result in an increase in income as there is a more efficient use of labour (Tang, 2011).
Starr, et al (2003) noted that though farmers may prefer to sell to retailers, grocery stores many of these refuse to engage in direct purchasing from the farmers. These farmers that practice direct marketing prefer doing so through a coop which does the large scale buying and distribution this eliminates the middlemen (Starr, et al., 2003).

Direct marketing leads to increased stability of agricultural production and economic by products such as increased recirculation of capital in the local economy (Roberts, et al., 2008).

2.10 Conceptual Framework

Maxwell (2005) described a conceptual framework as a visual or written product, one that explains, either graphically or in narrative form, the main things to be studied the key factors, concepts, or variables and the presumed relationships among them.

He further noted that an integrative diagram, or concept map are terms that refer to a tool used for developing and presenting the conceptual framework and consists of concepts and the relationships illustrated as labelled circles or boxes with arrows or lines connecting these and can be adapted to a particular study if the general relationships are similar (Maxwell, 2005).

Below (Figure 2.1) is an illustration of the conceptual framework for this study. It shows that direct marketing strategies for example direct mail and catalogue selling are assumed to produce benefits like increased sales and profitability and that this can be hindered by situations of organisational weakness and lack of marketing skills.

<table>
<thead>
<tr>
<th>DIRECT MARKETING STRATEGIES</th>
<th>BENEFITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cause</td>
<td>Effect</td>
</tr>
<tr>
<td>Face-to-face</td>
<td>Increased sales and profitability</td>
</tr>
<tr>
<td>Direct Mail</td>
<td>Increased loyalty and business</td>
</tr>
<tr>
<td>Catalogue Selling</td>
<td>Expansion of business</td>
</tr>
<tr>
<td>Telemarketing</td>
<td>Generates customer data</td>
</tr>
<tr>
<td>Online Marketing</td>
<td>Maximises customer life value</td>
</tr>
<tr>
<td>Direct Response Marketing</td>
<td>Convenient and time saving</td>
</tr>
</tbody>
</table>

Dependent variable

Extraneous Variables

Affects the relationship

Organisational Weakness
Lack of Marketing Skills
Invasion of Privacy

Independent variable
2.11 Chapter Conclusion

The literature above demonstrates that communication is an integral part of direct marketing, where a company concentrates on a two way, one on one communication with individuals (Van Der Putten, 1998) in an effort to increase sales and company profitability (Chiang, et al., 2003). Direct marketing in agriculture is mainly practised by farmers or farmer’s organisations to achieve a return on their business (Roberts, et al., 2008). The strategies used by direct marketers to reach potential consumers include, face-to-face selling, direct mailing, catalogue selling, telemarketing, online marketing and television direct response advertisements (Lambin, 2007).

Most of the existing literature in direct marketing mainly refers to direct marketing experiences in other countries North America, Europe, Asia and Australia. The direct marketing literature that relates to Zimbabwe is limited and there is no literature on any effects of direct marketing in the potato seed industry. Due to the weakness of the available literature to address the research objectives cited in Section (1.4) the researcher intends to fill this research gap by evaluating the impact of direct marketing on sales performance in the potato seed industry in Zimbabwe and in particular at The Seed Potato Co-op. The next chapter seeks to detail the methodology used in undertaking the research.
CHAPTER 3 RESEARCH METHODOLOGY

3.1 Introduction

This chapter mainly focuses on the methodology used in the research. This chapter describes the research design, research philosophy and strategy that were used in the study. The qualitative research philosophy was adopted and discussed in depth. Data collection and analysis are also discussed in the chapter.

3.2 Research Design

A research design can be defined generally as a plan for a research that is taken on by a researcher to answer questions validly, objectively, accurately and economically (Kumar, 1999). This study was a single case study design of The Seed Potato Co-op. According to Yin (2003), a single case study approach can be used if the case or organisation is representative or a typical and captures the conditions every day. In that respect a single case study design was carried out for The Seed Potato Co-op as the company was representative of the companies operational (selling of potato seed) in the industry at the time of the study in terms of number of employees and revenue generated through potato seed sales. The research design for the study is detailed in the next sections below.

3.3 Research Philosophy

Two main positions are present in research philosophy either positivistic (quantitative) and phenomenological (qualitative) (Neville, 2007).

3.3.1 Quantitative Research

In quantitative research, philosophy the observer or researcher must be independent of what is being observed and human interests should not be relevant (source). The research develops through hypothesis and deductions and explanations must demonstrate connection. The concepts under study should be operationalised to allow for measurement and the units of analysis should be in their simplest forms.
Generalisations of the study are made from statistical probabilities and the sampling techniques require a large number selected randomly (Easterby-Smith, et al., 2006).

According to Neville (2007) some of the advantages of quantitative research analysis are that it is favourable for research that is structured and descriptive in nature and looks at the ‘what’ aspects of the research, also standardisation makes collation and codifying of gathered data easier and methods used for research are easier for reproduction of the study. The limitations of quantitative research are that it is not a good approach to use to answer ‘why’ questions, for highly structured research design it imposes pre-arranged limits and boundaries, it assumes that the researcher can be totally objective whereas researchers own beliefs and interests may influence their approach to the research, it requires a large sample to make generalisations and it is difficult to capture multifaceted interplay occurrences in a single measure (Neville, 2007).

3.3.2 Qualitative Research

Easterby-Smith, et al. (2006) noted that in qualitative research philosophy, the observer is immersed or is part of what is being observed and human interests are the main drivers, explanations aim to increase the general understanding of the situation and the research develops through gathering of rich data where ideas are retrieved. The concepts under evaluation should include stakeholder perspectives, generalizations of the study are made through theoretical concepts and the sampling requires small numbers of cases chosen for specific reasons (Easterby-Smith, et al., 2006).

Neville (2007) noted the benefits of qualitative research as being that a relatively small sample can be used for the research, the data gathered is ‘rich’ in personal observations and personal understandings and a researcher can explore below the surface of an issue. Qualitative research also has some limitations namely that the findings generated are subjective and are difficult to declare a wider generalisation and also the research is difficult to reproduce if another researcher wanted to reproduce the study findings and test them (Neville, 2007).
3.3.3 Selection of Research Philosophy

The difference between qualitative and quantitative research is that quantitative or positivist philosophy believes that human behaviour studies should be identical to studies conducted in the natural sciences whereas qualitative or phenomenological philosophy works on the premise that human behaviour should be studied by “understanding the behaviour participants’ own subjective frames of reference” (Neville, 2007, p. 6).

Mack, et al (2005) noted that the main difference between the two methodologies is in their flexibility that is quantitative methods such as surveys and questionnaires are relatively inflexible, all participants are asked identical questions in the same order and expected responses are “close-ended” or fixed for example a “yes” or a “no”. Whereas qualitative methods such as interviews and focus groups are more flexible, participants are asked mostly “open – ended” questions which may not be phrased in the exact same way for each participant and the responses are not fixed and are more complex (Mack, et al., 2005).

Keele (2011) noted that the selection of the research philosophy to be applied to a study mainly depends on the research question (s) being asked which emanate from the research problem statement, where the goal of the research is to generalise the findings from a sample to a bigger target population then quantitative research should be undertaken. Where the goal is to find meaning and understand subjective experience of the participants then a qualitative research should be done (Keele, 2011). Yin (2003) went on to note that selection of a research methodology depends on, the nature of the research, the type of information required, the availability of resources such as time, finance and human capital and the context of the study.

