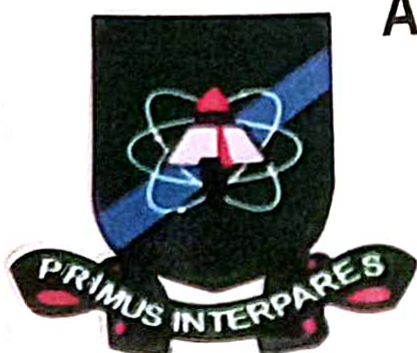


ISSN
2705-3407
GJAM Vol. 6 No. 3
Oct., 2024



GOMBE JOURNAL OF ADMINISTRATION AND MANAGEMENT (GJAM)



A Peer Reviewed Journal Published by the
Department of Public Administration
Faculty of Arts and Social Sciences
Gombe State University, P.M.B 127,
Gombe. Nigeria.

EDITORIAL BOARD

Editor-in-Chief

Prof. Matthew F. Bello

Associate Editors

Prof. Mahmoud Umar

Dr. Lawal Oladimeji

Dr. Hauwa Saidu

Editorial Assistants

Dr. Abdulkadir Ibrahim

Bilkisu Mahdi

Lydia Yakubu

ADVISORY BOARD

1. Prof. Adam A. Anyebe, Department of Public Administration, A.B.U. Zaria, Kaduna
2. Prof. Kayode Omojuwa, Department of Political Science, A.B.U. Zaria.
3. Prof. Oladoyin A. Mayode, Department of Public Administration, Obafemi Awolowo University, Ife.
4. Prof. Sunny Adagba, Department of Public Administration, Federal University, Wokari
5. Prof. Usman Tar, Department of Political Science and Strategies Studies, NDA, Kaduna.
6. Prof. Gabriel U. Moti, Department of Public Administration, University of Abuja.
7. Prof. H. D. Dlakwa, Department of Public Administration, University of Maiduguri.
8. Pro. Kayode Asaju, Department of Public Administration, Federal University, Wokari

CONTENTS

Title Page	-	-	-	-	-	-	-	-	-	-	i
Editorial Board	-	-	-	-	-	-	-	-	-	-	iii
About the Journal	-	-	-	-	-	-	-	-	-	-	iv
Contents	-	-	-	-	-	-	-	-	-	-	v
Research Articles											
Push-Pull Motivation And Entrepreneurial Intention Among Undergraduate Students Of Prince Abubakar Audu University, Anyigba, The Moderating Role Of Personal Characteristics Udeh Fabulous Omaiye ¹ & Jafaru Sule Garba ²	-	-	-	-	-	-	-	-	-	-	1
Human Capital Development And Organizational Productivity In Edo State Civil Service Commission Arimie Chukwuyem Joel ¹ & Ruwan Shadrach David ²	-	-	-	-	-	-	-	-	-	-	13
Psychographic Profiling And Increased Sales Efficiency: A Study Of Selected SMEs In Ilorin Metropolis Omolabi Issa ¹ & Peleowo Toheeb Kunle ²	-	-	-	-	-	-	-	-	-	-	20
Ethical Dilemma In Nigerian Public Service: A Theoretical Exposition Igbesi Emeke Francis ¹ , Edwin Ihechituru Edwin ² & Okoh Joel Ogechukwu	-	-	-	-	-	-	-	-	-	-	26
Determinants Of Organizational Citizenship Behaviour Among Academic Staff In Public Universities In Kwara State, Nigeria Saka Taofiq Alao	-	-	-	-	-	-	-	-	-	-	36
Electoral Violence And National Development In Nigeria Igbesi Emeke Francis ¹ , Obasi Chinonye Henrietta ² & Akunne Philomena Eleje ³	-	-	-	-	-	-	-	-	-	-	53
Extending The Theory Of Planned Behaviour: An Analysis Of Reformation And Self-Employment Of Inmates In Gombe State Correctional Facilities, Gombe Usman Bappi ¹ , Shehu Rabiah Na-Allah ² & Bilkisu Abubakar Mahdi ³	-	-	-	-	-	-	-	-	-	-	61
Effect Of Hierarchical Culture On Employees' Commitment Among Non-Academic Staff Of Universities In Ekiti State Awolaja Ayodeji Muyideen ¹ , Olasehinde Sunday Adeniyi ² & Enitilo Olalekan ²	-	-	-	-	-	-	-	-	-	-	75
Foreign Exchange Rate Fluctuations And Industrial Output Performance In Nigeria Abata Matthew Adeolu ¹ , Idowu Khadijah Adeola ² & Olusesi Hakeem Olalekan ³	-	-	-	-	-	-	-	-	-	-	89
Assessment Of The Implementation Of Federal Character Principle On Employment In Nigerian Security And Civil Defence Corps (NSCDC) Headquarters Abuja Mary Oyine Inalegwu ¹ , Becky Aliegba ² & Yusuf Dauda Odonye ³	-	-	-	-	-	-	-	-	-	-	106
Leadership Style And Employees' Performance - A Study Of Academic Staff Of Auchu Polytechnic, Edo State, Nigeria Musah Omokhudu Mustapha ¹ , Egbunu Audu Dangana ² & Buddy Abdulai Mustapha ³	-	-	-	-	-	-	-	-	-	-	123

