

## Promotion of Made-in-China Product in Niger through Innovative Personal Selling: a Comparative Analysis with Western Brands

Yuan Guohua, Ado Abdoukadre

School of Management, Wuhan University of Technology, Wuhan, P. R. China, 430070

(E-mail: yuanguohua93@yahoo.com.cn, kadreado@yahoo.com)

**Abstract** This paper focuses on how Chinese products are promoted in Niger market. In fact, promotion involves many tools integrated in the mix of promotion. Through our analysis we have realized that Chinese products are promoted in Niger mainly through personal selling. The aim of our paper is to work out some other convenient and accurate promotion tools which would be useful in terms of improving the penetration and notoriety of made in china brands in Niger market. The analysis is based on secondary data collection completed with telephone interviews with some Niger sellers of made-in-China goods operating in Niger. The double origin on the data allowed us to run a comparative analysis between Chinese and Western brands in their promotion tools.

**Key words** Personal selling; Made-in-China; Promotion; Niger

### 1 Introduction

The economic reform that began in China in the late 1970s has opened up China to the rest of the world and served as an impetus to the development of China's export. But even before this opening-up, marketing played a significant role in China's export development. A typical example was the annual trade fair held in Guangzhou before the 1978 economic reforms to help promote China's product in foreign countries. However, only when the economic reform began in 1978 did Chinese businesses start fully to utilize advertising abroad, as an important tool in promoting Chinese goods and services in foreign countries called export advertising<sup>[1]</sup>. It means that an export corporation or its agent transmits information about Chinese enterprises and establishes the image of their products.

In less than ten years, more than a dozen special export advertising corporations were established in important Chinese exporting cities. They play an essential role in informing the world about Chinese export commodities, opening up and expanding foreign markets as well as promoting Chinese exports. For example, Beijing Advertising Corporation, with the cooperation of foreign advertising agencies, successfully held an advertising campaign in many foreign countries. In order to facilitate the development of China's export advertising, the China National Advertising Association for Foreign Economic Relations and Trade (Cnaafert) was founded nearly 20 years ago<sup>[2]</sup>.

Since 1992, when veteran leader Deng Xiaoping visited south China and called for bolder reform, China has become determined to restructure the country's export system by organizing the businesses along Western lines. More producers and manufacturers are allowed to market their products directly. In the past, exports were monopolized by certain special foreign trade corporations which, as agents having a wide choice of domestic suppliers, were not keen on advertising products. Meanwhile, the producers themselves were not permitted to hold advertising campaigns<sup>[3]</sup>. With the reforms, producers deal with foreign consumers directly and benefit from their products' popularity.

Since the nation's planned export system is shifting to a market orientation, the need for improved export advertising becomes obvious. Chinese exporters have to compete with their own colleagues as well as foreign rivals. After a decade of development, export advertising in China in coordination with other marketing elements has entered a stage where it is necessary to adopt a planned, integrated promotion strategy. Based on market research, this strategy should include the entire range of promotion activities focusing on market demand and informing the target market precisely and ingeniously. This aims to stimulate demand, influence the purchasing behavior, establish the image of the enterprises and their products and finally promote the sales of the products or services.

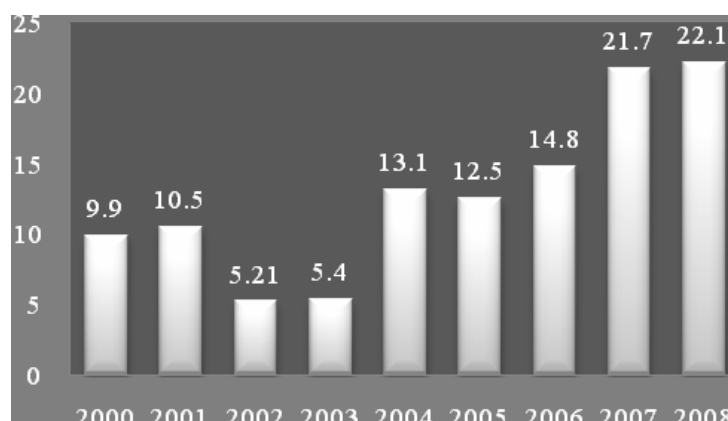
Chinese products began to be exported in significant quantity to Niger especially from the year 2004. The main reason of this spreading export of made in china product is the competitive advantage in terms of low cost of Chinese goods. Niger consumers are adopting these goods more and more widely through the country. But one of the challenges Chinese product faces is to apply a mix of promotion tools which could help sellers to increase their market shares. In fact, the image of Chinese brands in Niger consumers' mind is often seen as low quality goods since customers are used to buy western countries goods. Buyers think that western products have the distinction to be usually expensive but with a very reliable balance between price and quality.