This study was a qualitative research. This research philosophy was chosen as it was appropriate for the study. The study carried out was mainly focusing on understanding the experiences of the staff and some customers of The Seed Potato Co-op in terms of whether direct marketing had an influence in the organisations increasing sales for the period January 2010 to December 2013.
3.4 Research Strategy

Saunders, et al (2009 p600) defined research strategy as a, “General plan of how the researcher will go about answering the research question(s)”. Research strategies include experiments, survey, case study, action research, grounded theory, ethnography and archival research.

3.4.1 Case Study

According to Yin (2003, p13) a case study can be defined as, “an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident”. The case study is the most suitable form of research strategy to use when “how” or “why” questions are being queried, when the researcher has slight control over events and when the emphasis is on contemporary phenomenon within some real life setting(Yin, 2003).

3.4.2 Selection of a Strategy

According to Yin (2003) a selection of a research strategy should be based on the type of research question posed, the extent of control a researcher has over actual behavioral events and the degree of focus on contemporary as opposed to historical events. This is illustrated for the different strategies in Table 3.1 below.

Table 3.1 Relevant situations for different Research Strategies

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Form of Research Question</th>
<th>Requires Control of Behavioral Events</th>
<th>Focus on Contemporary events</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experiment</td>
<td>How, why?</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Survey</td>
<td>Who, what, where, how many, how much?</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Archival Analysis</td>
<td>Who, what, where, how many, how much?</td>
<td>No</td>
<td>Yes/No</td>
</tr>
<tr>
<td>History</td>
<td>How, why?</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Case Study</td>
<td>How, why?</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Source: Yin (2003)
Saunders, et al. (2009) took a different approach and noted that selection of a research strategy should not only be based on type of research question and objectives but also on the extent of existing knowledge, the amount of time and other existing resources available as well as the researchers' philosophical viewpoint.

### 3.4.3 Selected Strategy for Research

This research used the case study a research strategy. This strategy was chosen because the focus of the research was on contemporary events, which required answering “how”, and “why” questions connected with the direct marketing at The Seed Potato Co-op.

### 3.4.4 Criticisms of the Case Study Strategy

Generally the case study strategy has been criticized for large volumes of data and therefore being more time consuming and labour intensive than survey method and also the results cannot be generalized or extended to different settings especially in single case designs (Vissak, 2010). Due to the above criticism case studies have been described as having a lack of rigor (Yin, 2003) or being unsystematic, soft and less concrete (Vissak, 2010).

The lack of rigor can be mitigated through triangulation respondent validation, theoretical sampling and transparency through the research process (Crowe, et al., 2011).

Vissak (2010) argued that it was possible to generalize from only one case if, “it was useful in theory building and testing and also where (in very small countries and industry segments) there is only one unique, extreme or critical case to study or it is the only one accessible to scientific investigation”.

### 3.5 Data Collection

#### 3.5.1 Population

A population encompasses all the possible cases (persons, objects, events) that constitute a known whole (Yount, 2006). Kitchenham & Pfleeger (2002) go on to add that a target population comprises a collection of individual to whom the survey is
relevant and who can answer the questions and to whom the results of the survey applies, this should be represented by a finite list of all its members.

The target population of the study where all the employees of The Seed Potato Co-op, the board members and growers.

3.5.2 Sampling

Is a process in which a group of subjects is chosen for a study in a way that the individuals represent the bigger group or population from which they were chosen, thus the representative quantity is called a sample (Yount, 2006). The sampling designs can either be random (probability sampling) or non-random (non-probability sampling) (Kumar, 1999).

In random sampling also known as probability sampling each element must have an equal and independent chance of being selected, choice must not have an influence in the selection and therefore the probabilities of all the elements chosen are the same and due to the sample being a representative selection any results can be generalised to the larger population and statistical tests can be applied to the data (Kumar, 1999). This sampling technique is often applied to survey and experimental research strategies (Saunders, et al., 2009).

Non probability sampling or non-random is, “selection of sampling techniques in which the chance or probability of each case being selected is not known” (Saunders, et al., 2009, p. 596). This form of sampling is used when the number of elements in the population is unknown or cannot be individually identified therefore selection will depend on other considerations four main types can be identified namely quota sampling, accidental sampling, judgemental or purposive sampling and snowball sampling.

The study used judgemental or purposive sampling method. Purposive sampling is defined by Saunders, et al. (2009 p. 598) as “non-probability sampling procedure in which the judgement of the researcher is used to select the cases that make up the sample”. The researcher concentrates the research on individuals, according to his / her opinion that are expected to have the information required and are prepared to
share it (Kumar, 1999). Purposive sampling is used when working with a small sample as in a case study (Saunders, et al., 2007).

Purposive sampling was appropriate for the research as the researcher specifically chose individuals expected to have the required information for example the CEO, marketing department and board members. Purposive sampling was appropriate as the research was a case study with a small sample size.

3.5.3 Research Instruments

Research instruments that were used for the study were the semi-structured questionnaires and personal interviews.

Questionnaires

Questionnaire is a general term which includes or describes all data collection procedures in which a person is asked to respond to the same set of questions in a prearranged order this can be done through delivery and collection questionnaires, interviewer administered questionnaires, online questionnaires, postal questionnaires and self-administered questionnaires (Saunders, et al., 2009, p. 599).

Some advantages of questionnaires include that they permit respondents time to respond, they are cost effective and uniform as each respondent is given time to answer, they address a large number of issues with a chance of a high response rate and promote anonymity which increases rate of response (Miller, 2002).

Miller (2002) went on to note that some of the limitations of questionnaires are that they are complex instrument and if designed poorly can be misleading, also quality data is low unlike in other methods like personal interviews and it may be difficult to obtain a good response rate.

Personal interviews

Personal interviews have been regarded as significant data gathering tools which involve verbal communications between the researcher and the subject and they are three main types structured, semi structured and unstructured (Mathers, et al., 2002).
The structured interview mainly features pre-planned questions and allow for replication of the interview to the point that it is possible to generalise the results (Woods, 2011). This interview uses closed questions where possible answers are predetermined to limit respondents to one of the pre-coded responses (Mathers, et al., 2002). A structured interview in not flexible there is little variation from set questions (Punch, 2000).

Unstructured interviews are open ended and in depth, and are used to understand intricate human behavior, “without imposing any priori categorization which might limit the field of inquiry” (Punch, 2000, p. 178).

Semi structured interviews are partially pre-planned (Woods, 2011) they are a combination of the unstructured interview (being flexible, in depth and open ended) with the structured interview (pre-planned direction) through the use of an interview guide (De Clerck, et al., 2011). The main advantages of the semi structured interviews is that they provide more detailed information, standardisation of some of the question increases data reliability and replication, allows for follow up questions and respondents can express themselves better, some of the limitations are that they are not generalisable, prone to bias, and can be time intensive and responses may be difficult to quantify and analyse (Woods, 2011).

The study used the semi structured interviews as a research instrument as they provided rich, in depth information and allowed for follow up questions and the respondents reactions could be observed. Interviews were the most applicable method used for the type of questions asked which were mainly open-ended and allowed for an in-depth answer from the respondents.