Financial Literacy And Risk Attitudes Of Selected SME Operators In Lagos State Ayobami Folarin Elegunde¹, Abiodun Rashidat Sulaimon² & Uchenna Blessing Agbodike³	- - - - -	140
Good Customer Relationship Management (crm) And Organisational Performance In Small And Medium Enterprises In Prince Abubakar Audu University, Anyigba, Kogi State, Nigeria Omaufedo Benard¹, Johnson Juwon Orugun² & Omaufedo Innocent³	- - -	151
Food Security Challenges In Nigeria: Exploring The Impact Of Climate Change Sapel Frank Funkeye¹ & Akumka Joseph Yabayanze²	- - - - -	163
Inflation And Standard Of Living In Nigeria Tubotamuno Boma¹ & Oladosu Isaac Olubiyi²	- - - - -	173
The Impact Of Selected Matrices On Influencer Marketing Effectiveness In Nigeria Oguche Wisdom Enejo¹, Agbo Patrick Ojabo² & Okoko Ali Simon³	- - -	187
Policy Reforms On Rural Poverty Alleviation And Sustainable Economic Growth In Gashua, Yobe State, Nigeria Abubakar Manu Yerima¹, Mohammed Umar Kitabu² & Amehojo Daniel³	- -	198
Trade Openness And Unemployment Rate In Nigeria Lasisi Olapade Kehinde¹ & Nkoro Emeka²	- - - - -	207
Democracy, Leadership And Governance In Nigeria Matawal Adamu Bitrus	- - - - -	219
Backward Integration Policy And Its Effects On Dangote Cement Industry In Nigeria: A Study Of Obajana Cement Industry In Kogi State Between 2015 And 2020 Usman Jibrin¹ & Aliu Monday²	- - - - -	225
Overview Of Social Media Interaction And Organizational Human Resource Practices Joel Fyinbu Solomon¹, Varzoa Luma² & Abdulkadir Abubakar Jamari³	- -	246
Risk Identification Processes And Health Safety Culture: Evidence From Public Health Workers In Lagos State Owned Healthcare Facilities Raheem Akanni Okewale¹, Sunday Stephen Ajemunigbohun² & Victoria Opeyemi Hunga³		258

PSYCHOGRAPHIC PROFILING AND INCREASED SALES EFFICIENCY: A STUDY OF SELECTED SMEs IN ILORIN METROPOLIS

Omolabi Issa¹ & Peleowo Toheeb Kunle²

^{1&2}Department of Business Administration, Faculty of Management Sciences,
University of Ilorin, Ilorin, Nigeria
omolabi.i@unilorin.edu.ng¹
abdutoyyib@gmail.com²

Abstract

Psychographic profiling is becoming more and more important, but little is known about how its variables value perception, personality traits, and social class. Hence, this study examined psychographic profiling and increased sales efficiency in some selected SMEs in Ilorin metropolis with specific objectives to (i) examine the relationship between psychographic profiling and patronage loyalty and; (ii) determine the influence of value perceptions on pricing strategy. A survey research design with a population of 1,628 registered SMEs owners was used with stratified and simple random techniques and a sample size of 321 obtained through the Taro Yamane formula. Hypotheses were tested through multiple regressions. The findings show that psychographic profiling has a significant relationship on patronage loyalty with an R-square value of 53.3%, value perception have significant influence on pricing strategy with R-square value of 50.2% The study concluded that psychographic profiling plays a critical role in fostering patronage loyalty and value perception significantly influence pricing strategies within SMEs. It therefore recommended that SMEs should prioritize the integration of psychographic profiling into their marketing strategies and continuously assess customer value perceptions through surveys and feedback mechanisms. Also, SMEs should conduct thorough market research to understand the demographics of their target audience better.