Through this study we discover that actually Chinese goods have made high improvements in quality while keeping price very competitive and low. We focus on the adequate tools that could be used in order to convince Niger consumers of the fact that even Chinese goods have a very low price, they still be qualitative as equal as western goods. Moreover we notice that in some specific market segments, the Chinese product is even higher in quality than western goods. Chinese product has a very big potential market in Niger, but the way this product is being promoted should be innovated and directed in relation with most important variables that Niger consumers usually consider when deciding to buy goods.

## 2 Promotion of China-Made Products in Niger Market

### 2.1 Overview of Niger market

Historically, Niger market was being supplied by important share of foreign products coming from diverse regions and countries. Globally we notice that we can divide the origin of the product into two categories. First we have the western goods which are being sold for many years, making Niger consumers to build a brand loyalty to these western brands. Second and more recently there has been Chinese product entering in Niger market. This fact is still being improved as many companies now continue to import products especially from China. Consequently Chinese product is now spreading in Niger with diverse kinds of goods from many Chinese brands. But consumers in Niger have developed preferences and loyalty to early established brands. This makes more difficult for new entrants to build a significant market share or to compete with these incumbents.



**Figure 1 Evolution Imported Goods from China to Niger**

Note: the percentage is calculated on the monetary value of the global imported quantity

The main challenge for the Chinese product in Niger market is to find the best strategy as well as suitable promotion tools to deal with these challenging environmental variables. According to Niger national bureau of statistics report <sup>[4]</sup>, below is the trend of imported goods from China in recent past years. It shows a permanent increase in quantity imported. The data in Figure 1 reflects national imports of Niger from 2000 to 2008. We recognize that companies have been importing Chinese product to Niger very significantly for nearly ten years. But the great pick began in year 2004 marking the general penetration of Chinese brands in Niger market. In the next stage we will analyze how competitors of Chinese brands promote their products and compare it with made-in-China goods promotion.

### 2.2 Importance of personal selling in Nigerian market

It has been obviously proved that personal selling is extremely important in most of product promotion as it helps in increasing sales <sup>[5]</sup>. But there are other features as well which make it important. Let us discuss the importance of personal selling from the point of view of manufactures as well as consumers.

For the manufacturer personal selling creates demand for products both new as well as existing ones and also creates new customers and, thus helps in expanding the market for the product. It leads to product improvement. While selling personally the seller gets acquainted with the choice and demands of customers and makes suggestions accordingly to the manufacturer.

On the other hand personal selling provides an opportunity to the consumers to know about new products introduced in the market. Thus, it informs and educates the consumers about new products.

Through personal selling, customers know about the use of new products in the market. The sellers demonstrate the product before the prospective buyers and explain the use and utility of the products. Personal selling also guides customers in selecting goods best suited to their requirements and tastes as it involves face-to-face communication. It gives an opportunity to the customers to put forward their complaints and difficulties in using the product and get the solution immediately.

### 2.3 General process of personal selling for China-made products in Niger

In Niger, the Chinese product is first promoted to Nigerian businessmen who once they are engaged in importing, they are in charge of promoting this product to local consumers [6]. Historically, the Chinese product was being promoted in Niger mainly through personal selling by using local sales force. The earliest promotion strategy used was the push strategy. Chinese companies promote their product to Niger companies as whole sellers which in turn promote to Niger final consumers. This strategy lasts for the some years then the pull strategy was applied for direct promotion of Chinese brands in Niger. Generally the selling process can be summarized as the follows:

**Face-to-face interaction:** Personal selling involves a salesmen having face-to-face interaction with the prospective buyers.

**Persuasion:** Personal selling requires persuasion on the part of the seller to the prospective customers to buy the product. Ability to convince customers is needed to create interest in customers' mind to use the new product.

**Flexibility:** The approach of personal selling is always flexible. Salesman explains the features and benefits of the product, gives demonstration product use and also faces number of queries from the customers.