3.6 Data Analysis

Neuman (2006) noted that there is no single way of analysing qualitative data. Miles & Huberman (1994) define data analysis as consisting of three components data reduction (simplifying, abstracting and transforming data from field notes and interview transcriptions), data displays (organised, compressed assembly of information that permits conclusion drawing and action) and verification or conclusion drawing. The data collected in the study was therefore analysed by the use of data reduction, data displays and verification.
3.7Chapter Conclusion

This chapter mainly focused on the methodology used in the study. The research was a qualitative analysis which was carried out by conducting semi structured interviews to gather data for the period of 2010 to 2013. The data was then analysed by data reduction and data displays. The next chapter discusses and analyses the findings of the research.
CHAPTER 4 RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the research findings from in-depth interviews carried out by the researcher. Analysis of these results are also carried out through the use of content analytical tables and a discussion follows after each table. The chapter comprises an analysis of the results from the interviews of the employees, customers and seed growers of The Seed Potato Co-op. The chapter then ends with a summary of findings of the different variables with a discussion of the implications and link to literature.

4.2 An Overview of the Respondents

The respondents were mainly employees and stakeholders of the Seed Potato Co-op. From the staff of the Seed Potato Co-op the office staff involved with marketing were interviewed namely the general manager, sales and administration officer, the administrator, technical advisor and accounting consultant. The stakeholders of the Seed Potato Co-op that were interviewed were mainly growers and customers of the company who have been purchasing potato seed for several years.

4.3 Data Framing and Analysis

Face to face, interviews were carried out with the staff, the growers and customers of the Seed Potato Co-op. From the Seed Potato Co-op mainly the general manager and office staff. The office staff is comprised of 7 employees, 5 were interviewed as they all participated in marketing activities for the organisation in the period of study. The stakeholders interviewed were growers and customers of the Seed Potato Co-op that have a minimum of 4 years purchasing potato seed from the company. Table 4.1 shows a summary of the demographic information of the respondents that were interviewed. The questions asked to these respondents were in 5 sections

A: Demographic Information

B: Formal Marketing

C: Direct Marketing Strategies
D: Sales Performance

E: Direct Marketing Constraints

4.3.1 SECTION A: Demographic Information

Table 4.1 Demographic Information of the Respondents

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>Age Category (years)</th>
<th>Professional / Academic Background</th>
<th>Years Employed / Affiliated to SPC</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>35-44</td>
<td>Bsc Agriculture Agronomist</td>
<td>7</td>
</tr>
<tr>
<td>Administrator</td>
<td>45-54</td>
<td>Secretarial and Administration</td>
<td>3</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>45-54</td>
<td>Agriculturalist Agronomist</td>
<td>3</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>35-44</td>
<td>Marketer – pursing a degree in marketing</td>
<td>3</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>35-44</td>
<td>Accounts</td>
<td>7</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>35-44</td>
<td>Degree in Business Studies (marketing) and Farmer</td>
<td>6</td>
</tr>
<tr>
<td>Customer 7</td>
<td>25-34</td>
<td>Bsc Agribusiness</td>
<td>4</td>
</tr>
<tr>
<td>Customer 8</td>
<td>Above 55</td>
<td>PHD In Agronomy and Agronomist</td>
<td>4</td>
</tr>
<tr>
<td>Customer 9</td>
<td>45-54</td>
<td>Agriculturalist</td>
<td>4</td>
</tr>
</tbody>
</table>

From table 4.1 it can be noted that most of the respondents are above the age of 35 and have been employed or affiliated to the organisation for a minimum of 3 years. The ages of the respondents indicates the maturity of the individuals and the number of years employed or affiliated to the organisation also shows that the respondents have a strong relationship and understanding of the operations of The Seed Potato Co-op. The respondents interviewed were either employees or customers of the Seed Potato Co-op in the period being covered by the study (2010-2013). The diverse nature of their professions (3 agronomists, an administrator, sales and marketing officer, farmers, and accounting consultant) also indicate a source of rich information from their interviews.
4.3.2 SECTION B: Formal Marketing

Research Question: Is there a formal marketing plan at The Seed Potato Co-op?

Question a): What do you think is the organisation's estimated market share from 2011 to 2013?

Table 4.2 Seed Potato Co-op Estimated Market Share

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>2010-2012 (80%) 2013 (70%)</td>
</tr>
<tr>
<td>Administrator</td>
<td>80%</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>2010-2012 (100%) 2013 (65%)</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>70%</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>2010-2012 (100%) 2013 (65%)</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>50% of the formal market (because farmers retain seed)</td>
</tr>
<tr>
<td>Customer 7</td>
<td>80%</td>
</tr>
<tr>
<td>Customer 8</td>
<td>90%</td>
</tr>
<tr>
<td>Customer 9</td>
<td>80%</td>
</tr>
</tbody>
</table>

The responses from table 4.2 generally show that the respondents estimated that the market share of the organisation from 2010-2012 was from 80% to 100% and reduced in 2013 to between 60% and 70%. Of note was respondent 6 who highlighted that the company had a 50% market share due to most seed being retained by farmers. The responses were indicative of high sales and profits being made by SPC during the period under study.

This finding was in line with literature according to (Wernerfelt, 1986) a large market share is indicative of high profitability.

Question b): How competitive do you think the organisation is in the market? Explain

Table 4.3 Competitiveness of the Seed Potato Co-op

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Very competitive as it is sole supplier of most varieties only</td>
</tr>
</tbody>
</table>
one registered variety sold by a different supplier

<table>
<thead>
<tr>
<th>Role</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrator</td>
<td>Is competitive as it was the sole Provider of certified seed so hardly any competition</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>Its Fair though no person dedicated to do marketing in the organisation</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>Was a monopoly but now there is competition but still competitive</td>
</tr>
<tr>
<td>Accounting Consultant</td>
<td>Very competitive because It is due to the fact that it is trying to keep prices down to get sales</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>Not competitive-( has not tried to position itself in the market Since it was a monopoly) Controlling 50% the other taken by competition</td>
</tr>
<tr>
<td>Customer 7</td>
<td>Very competitive Because it sells certified seed at reasonable prices</td>
</tr>
<tr>
<td>Customer 8</td>
<td>Yes very because it sell certified seed</td>
</tr>
<tr>
<td>Customer 9</td>
<td>Very because it is the major company selling certified potato seed</td>
</tr>
</tbody>
</table>

The responses in table 4.3 above show that there is a general consensus that the organisation was very competitive and the main reason cited was that the organisation was generally the sole provider of certified potato seed. The accounting consultant cited that the organisation was competitive due to maintaining low prices in order to increase sales. Customer 7, 8 and 9 cited that SPC was the major organisation that sold certified seed at reasonable prices during the study period hence it being competitive. The technical advisor mentions that the organisation is only fairly competitive because there is no one individual dedicated to marketing activities in the company.

However, respondent 6 had a different view saying the company was not competitive because the company had been a monopoly all along it had not positioned itself in the market properly and resulted in half of its market share being easily taken by competition.

From the responses above, it was indicated that SPC was competitive because it was a monopoly and was maintaining low prices. This finding was in line with
literature as competitiveness reflects the capability of the company to provide goods and services better or more efficiently than the next competitor (Blunck, 2006).