Key Words: Psychographic, Profiling, Sales Efficiency, Value Perception, Personality Traits.

Introduction

The capability of Small and Medium Scale Enterprises (SMEs) to comprehend and meet the demands of their target market is crucial to their success. Understanding demographic traits alone is not enough in today's cutthroat business environment; in order to obtain a competitive advantage, SMEs need to learn more about the psychographic profiles of their clients (Kotler & Armstrong, 2010). In order to create focused marketing strategies, psychographic profiling entails looking at the values, attitudes, interests, and lifestyle aspects of consumers. Age, income, and education are examples of demographic variables that offer a fundamental knowledge of consumers. A more sophisticated understanding of customer behavior is provided by psychographic factors, such as value perception, brand interest, and lifestyle aspects (Wedel & Kamakura, 2000).

Studies have indicated that matching marketing tactics to the psychographic characteristics of customers improves customer satisfaction and sales effectiveness (Hawkins & Mothersbaugh, 2010). To identify high-value client categories, create focused marketing efforts, and cultivate brand loyalty, SMEs can use psychographic profiling. A thorough psychographic profile is produced by integrating brand interest, value perception, lifestyle factors, and demographics. According to Bennett & Elliott (2023), psychographics are a person's views, attitudes, interests, and lifestyle in addition to their personality traits that influence their behavior, including their decisions to buy. As a result, the study seeks to bridge the existing gap by examining the effect of psychographic profiling on increased sales efficiency of selected SMEs in Ilorin Metropolis.

Statement of Research Problem

While psychographic profiling is more useful for understanding consumer behavior, less is known about how these profiles could increase customer loyalty in SMEs, especially in developing

countries where marketing know-how and resources can be limited. Numerous SMEs still suffer from inefficient sales techniques, which lead to less than ideal sales performance, even in light of the rising significance of focused marketing methods. SMEs frequently focus just on demographic traits, ignoring the intricate psychographic elements that influence consumer purchase decisions.

SMEs' sales efficiency, competitiveness, and long-term sustainability are seriously threatened by their incapacity to properly exploit a wide range of consumer demographics, lifestyles, brand interest, and value perception dimensions. Even though tailored marketing tactics are becoming more and more important, SMEs still have trouble creating and putting into practice plans that effectively address the diverse wants and preferences of their clients. This discrepancy highlights how important it is to conduct a comprehensive study on how psychographic profiling affects increased sales productivity in small and medium-sized enterprises (SMEs).

Research Questions

The following research questions were asked to guide the study:

- a. What is the effect of psychographic profiling dimension on patronage loyalty?
- b. How does value perception influence pricing strategy?

Objectives of the Study

The main objective of this study is to examine the effect of psychographic profiling and increased sales efficiency in small and medium enterprises (SMEs). Other specific objectives are to;

- i. Examine the effect of psychographics profiling dimension on patronage loyalty.
- ii. Determine the influence of value perceptions on pricing strategy.

Research Hypotheses

The following research hypotheses are stated in null form.

- H_0^1 : There is no significant effect of psychographics profiling dimension on patronage loyalty.
- H_0^2 : Value perception has no significant relationship on pricing strategy

Literature Review

Concept of Psychographic Profiling

According to Kotler & Armstrong (2010), psychographic profiling is the practice of dividing up customers into groups according to their beliefs, interests, lifestyle, and personality in order to better understand their behavior and purchase decisions. Businesses may improve customer happiness, foster loyalty, and create focused marketing tactics using this technique. Business performance has been demonstrated to be significantly impacted by effective psychographic profiling. It helps companies to create focused marketing efforts, find high-value client niches, and cultivate enduring brand relationships (Keller, 2003). Additionally, psychographic profiling helps companies stand out from the competition, enhance client loyalty, and boost sales effectiveness.