**Promotion of sales:** The ultimate objective of personal selling is to promote sales by convincing more and more customers to use the Chinese product.

**Supply of Information:** Personal selling provides information to the customers regarding availability of the product, special features, uses and utility of the products.

**Mutual Benefit:** It is a two-way process. Both seller and buyer derive benefit from it. While customers feel satisfied with the goods, the seller enjoys the profits.

## 3 Comparison of Promotion Tools for Products Made in China and in Other Origin

### 3.1 Promotion tools for Non-China-made products

Table 1 shows the most important promotion tools used by ten companies in Niger when promoting their product. It is based on a secondary data collection.

Promotion tool	Percentage (%)	Rank
Direct mail	40	1
Newspaper	26	2
Magazine	25	3
Outdoor display	6	4
Radio	2	5
Television	1	6
total	100	-

Rank: 1 = highest frequency; 6 = lowest frequency

Source: Survey realized in Niger by an advertising agency "REGIE PUB NIGER" in 2008

The above table shows that the product is mostly promoted through three major promotion tools. The first one is direct mail because most related companies aim to develop much closed relation with their customers, and also their strategy is based on personalization. The second tool is newspaper as many customers have access to it. Companies use it to attract potential buyers in many areas where other promotion tools could not reach. We see that also magazines constitute an important tool as many people buy them frequently. Other promotion tools are used but with a very low frequency such as radio, television or outdoor display.

### 3.2 Promotion tools for China-made products

Based on secondary data of a survey from Niger market of made in China goods and completed by telephone interviews, conclusions show that most of consumers know Chinese product by intermediaries and get product from personal selling. Table 2 shows the proportion of each promotion tool used for made in china goods.

**Table 2 Use of Promotion Tools by Companies Selling Made in China Products**

Promotion tool	Percentage (%)	Rank
Face to face	59	1
television	13	2
radio	11	3
Newspaper	9	4
magazines	5	5
posters	3	6
total	100	-

Rank: 1 = highest frequency; 6 = lowest frequency

Source: Survey realized in Niger by an advertising agency "REGIE PUB NIGER" in 2008

In Table 2 we realized that companies selling made in China products use one principal promotion tool which is personal selling or face to face at a frequency of about 60 percent. We realized that this frequency of personal selling is almost the same for most of Chinese product sellers. It is followed by television, radio, and newspaper by respectively 13, 11, and 9 percent. It shows that the promotion strategy used for Chinese product is anyhow based on the central idea of personal selling is the common and suitable tool for Niger market.

### 3.3 Comparison of promotion strategies for products made-in-China vs. Not-made-in-China

By looking to the two tables, we realize that they both use mix of promotion tools but with different frequency importance. In fact for the not-made-in-China brands, promotion tools seem more significantly diversified as companies use different channels. In promoting made-in-China product, the personal selling is the most common used by companies, and this shows the necessity for Chinese brand sellers to convince, persuade, and make familiar the buyers about the product. That's why they need more face to face contact to answer, explain and attract consumers to adopt their new product. We can also see that some promotion tools used for not-made-in-China product are not used for made-in-China and vice versa.

## 4 Conclusions

Through the analysis we find that the selection of promotion tools depends on many environmental factors and also on the product life cycle. In fact in Niger context, the selection, at the penetration stage, of the promotion tool should have the objective of how to change or shift the customers' loyalty from competitors to the promoted brand. Here the main strategy is to use the cultural variable of the target market mixed with the competitive advantage of the company in terms of low cost, good quality, social responsibility, and tools which could allow quick information feedback between buyers and sellers. That's why we confirm that the personal selling tool and those closer to it are the most convenient promotion tools for new entrant Chinese brands, and more generally for all new comers in Niger market. On another hand, during this study we worked out significant differences between made and not-made in China product promotion strategies and tools used in Niger. Accordingly most of Chinese brand sellers use nearly the same promotion strategy depending on the business life cycle. This evidence is also true for almost all sellers of western product as they have common promotion tools but quietly different from made-in-China's one. One think in common is that they both permanently adapt their promotion strategies and tools to the local environment of different regions of Niger. Further research will aim to show the way that Chinese brands could be promoted in a global integrated marketing communications strategy in West African countries as they present very similar environmental characteristics.

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