**Question c and d)** Has the organisation engaged in marketing activities between 2010 and 2013. If yes, what kind of marketing activities has the organisation engaged in? Explain

**Table 4.4 Marketing Activities from 2010 - 2013**

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Yes Newspaper adverts</td>
</tr>
<tr>
<td>Administrator</td>
<td>Yes Newspaper adverts</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>Yes Newspaper Adverts, Training, Demonstration plots, distribution of flyers</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>Yes Not much Newspaper adverts</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>Yes Adverts, field days, Agricultural shows, training, distribution of calendars and flyers</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>Yes Newspaper adverts – very little</td>
</tr>
<tr>
<td>Customer 7</td>
<td>Yes Training especially at Gwebi Agriculture College</td>
</tr>
<tr>
<td>Customer 8</td>
<td>Yes Newspaper adverts</td>
</tr>
<tr>
<td>Customer 9</td>
<td>Yes Training</td>
</tr>
</tbody>
</table>

The respondents all agree that the organisation has engaged in marketing activities mainly newspaper adverts. The accounting consultant also mentioned that the organisation had participated in exhibitions at agricultural shows and training. The technical advisor and customer 7 cited demonstration plots, field days and training farmers at Gwebi Agricultural College.

SPC engaged in several marketing activities in order to obtain customers. This finding was in line with literature that farmers and agricultural suppliers are using direct marketing activities to access customers (Sullivan, et al., 2013).
Question e, f and g) Does the organisation have a formal marketing plan? If yes when was it implemented? Has there been a difference in marketing since implementation? Explain

Table 4.5 Presence of a formal marketing plan and differences noted as a result of the implementation of a marketing plan

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Yes 2012 Yes increase in sales and enquiries</td>
</tr>
<tr>
<td>Administrator</td>
<td>Yes 2012 Not really Due to its monopoly status</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>Yes 2012 Yes Noted increase in sales and enquiries</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>No</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>No</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>No It does not appear as if there is one</td>
</tr>
<tr>
<td>Customer 7</td>
<td>No It does not appear so Some farmers are not aware of its existence Not much advertising</td>
</tr>
<tr>
<td>Customer 8</td>
<td>No not really marketing is little and haphazard</td>
</tr>
<tr>
<td>Customer 9</td>
<td>No not really</td>
</tr>
</tbody>
</table>

The general manager, administrator and technical advisor all agreed that the company had a formal marketing plan implemented in 2012. However, the sales, administration officer, and accounting consultant believed that there was no marketing plan in the company.

The was a consensus among the growers and customers that the organisation did not have a formal marketing plan due to the small amount of marketing carried out and its haphazardness or lack of organisation.

From the responses, the general manager and the technical advisor believed that there was a difference in marketing which was noted through increased sales and enquiries. The administrator however believed that there was not much of a difference since the company was a monopoly.
This finding was in line with literature which cites that agricultural marketing plans are usually neglected in the first few years of production in developing countries (Prasad, 2005).

**Question f):** What recommendations would you give concerning a formal marketing plan?

**Table 4.6: Recommendations for a formal marketing plan**

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seed Grower 6</td>
<td>Company needs to rebrand its image (had developed a negative image especially being a monopoly) Company needs new marketing strategies (develop and market new varieties) Intensive advertising and promotion</td>
</tr>
<tr>
<td>Customer 7</td>
<td>They should advertise in farming magazine, for a, training farmers, billboards</td>
</tr>
<tr>
<td>Customer 8</td>
<td>Improve distribution and vigorous s marketing</td>
</tr>
<tr>
<td>Customer 9</td>
<td>More adverts, print media and radios</td>
</tr>
</tbody>
</table>

The recommendations put forward by respondent 6 for a formal marketing plan were that the Seed Potato Co-op needs to rebrand and develop new marketing strategies namely adding new varieties to product list because the company had been a monopoly for so long. There was a unanimity with all the respondents highlighting that the organisation needs to intensify its advertising namely in print media, radio, billboards and training.

A formal marketing plan was recommended by customers as it was beneficial to the company this was in line with literature as a formal marketing plan is essential in that it aids in identifying competitive advantage, forces an organised approach to marketing, develops specificity and ensures consistent relationships (McDonald & Keegan, 2002).

**4.3.3 SECTION C: Direct Marketing Strategies**

**Research Question:** What were direct marketing strategies employed by The Seed Potato Co-op from 2010 to 2013?
**Question a):** Direct marketing involves marketing and selling goods directly to consumers rather than through retailers. Which of the following direct marketing strategies has the organisation employed:

Face-to-face marketing

Direct mailing marketing

Catalogue selling

Telemarketing

Online marketing

Direct response advertisements DRA (television, newspapers, magazines and radios)

**Table 4.7 Direct Marketing Strategies employed by SPC**

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Direct Mailing (email), Telemarketing, Direct Response Advertisements (DRA)</td>
</tr>
<tr>
<td>Administrator</td>
<td>Face to face, Telemarketing, Online, DRA</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>Face to face, Telemarketing, DRA (newspaper and magazines)</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>Telemarketing, Online marketing, DRA – newspaper and farmer magazines</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>Face to face, Telemarketing, DRA - Newspapers</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>A little face to face, A little telemarketing, DRA (consistent adverts in newspaper because its simpler</td>
</tr>
</tbody>
</table>
From table 4.7 there was a consensus from the respondents that the Seed Potato Coop carried out telemarketing and direct response advertisement (mainly newspaper and magazines). Other direct marketing strategies mentioned that the organisation used are face to face, online and direct mail (email) marketing. Respondent 6 cited that the reason for the use of these strategies was due to them being simpler to carry out.

This finding was in line with literature that notes according to Lambin( 2007)direct marketing strategies include the traditional face to face, direct mailing, catalogue selling, telemarketing, online marketing and direct response advertising.

**Question b):** Which strategies were mainly used by the organisation? Explain why

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>DRA – newspapers because they have a wider reach and the impact is definite</td>
</tr>
<tr>
<td>Administrator</td>
<td>DRA – Newspapers and magazines</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>DRA – newspapers (have a wider reach), telemarketing (because of available database) and face to face</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>DRA- Newspaper because it is cheaper</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>DRA – Newspapers for a wider distribution</td>
</tr>
</tbody>
</table>

The respondents highlighted the main strategies used by the organisation as being direct response advertisements especially newspapers. The general manager cited that the reason was because newspapers have a wider reach due to their wide distribution. Another reason for the use of newspapers was given by the sales and
administration officer that it was a cheaper form of advertising. The technical advisor, mentioned that the reason for using telemarketing was because of the presence of a database of farmers.

This finding was in line with literature that notes that direct marketing of agricultural products has grown in recent years and direct marketing strategies are considered financially secure than other marketing methods (Stobbe, et al., 2010).

4.3.4 SECTION D: Sales Performance

Research Question: What was the relationship between direct marketing and sales performance at The Seed Potato Co-op from January 2010 to December 2013?

Question a): From the period 2010 to 2013 what has been the trend of the sales volume of the organisation?