Psychographics is a market segmentation strategy that looks at people's attitudes, beliefs, interests, and values in addition to their actions, including what they do, buy, and consume. It comprises classifying the psychological factors that influence people's choices and behaviors. The study of customer behavior, including the motivations behind purchases, brand loyalty, brand switching, and other consumer behaviors, is known as psychographics in marketing (Jones, 2024). Customers are divided into smaller categories according to lifestyle and personality characteristics through psychological segmentation (Kotler & Armstrong, 2010).

Psychographic Profiling

Psychographic profiling is a technique that divides people into groups in order to pinpoint target audiences and develop treatments that take potential non-demographic views into account. The creation

of psychological profiles of customers and psychologically grounded measurements of unique lifestyles or ways of living is known as psychographic profiling (Rodríguez-Ortega, et al., 2016).

Value Perception

Value, which is a trade-off between what is given and received, is a key idea in marketing. Value, according to many experts, is the financial cost incurred when using goods and services.

Patronage Loyalty

Patronage loyalty is the term used to describe a customer's long-term desire to maintain a relationship with a retail establishment by using their services and products (Kim & Yoo, 2004). Customer pleasure, defined as the outcome clients anticipate from using a certain product or service offering, is the root cause of patronage loyalty (Zalatar, 2012).

Pricing Strategy

The method a business uses to determine how much to charge for its goods and services is known as its pricing strategy. Three primary pricing strategies are available: value-based pricing, cost-based pricing, and competition-based pricing. The ultimate objective is for the entire sales revenue to exceed the operating expenses and offer a healthy profit margin to guarantee a positive return on investment, regardless of the strategy used.

Theoretical Framework

Lifestyle Theory

The Lifestyle Theory suggests that individuals' consumption habits are influenced by their unique lifestyles, including activities, interests, opinions, values, and social class. This theory, based on sociology and consumer behavior, provides a framework for understanding how individuals' way of living affects their choices. By analyzing lifestyle patterns, businesses can better target their market and create marketing strategies that appeal to specific consumer groups (Smith & Colgate, 2007).

Agnieszka Maria Koziel & Chien Wen Shen (2023) explored psychographic and demographic segmentation and customer profiling in mobile fintech services in Taoyuan, Taiwan. The study aimed to understand the factors influencing consumers' growing preference for mobile fintech services over traditional banks. By focusing on users' demographics and psychographics, the research identified unique customer segments and profiles. The study introduced a segmentation and profiling framework involving variance analysis, two-step cluster analysis, and pairwise statistical tests. This framework was applied to a dataset of customers using various mobile fintech services such as robo-investment, peer-to-peer (P2P) payments, robo-advisory, and digital savings. The analysis resulted in distinct customer profile clusters, which were then validated using statistical tests based on segmentation output. The findings revealed that P2P payment users showed higher usage frequency, proficiency, and intention to continue using the service compared to robo-investment or digital savings users.

Freitas, Eeden & Christie (2020) examined psychographic framework for determining South African consumers' green hotel decision formation: augmenting the theory of planned behaviour. The research objective was to determine and describe the relative ability of the theory of planned behaviour predictor variables. Methodology used was a cross-sectional correlational design and a non-experimental quantitative paradigm. An online questionnaire was distributed to South African consumers that stayed at a hotel at least once within a 12-month period. Where the responses were measured using a 7-point Likert scale. A total of 402 completed responses were used for statistical analysis. The research utilized Version 23.0 of the Statistical Package for the Social Sciences (SPSS) software, as well as its supplement Analysis of Moment Structures (AMOS) software. Findings shows that attitude, subjective norm and perceived behavioural control all have a positive and significant influence in predicting South African consumers' intended behavior of selecting green hotels.

Adegoke, Olasupo & Babalola (2022) examined the demographic factors and psychographic profiles of selected media audiences in Nigeria. The research objectives were to determine the influence of gender on psychographic market segmentation, to evaluate the influence of marital status on psychographic market segmentation, to determine the influence of educational qualifications on psychographic market segmentation, and to analyze the influence of religious affiliation on psychographic market segmentation. The methodology used for the study was a cross-sectional survey design involving 1569 participants selected purposefully from eight Yoruba-speaking states in Nigeria. The research instrument consists of a 20-item questionnaire adapted from VALS™ 40-item survey. The collected data were subjected to descriptive and inferential analysis. The T-test statistics and ANOVA were used to examine the influence of demographic factors on psychographic market segmentation. Findings show that the influence of gender on psychographic profiles shows that only makers and experiencers were significant.