Table 4.9: Seed Potato Co-op Sales Trend (2010-2013)

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>General Increase</td>
</tr>
<tr>
<td>Administrator</td>
<td>Fluctuates but generally increasing</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>Increasing rapidly and plateaued in 2013</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>Fluctuates but generally increasing</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>Increased</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>Increasing sales</td>
</tr>
<tr>
<td>Customer 7</td>
<td>They have been Increasing</td>
</tr>
<tr>
<td>Customer 8</td>
<td>Has been increasing</td>
</tr>
<tr>
<td>Customer 9</td>
<td>Increasing</td>
</tr>
</tbody>
</table>

From the table above it can be noted that the respondents all agree that the sales for the period of 2010 to 2013 generally increased with seasonal fluctuations. The Technical advisor though noted that in 2013 the sales reached a plateau.
For a company practising direct marketing this finding was in line with literature that notes direct marketing increases profits in the organisations and aids in increasing overall profitability (Chiang, et al., 2003).

**Question b):** What would you attribute the performance of the sales to? Explain

**Table 4.10: Reasons for Seed Potato Co-op Sales Trend**

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Lack of performance of other crops</td>
</tr>
<tr>
<td></td>
<td>Availability of imported seed</td>
</tr>
<tr>
<td></td>
<td>Good table potato prices</td>
</tr>
<tr>
<td>Administrator</td>
<td>Fluctuates due to seasonality of crop</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>Due to formalization of market from Zimbabwe dollar era there was a general interest in potato production And is now flattening because of competition</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>Fluctuates because sales are seasonal are low during winter</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>Many New farmers with a general interest in potatoes</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>General interest in potatoes (as a cash crop), government funding, leaving tobacco farming</td>
</tr>
<tr>
<td>Customer 7</td>
<td>General interest in potato as a cash crop</td>
</tr>
<tr>
<td>Customer 8</td>
<td>Recently increased because of the increase in interest in potato production as a cash crop and more recently sack potato production</td>
</tr>
<tr>
<td>Customer 9</td>
<td>General interest in potato production especially recently the interest in sack potato production</td>
</tr>
</tbody>
</table>

Several reasons for the increasing sales trend were put forward. The General Manager noted that the reasons for the increase were that there was a lack of performance of other crops on the market therefore potato was the better option other reasons were that there were good table potato prices on the market which was an incentive to grow potatoes and also the availability of high yielding new varieties of imported seed on the market.
The Administrator and the Sales and Administrator noted that the fluctuation in sales of the seed was due to the seasonality of the crop. The Technical advisor noted that the reasons for the increase in sales was that after the introduction of the multi-currency system the seed potato market formalised and there was a general interest in buying potato seed but recently there has been competition which has caused the flattening of the sales. The Accounting consultant noted the reasons for the increasing sales was that there were many new farmers with a general interest in potato production.

The reason mainly highlighted by respondents 6, 7, 8 and 9 was that the increasing sales volume trend was caused by a general increased interest in potato production as a cash crop over the period under study, and as noted by customer 8 and 9 more recently the increase was caused by an increased interest in sack potato production. Other reasons for the general rise in sales at the company given by customer 6 and 7 were that there was government funding for potato projects and many farmers were leaving tobacco farming to venture into potato farming.

From the above it can be noted that other reasons apart from direct marketing were sighted by respondents as the cause of the increasing sales in the period of study. This finding was not in line with literature that states that practising direct marketing results in increased sales and profits(Test, 2001).

**Question c):** In your view, was there an association between sales performance and direct marketing? If so what were the benefits derived from direct marketing?

**Table 4.11: Association between Sales Performance and Direct Marketing**

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Yes DM increased sales (though profitable on paper customer contacts ensure purchases)</td>
</tr>
<tr>
<td>Administrator</td>
<td>Yes Increase in sales and enquiries after advertising</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>Yes As prospective clients are educated and informed about SPC there has been an increase in sales</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>Yes but sales brought about by direct marketing are difficult to quantify</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>Yes Because in slow months sales picked up after advertising</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>No Increase was due to a general interest in potato production</td>
</tr>
<tr>
<td>Customer 7</td>
<td>Yes Training activities Has increased interest in the company’s products</td>
</tr>
<tr>
<td>Customer 8</td>
<td>No Simply benefiting from general interest in potatoes (recently sack potatoes) from trained people and from contract farmer (Nyanga)</td>
</tr>
<tr>
<td>Customer 9</td>
<td>No High industry demand in potato production and the company has a large market share so therefore benefiting from that</td>
</tr>
</tbody>
</table>

From the table 4.11 above it can noted that there was a general consensus among the employees of SPC that there was an association between sales performance and direct marketing. The benefits derived from this association were increased sales and enquiries after advertisements. The Technical advisor noted that prospective clients increased sales because they were educated by the Seed Potato Co-op.

Most of the respondents in the customers category could not identify an association between direct marketing and sales performance at the Seed Potato Co-op. Respondent 6 went on to explain that the increase in sales was as a result of general growing interest in potato production, respondent 9 also believed that the company was benefiting from its large market share during the period of study. Respondent 8 attributed the increasing sales to some contract growers from Nyanga who regularly purchased seed in that period. Of note was respondent 7 who believed there was an association between the company’s sales performance and direct marketing coming from the training that the Seed Potato Co-op was carrying out which increased the interest in the company’s products.

From literature it was noted that benefits of direct marketing were listed as Increased sales and profitability, increased loyalty and business, expansion of business, generating customer data, maximises customer life value, convenient and time saving and gives product exclusivity and cost saving. From table 4.11 above it can be noted that SPC only benefited from direct marketing in the form of increased sales and enquires.

Also noted were the customers who believed there was no association between direct marketing and sales performance at SPC. This finding was not in line with
literature. According to Arnold & Tapp (2001) the use of direct marketing strategies in most cases has a positive relationship with sales performance that is an increase in sales and profitability.

**Question d):** Could the trend in sales volumes be changed? Explain

**Table 4.12 Possibility of change in Trend of Sales volume**

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Yes. Sales Could be reduced due to Competition from other companies and overproduction resulting in reduced prices of table potatoes</td>
</tr>
<tr>
<td>Administrator</td>
<td>Yes Sales could be reduced due to competition</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>It is flattening because of a saturation of market and increased competition</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>Yes Could decrease due to competition</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>Yes To increase sales volume new varieties need to be purchased</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>Reduced in 2013 because of imports and competition</td>
</tr>
<tr>
<td>Customer 7</td>
<td>Yes it could Continue to increase due to the increased interest in potatoes and new methods like sack potatoes</td>
</tr>
<tr>
<td>Customer 8</td>
<td>May reduce because of recent competition and the upsurge of interest in sack production may not be sustainable</td>
</tr>
<tr>
<td>Customer 9</td>
<td>The high sales will maintain due to the still large market share and the Nyanga growers support for the company</td>
</tr>
</tbody>
</table>

Most of the respondents agreed that there could be a change in the trend of the sales volume, mainly a reduction or flattening of sales due to increased competition. The general manager noted that sales could be reduced due to overproduction of the crop. The accounting consultant highlighted that sales could increase if there is an introduction of new varieties.

There were different views on the possibility of change by the respondents. The first view from respondent 6 and 8 was that the sales could reduce due to increased competition and importation of different varieties. Respondent 7 and 8 also highlighted that sales could reduce because of reduced interest in sack production. Respondent 7 believes that the sales could increase further due to renewed interest
in sack production and respondent 9 maintains that the high sales will continue due to the large market share that the company still occupies.

Most of the respondents noted that a reduction of sales could occur as a result of increased competition which is in line with literature.

**Question e):** What strategies would you recommend to positively influence the sales volumes?

**Table 4.13 Strategies to positively influence sales volumes**

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Obtaining new varieties</td>
</tr>
<tr>
<td>Administrator</td>
<td>Online marketing in the form of a website DRA – TV and Billboards</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>Online advertising, billboards to increase visibility</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>Vigorous advertising</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>Increasing new varieties, placing adverts in farmer magazines, targeting farmers</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>1) Field days for face to face interaction with farmers 2) Potato Trial station 3) Technical person who resides permanently in the office</td>
</tr>
<tr>
<td>Customer 7</td>
<td>Face to face marketing</td>
</tr>
<tr>
<td>Customer 8</td>
<td>Increase distribution channels, training and supervision of quality of seed sold</td>
</tr>
<tr>
<td>Customer 9</td>
<td>SPC needs to educate farmers on use of quality (certified) seed</td>
</tr>
</tbody>
</table>

Several strategies were suggested by the respondents to positively influence sales volume, the general manager and accounting consultant suggested obtaining new varieties and placing targeted adverts in farmer magazines. The sales and administration officer, technical advisor and administrator suggested vigorous advertising in the form of online marketing and direct response advertising (television and billboards to increase visibility).
Respondents 6 and 7 suggested conducting field days, potato trial stations for training potential customers and face to face, marketing with a technical person who resides at the office as ways to positively influence sales volume. Other suggestions by respondent 8 and 9 were to increase distribution channels and training to educate farmers on the quality of potato seed.

The respondents suggested adopting direct marketing activities in order to increase sales or positively influence sales which was in line with literature as direct marketing increases sales and profitability (Arnold & Tapp, 2001).

4.3.5 SECTION E: Direct Marketing Constraints

**Research Question:** What, if any, were the inhibitors to the success of direct marketing at The Seed Potato Coop between 2010 and 2013?

**Question a)** Do you think direct marketing initiatives have been successfully implemented in the period 2010 to 2013? Explain

**Table 4.14 Success of direct marketing initiatives**

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Partially – because some initiatives were not implemented fully</td>
</tr>
<tr>
<td>Administrator</td>
<td>Partially – Though some customers refer to the marketing some are still not aware of the company’s presence</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>Yes ,because of the increase in sales volumes after marketing</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>Not really for direct marketing</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>Yes ,because they have produced results in the form of sales and enquiries</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>No there were not fully implemented</td>
</tr>
<tr>
<td>Customer 7</td>
<td>Partially-SPC should increase farm visits, after sales visits and courtesy calls (face to face interactions)</td>
</tr>
<tr>
<td>Customer 8</td>
<td>Not really because they have had little marketing initiatives though the training and face to face has produced some sales</td>
</tr>
<tr>
<td>Customer 9</td>
<td>Not really SPC has been a monopoly so they have not done much in marketing</td>
</tr>
</tbody>
</table>

The general manager, administrator and sales and administration officer were in agreement that direct marketing activities were partially fulfilled due to the initiatives.
not being fully implemented shown by the lack of awareness of the presence of the company. The technical advisor and accounting consultant are in agreement that the direct marketing activities were fully implemented as noted by the increase in sales and enquiries after advertising.

There was a consensus among the customers that the direct marketing initiatives were not fully implemented. Respondent 9 noted that the reason for a lack of full success of direct marketing activities was due to the company being a monopoly so they did not market their products a lot. Respondent 7 and 8 noted that some of the initiatives the company needed for successful implementation of its direct marketing activities were to increase face to face marketing in the form of after sale farm visits, courtesy calls and training.

**Question b)**: What if any do you think have been the inhibitors to success of direct marketing between 2010 and 2013?

Table 4.15 Inhibitors to the success of direct marketing

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
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</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Lack of person dedicated to marketing, lack of Finances dedicated to marketing and High Cost of marketing</td>
</tr>
<tr>
<td>Administrator</td>
<td>Advert material losing relevance Inconsistency of policy website was up initially now no longer there</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>None</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>No defined blueprint for direct marketing</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>High Cost of marketing</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>Being a monopoly(marketing not necessary) therefore producing seed below market demand and at times sub standard</td>
</tr>
<tr>
<td>Customer 7</td>
<td>Lack of a database, No after sales calls</td>
</tr>
<tr>
<td>Customer 8</td>
<td>Artificial surges in demand and being a monopoly not much effort in marketing</td>
</tr>
<tr>
<td>Customer 9</td>
<td>Lack of advertising because they were a monopoly</td>
</tr>
</tbody>
</table>

The respondents listed several reasons as the inhibitors of success of direct marketing. The general manager cited lack of finances dedicated to marketing, high cost of marketing and a lack of marketing skills. The sales and administration officer
noted that there was no defined blueprint for marketing. Also noted by the administrator was that the advertising material was losing relevance and lack of consistency in maintaining a website. Of note was the Technical advisor who mentioned that there were no inhibitors to the success of direct marketing.

Respondent 9 noted that an inhibitor to the success of direct marketing at SPC was a lack of advertising by the company due to it being a monopoly. Respondent 7 noted that there was a lack of database for customers and no after sales calls to customers. Respondent 8 noted that artificial surges in demand of potato seed resulting in false demand and the company being a monopoly as an inhibitor of success of direct marketing as the company would not need to advertise. Respondent 6 noted that production of substandard seed due to the company being a monopoly also was an inhibitor to the success of direct marketing.

This finding was in line with literature that the success of direct marketing is often hampered by some constraints. Shields & Reynolds (1996) identified some weaknesses of direct marketing as being organisational inefficiencies like absence of appropriate mechanisms for capturing customer information, they also identified invasion of privacy as another weakness of direct marketing. Roberts, et al. (2008) also noted lack of marketing skills as another inhibitor of direct marketing.

**Question c)**: What recommendations would you suggest for the successful implementation of direct marketing strategies?

**Table 4.16 Recommendations for direct marketing implementation**

<table>
<thead>
<tr>
<th>RESPONDENT</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Training of marketing officers and adequate funding</td>
</tr>
<tr>
<td>Administrator</td>
<td>Increase adverts in newspapers with relevant materials</td>
</tr>
<tr>
<td></td>
<td>billboards, website and presence in farmers magazines</td>
</tr>
<tr>
<td>Technical Advisor</td>
<td>None</td>
</tr>
<tr>
<td>Sales and Administration</td>
<td>An Updated customer database and continuous</td>
</tr>
<tr>
<td></td>
<td>communication with clients</td>
</tr>
<tr>
<td>Accounting consultant</td>
<td>Website</td>
</tr>
<tr>
<td>Seed Grower 6</td>
<td>Increase Face to face</td>
</tr>
<tr>
<td></td>
<td>Direct mailing (of technical info)</td>
</tr>
</tbody>
</table>
From table 4.16 it can be noted that the respondents put forward several recommendations for the successful implementation of direct marketing strategies. The general manager recommended that there was a need for training of marketing officers and adequate funding dedicated to marketing. An increase in direct response adverts especially in newspapers, magazines and billboards was also required as highlighted by the administrator.