Methodology

To collect data from the study's intended respondents, a survey research design was used. This is to ascertain the ideas, emotions, behaviors, or attributes of the respondents (McCombes 2019). All registered SME owners in Kwara state, Nigeria made up the research's population, and they are the group that the study looked at. Since the population of the research is known, the sample size was determined using Taro Yamane's (1967) formula (1628). There's a good reason to use this strategy when working with a big population. Thus, 321 registered SMEs make up the study's sample size. In order to get the necessary data, the study used a structured questionnaire as a key source of information. This approach made it easier to get information directly from managers and owners of SMEs in the city of Ilorin.

In order to collect data for the study, questionnaires were physically distributed to respondents by the researcher and then quickly retrieved to avoid loss. The analysis of demographic data was done using the mean and standard deviation. The replies of the respondents were analyzed using SPSS and multiple regression analysis.

Data Presentation and Analysis intricacies

Test of Hypotheses

Hypothesis One: There is no significant effect of psychographics profiling dimensions on patronage loyalty.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.730 ^a	.533	.528	1.08324

a. Predictors: (Constant), Demographics, Lifestyle dimensions, Brand Interest

Source: SPSS Output, (2024)

Table 1 presents the model summary showing that the correlation coefficient r is 0.730 (i.e., $r=0.730$) which indicates that there exists a strong relationship between patronage loyalty (dependent variable i.e., the variable being predicted) and psychographic profiling dimensions (which is predictors or independent variables). It is also clear from the table that the r^2 which is the coefficient of determination is 0.533 approximately 53%. This implies that than more than average percentage i.e. 53.3% change in patronage loyalty can be explained by the aggregate effect of psychographic profiling dimensions, while the remaining 46.7% is explained by other factors that are not captured in the model.

Hypothesis Two: Value perception has no significant relationship on pricing strategy

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.708 ^a	.502	.497	1.06931

a. Predictors: (Constant), Price Sensitivity, Brand Perception, Quality Perception
Source: SPSS Output, (2024)

Table 2 presents the model summary showing that the correlation coefficient r is 0.708 (i.e., $r=0.708$) which indicates that there exists a strong relationship between pricing strategy (dependent variable i.e., the variable being predicted) and value perception (which is predictors or independent variables). It is also clear from the table that the r^2 which is the coefficient of determination is 0.502 approximately 50%. This implies that than more than average percentage i.e. 50.2% change in pricing strategy can be explained by the aggregate effect of value perception, while the remaining 49.8% is explained by other factors that are not captured in the model.

Discussion of Research Findings

The study investigated the significant effect of psychographic profiling dimensions on patronage loyalty. The results of the regression analysis revealed a statistically significant relationship between psychographic profiling dimensions and patronage loyalty. Specifically, the R^2 value of 53.3% indicates that approximately 53.3% of the variation in patronage loyalty can be explained by the psychographic profiling dimensions. This suggests that psychographic profiling dimensions, including demographic, lifestyle and brand interest play a crucial role in shaping patronage loyalty. Furthermore, the p-value less than 0.05 ($p < 0.05$) confirms the statistical significance of the relationship between psychographic profiling dimensions and patronage loyalty. This finding supports the work of Freitas, Eeden & Christie (2020)

Also, the study's findings reveal a statistically significant effect of value perception on pricing strategy with R^2 value of 50.2% and a positive p-value which is less than 0.05. This suggests that consumer's assessment of product value significantly affect their willingness to pay and perceived value. Notably, the results indicate positive price sensitivity, implying that consumers are responsive to changes in price. This is in line with the study of Jones (2024).

Conclusion

This study has provided conclusive evidence of the significant impact of psychographic profiling dimensions on patronage loyalty. The findings underscore the crucial role that demographic, lifestyle, and brand interest dimensions play in shaping consumers' loyalty and retention. By understanding these dimensions, businesses can develop targeted marketing strategies that resonate with their customers' needs, preferences, and values. This study demonstrates that psychographic profiling dimensions are essential components of a comprehensive marketing strategy. By understanding and leveraging these dimensions, businesses can develop targeted marketing efforts that foster strong patronage loyalty, drive customer retention, and sustain competitive advantage in today's dynamic market landscape.

This study demonstrated the intricate relationships between consumer involvement, value perception, and psychographic profiling. The findings underscore the significance of understanding consumers' cognitive, affective, and situational involvement in shaping their attitudes and behaviors. Furthermore, the research highlights the critical role of value perception and psychographic profiling in driving purchase decisions and loyalty.

Recommendations

- Based on the findings and conclusion drawn above, the following recommendations were made:
- Businesses should invest in psychographic profiling research to gain a deeper understanding of their target audience's demographic, lifestyle, and brand interest dimensions. This will enable the development of targeted marketing strategies that resonate with customers' needs and preferences.
 - To succeed in today's complex market landscape, businesses must adopt a holistic and interconnected approach to marketing. This involves integrating consumer involvement, value perception, and psychographic profiling to create personalized, immersive, and value-driven experiences.

References

- Adegoke, A. A., Olasupo, M. O. & Babalola, O. B., (2022). Demographic Factors and Psychological Profiles of Selected Media Audience in Nigeria. *African Journal for the Psychological Studies of Social Issues*, 25(2).
- Freitas, D., Eeden, T., & Christie, L. (2020). A Psychological Framework for Determining South African Consumers' Green Hotel Decision Formation: Augmenting the Theory of Planned Behaviour. *Journal of Consumer Sciences, Food and Nutrition challenges in Southern Africa*, 5:1-18.
- Hawkins, D. I., & Mothersbaugh, D. L. (2010). *Consumer Behavior: Building Marketing Strategy*. McGraw-Hill.
- Hernandez, J., & Montalvo, R. (2023). The Impact of Psychographic Profiling on Customer Loyalty in Small Businesses. *Journal of Marketing Research*, 45(2), 123-135.
- Jones, P. (2024, March 20). *Psychographics in Marketing: How to Use it +7 examples*. Semrush Blog. <https://www.semrush.com/blog/psychographic-marketing/>
- Keller, K. L. (2003). Brand Synthesis: The Multidimensionality of Brand Knowledge. *Journal of Consumer Research*, 29(4), 595-600.
- Kim, H. S. & Yoou, C. H. (2004). Determinants of Subscriber Churn and Customer Loyalty in the Korean Mobile Telephony Market. *Telecommunications Policy*, 28:751-765.
- Kotler & Armstrong, (2007). *Summary of Principles of Marketing*. Pearson Prentice Hall.
- Kotler, P., & Armstrong, G. (2010). *Principles of marketing*. Pearson Prentice Hall.
- Koziel, A. M. & Shen, C. W., (2023). Psychographic and Demographic Segmentation and Customer Profiling in Mobile Fintech Services. *Kybernetes*. <https://doi.org/10.1108/k-07-2023-1251>.
- Lepak, D. P., Smith, K. G. & Taylor, M. S. (2007). Value Creation and Value Capture: A Multilevel Perspective. *Academy of Management Review*, 32(1): 180-194.
- Liu, Y., & Chen, X. (2024). Understanding Value Perception and Pricing Strategies in SMEs: A Consumer-Centric Approach. *International Journal of Business Strategy*, 38(1), 45-59.
- Rodríguez-Ortega, Bernués, & Alfnes. (n.d.). *Psychographic Profile Affects Willingness to Pay for Ecosyst-Em Services Provided by Mediterranean High Nature Value Farmland*. *ecol econ* 2016;128: 232-45.
- Smith, E., Ibanez, A., Lavretsky, H., Berk, M., & Eyre, H. A. (2021). Psychographic Segmentation: Another Lever for Precision Population Brain Health. *Frontiers in Aging Neuroscience*, 13. <https://doi.org/10.3389/fnagi.2021.783297>
- Smith, J. B. & Colgate, M. (2007). Customer Value Creation: A Practical Framework. *Journal of Marketing Theory and Practice*, 15(1): 7-23.
- Taro Yamane's (1967). *Statistics: An Introductory Analysis*. Harper and Row. New York.
- Wedel, M., & Kamakura, W. (2000). *Market segmentation: Conceptual and Methodological Foundations*. Springer.
- Zalatar, W. F (2012). Quantifying Customers Gender Effects on Service Quality Perceptions of Philippine Commercial Banks, *International Conference on Asia Business Innovation and Technology Management*, Procedia, Social and Behavior Sciences, 57 (1), 268-274.