Maintaining a website was also a recommendation put forward by both the administrator and accounting consultant. The sales and administration officer suggested a regularly updated customer database and continuous customer communication as recommendations for successful implementation of direct marketing strategies.

Respondent 6 highlighted that increased face to face, direct mailing, online marketing, telemarketing and farmer specific direct response advertising would aid in the successful implementation of direct marketing. Respondent 8 and 9 suggested an increase farmer education through targeted advertising and catalogue marketing of products. Respondent 7 suggested website maintenance, blogging, training, exhibition in agriculture shows, television, and radio adverts were also given as recommendations for direct marketing implementations.
Respondents suggested an increased intensified direct marketing to increase sales and profitability which was in line with literature as direct marketing will increase overall profitability of the company (Chiang, et al., 2003).

4.4 Summary of Findings

4.4.1 Lack of proper marketing planning

The first major finding of the research was that there was no proper communication of marketing planning in the organisation. Some employees knew that there was a marketing plan whereas other employees did not know. In addition, details about market share, trends in the market and competitiveness of the company were varying indicating a lack of awareness of some the components of a marketing plan which as stipulated in literature should be evaluated as part of the marketing planning. Hence, there was no proper formal marketing plan implemented by the Seed Potato Co-op in the period of study.

However, the customers and growers suggested that the company implement a formal marketing in which the company rebrands and develops new marketing strategies like increasing its product list and intensifying advertising.

4.4.2 Major use of only one direct marketing strategy

Another significant finding was that though Seed Potato Co-op had from time to time used direct marketing strategies like telemarketing, face to face, online and direct mail (email) marketing the major strategy used was direct response advertising in newspapers as it was cheaper and had a wider reach.

4.4.3 Weak association between direct marketing strategies used and sales performance

Another major finding was there was a weak association between direct marketing strategies used and sales performance.

The employees of SPC noted that there was a positive association between sales performance and direct marketing and the benefits derived from this association were increased sales and enquiries.
However from table 4.7 the respondents noted that SPC used direct marketing strategies namely direct response advertising and telemarketing and responses from table 4.9 indicated that sales were increasing during the period of study (2010-2013) Table 4.2 highlighted the company had a large market share indicative of high profitability in the same period. However, from table 4.10 the respondents indicated that other reasons apart from direct marketing had caused the increase in sales in the period under study including a lack of performance of other crops in this period such as tobacco and therefore a general peaked interest in potato production and government funding for potato production.

The customers went on to state that the marketing activities conducted by the company as they were not very visible.

Also noted was the possible reduction in the sales trend as a result of incumbent competitors with new imported varieties on the market and overproduction of crop hence saturation of market. Several strategies were suggested by the respondents to positively influence sales volumes which included conducting field days, trial stations and increasing the number of direct marketing strategies used and intensifying the strategies currently under use.

4.4.4 Many constraints involving in direct marketing

Most of the respondents from the study were in agreement that the direct marketing initiatives of the company had been partially or not fulfilled at all. Another finding was that the major inhibitors noted lack of a dedicated finances to marketing, high cost of marketing, lack of marketing skills, past reliance on company being a monopoly, lack of a proper customer database, no proper blueprint for carrying out marketing activities and the production of substandard seed due to lack of competition were hampering the company from implementing other direct marketing strategies.

Several recommendations for the successful implementation of direct marketing strategies were put forward by the respondents which included training of marketing personnel, increasing the intensity and number of direct marketing strategies, keeping a regular database of farmers and increasing product list.
4.4.5 Increased Competition debilitating sales performance

Another notable finding was that the incumbent competition was reducing sales and market share for the company since 2013 when it began operation due to its imported new varieties. This was also having a major effect on the organisation as the company had heavily relied on being a monopoly for a long period of time it had neglected to market itself well and was also producing substandard products.

4.5 Emerging Framework from the Study

From the interviews it was that were administered it was evident that though direct marketing produced benefits like increased sales and profitability, increased loyalty and business, expansion of business, generating customer data, maximises customer life value, convenient and time saving and gives product exclusivity and cost saving the Seed Potato Co-op had only derived one of these that is increased sales and profitability over the study period.

This was due to the weak relationship between direct marketing and sales performance as cited by respondents and a lot of constraints involved in direct marketing at the organisation. The emerging framework shows the ideal benefits derived from the use of the listed direct marketing strategies and the many constraints that were preventing the seed potato co-op from achieving those benefits.

The study therefore produced a framework as shown below.

The inhibitors to direct marketing identified by the study were a lack of dedicated finances to marketing, high cost of marketing, lack of marketing skills, past reliance on the company being a monopoly, a lack of a proper customer database and no proper blueprint for carrying out marketing activities.
Figure 4.1 Emergent conceptual framework for the study

4.6 Conclusion

This chapter was mainly reporting the results of the research and discussing these findings their link to literature and implications. The following chapter covers the conclusions from the research, recommendations and areas of further research
CHAPTER 5 CONCLUSION, RECOMMENDATIONS AND FURTHER RESEARCH

5.1 Introduction

In this chapter, interpretations and conclusions of the research will be drawn using the information obtained from the findings that were discussed in chapter four. Recommendations, limitations and areas of further study will be given in this chapter.

5.2 Conclusions

5.2.1 Formal Marketing Plan

This study concludes that there was no formal marketing plan at the Seed Potato Co-op evidenced by poor communication of marketing activities in the company.

5.2.2 Direct Marketing Strategies

The study also concludes that the Seed Potato Co-op mainly used one direct marketing strategy namely direct response advertising in newspapers. This over reliance in one direct marketing strategy compromised the company from achieving the full benefits of direct marketing.

5.2.3 Relationship between direct marketing and sales performance

Another conclusion was that there was a weak relationship between direct marketing strategies used by the Seed Potato Co-op and the sales performance. This was caused by the company’s minimal use of the only direct marketing strategy they were using due to the companies over reliance on it being a monopoly during the period of study.
5.2.4 Direct Marketing Constraints

The research concludes that a lack of properly trained marketing personnel, no dedicated finances or marketing budget, a lack of a proper customer database, no proper blueprint for carrying out marketing activities and past reliance on the company being a monopoly inhibited the Seed Potato Co-op from fully undertaking direct marketing during the period under study.

5.2.5 Competition

The study also concludes that another increased competition on the market was negatively affecting the sales performance of the company.

5.3 Discussion of Main Argument (Proposition)

The research proposition is restated as:

Direct marketing has achieved limited success at The Seed Potato Co-op due to ineffective marketing strategies and competitor activity.

The research findings largely confirm the proposition in that though the company did carry out some direct marketing activities, they were to a large extent not successful and were not the reason for the increasing sales at the company. The inhibitors to direct marketing were noted as being a lack of dedicated finances to marketing, high cost of marketing, lack of marketing skills, past reliance on the company being a monopoly, a lack of a proper customer database and no proper blueprint for carrying out marketing activities. Some reasons given for the increase in sales over the period were a general growing interest in potato production, contract growers from Nyanga, Government funding for potato production and under performance of some crops like tobacco in the period under study.

5.4 Managerial and Policy Recommendations

In line with the findings above, this study makes the following policy and managerial recommendations.
5.4.1 Formal Marketing Planning

A formal marketing plan is vital to any organisation that is going to carry out effective marketing for its products or services. The management therefore need to prioritise undertaking marketing planning so as to properly identify its marketing goals and objectives for a particular period in order to achieve effective use of marketing in the organisation.

5.4.2 Adaptation to dynamic environment

The company has relied on it being a monopoly or having a large market share since its inception but of late, there has been an increase in competition in the market therefore Seed Potato Co-op needs to adapt to the changing circumstances. This it can achieve by also introducing new local and imported varieties which can compete with the varieties being offered by the competition.

5.4.3 Use of combination marketing

The company mainly used newspaper advertising as a marketing platform. To be competitive vigorous marketing using a combination of strategies is required to create awareness of the presence of the company and inform customers of its products and services on offer.

5.4.4 After sale follow up service

The Seed Potato Co-op needs to adopt after sale, follow up services as a way to continue communicating with customers so as to retain the current customer base and acquire a new customer base through referrals in the light of the incumbent competition.

5.4.5 Distribution Channels

The Seed Potato Co-op only has one office and warehouse in Msasa Harare despite supplying potato seed to potato farmers from the whole of Zimbabwe. To increase sales and customer awareness and loyalty the company needs to increase its distribution centres to areas more convenient for farmers to access their products and services.
5.4.6 Generate and maintain a database of customers

In order to carry out direct marketing activities or even after sale activities the company should generate and maintain a customer database which indicates the customers contact information and how often they have purchased from the company. This will also aid the company in developing loyalty programs for their frequent customers. Maintaining a database helps in retaining customers through after sales calls and farm visits in the wake of competition.

5.5 Research Limitations and Areas of Further Research

The major limitation was the time frame in which the research was carried out. Another limitation was reluctance by some respondents in releasing some information that they thought to be sensitive and would expose their shortcomings. Access to growers and board members was also a limitation as many of them reside in Nyanga and were in the middle of their major harvesting season.

The research carried out was a single case study analysis focused on The Seed Potato Co-op. the results may be inconclusive since more extrapolations that are concrete may be made by looking at similar organisations to evaluate the relationship between sales performance and direct marketing in the potato seed industry. The research reveals that there are other factors that affect the relationship between direct marketing strategies and sales performance. There is limited literature in this area with respect to Zimbabwe agricultural companies and for the potato seed industry in Zimbabwe.
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APPENDIX 1

INTERVIEW GUIDE FOR MANAGERS AND SALES STAFF

Date…………………… Respondent Number…………………..

SECTION A: BACKGROUND OF RESPONDENT

a) In which age category do you fall?
□ 25-34 years □ 35-44 years □ 45-54 years □ above 55 years

b) What is your professional / academic background?
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c) What position do you hold in the organisation?
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d) For how many years have you been employed by the organisation?
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SECTION B: FORMAL MARKETING

Is there a formal marketing plan at The Seed Potato Co-op?
a) What do you think is the organisation's estimated market share from 2011 to 2013
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b) How competitive do you think the organisation is in the market? Explain
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c) Has the organisation engaged in marketing activities between 2010 and 2013?
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d) If yes, what kind of marketing activities has the organisation engaged in? Explain
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e) Does the organisation have a formal marketing plan?
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f) If yes, when was it implemented?
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g) Has there been a difference in marketing since implementation? Explain
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SECTION C: DIRECT MARKETING STRATEGIES

What were direct marketing strategies employed by The Seed Potato Co-op from 2010 to 2013?

a) Direct marketing involves marketing and selling goods directly to consumers rather than through retailers. Which of the following direct marketing strategies has the organisation employed? :

- [ ] Face-to-face marketing
- [ ] Direct mailing marketing
- [ ] Catalogue selling
- [ ] Telemarketing
- [ ] Online marketing
- [ ] Direct response advertisements (television, newspapers, magazines and radios)

b) Which strategies were mainly used by the organisation? Explain why

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SECTION D: SALES PERFORMANCE

What was the relationship between direct marketing and sales performance at The Seed Potato Co-op from January 2010 to December 2013?

a) From the period 2010 to 2013 what has been the trend of the sales volume of the organisation?

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b) What would you attribute the performance of the sales to? Explain

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c) In your view, was there an association between sales performance and direct marketing? If so what were the benefits derived from direct marketing?

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d) Could the trend in sales volumes be changed? Explain

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e) What strategies would you recommend to positively influence the sales volumes?

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SECTION E: DIRECT MARKETING CONSTRAINTS

What, if any, were the inhibitors to the success of direct marketing at The Seed Potato Coop between 2010 and 2013?

a) Do you think direct marketing initiatives have been successfully implemented in the period 2010 to 2013? Explain

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b) What if any do you think have been the inhibitors to success of direct marketing between 2010 and 2013?

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c) What recommendations would you suggest for the successful implementation of direct marketing strategies?

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APPENDIX 2

INTERVIEW GUIDE FOR CUSTOMERS AND GROWERS

Date…………………    Respondent Number………………..

SECTION A: BACKGROUND OF RESPONDENT

e) In which age category do you fall?

□ 25-34years    □ 35-44years    □ 45-54years    □ above 55years

f) What is your professional / academic background?

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g) In what way are you connected to the organisation?

…………………………………………………………………………………………
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h) For how many years have you been affiliated to the organisation?
SECTION B: MARKET AND MARKETING

Is there a formal marketing plan at The Seed Potato Co-op?

h) What do you think is the organisation’s estimated market share between 2010 to 2013

i) How competitive do you think the organisation is in the market? Explain

j) Has the organisation engaged in marketing activities between 2010 and 2013?

k) If yes, what kind of marketing activities has the organisation engaged in? Explain

l) Does it appear as if the organisation has a formal marketing plan? Explain

m) What recommendations would you give concerning a formal marketing plan
SECTION C: DIRECT MARKETING STRATEGIES

What were direct marketing strategies employed by The Seed Potato Co-op from 2010 to 2013?

b) Direct marketing involves marketing and selling goods directly to consumers rather than through retailers. Which of the following direct marketing strategies has the organisation employed?:

- Face-to-face marketing
- Direct mailing marketing
- Catalogue selling
- Telemarketing
- Online marketing
- Direct response advertisements (television, newspapers, magazines and radios)

b) Which strategies were mainly used by the organisation? Explain why

SECTION D: SALES PERFORMANCE

What was the relationship between direct marketing and sales performance at The Seed Potato Co-op from January 2010 to December 2013?

f) From the period 2010 to 2013 what has been the trend of the sales volume of the organisation?
g) What would you attribute the performance of the sales to? Explain

h) In your view, was there an association between sales performance and direct marketing? If so what were the benefits derived from direct marketing?

i) Could the trend in sales volumes be changed? Explain

j) What strategies would you recommend to positively influence the sales volumes?

SECTION E: DIRECT MARKETING CONSTRAINTS

What, if any, were the inhibitors to the success of direct marketing at The Seed Potato Coop between 2010 and 2013?

d) Do you think direct marketing initiatives have been successfully implemented in the period 2010 to 2013? Explain
e) What if any do you think have been the inhibitors to success of direct marketing between 2010 and 2013?

f) What recommendations would you suggest for the successful implementation of direct marketing strategies?