

# CHAPTER ONE

## INTRODUCTION

### 1.1 BACKGROUND OF STUDY

Marketing is a pervasive activity occurring in all successful organizations. Whether an organization is producing physical products or renders some services it must embrace marketing in order to be successful. Indeed Morgan (1991:40) says without mincing words of professional service firms that are involved in marketing their service whether or not they realize its simplicity. Also the management guru Drucker (1954) agrees with pervasiveness of marketing this marketing. is so basic that it cannot be considered a separate function. It is the whole business seen from the point of view. Concern and responsibility for marketing must therefore permeate all areas of the enterprises. Today, the service inclusive in all societies in witnessing dramatic growths changes and renewed approaches to Marketing practice. Even among the professions, the age old argument concerning ethics or marketing is beginning to die of natural courses, though it remains a contention issues in some firms and even some profession, like engineering. Marketing is now a key of all reaching philosophy in winning organization. For outstanding performance, a company must therefore, there is at competition, without marketing an organization cannot stand test of time. Successful profession services demand marketing state of mind a marketing culture prevailing through the

entire organization. Whether a marketing culture prevails all staff who came into contact with current or potential clients need to understand the true need of the consumer's the quantities of the services provided which meet the needs of consumers or clients and the ways in which the organization can benefit the customer in terms of being satisfied with the services. Today every business organization tries to place marketing at the beginning of the business planning instead of emphasizing on marketing tools to reach their target market. This study aims at considering the various techniques that we employed by the professional firms in spite of the ethnical myths that surround their practice. A study of the monopolistic services marketing of any economy generally is very significant for several reasons and the professions in particular.

## **1.2. STATEMENT OF THE PROBLEM**

In Nigeria today, electricity supply has become inadequate resulting from low level of generation in the power station, this has been identified as a major set back to the country's quest for industrialization. Despite all the laudable government policies that are unfolded in order to increase power supply still much have to left to be desire. So therefore to what extend does PHCN contributed in adequate supply of electricity in Yola and the general public.

## **1.3 RESEARCH QUESTION**

For the purpose of attaining general ideal and solution on the assessment of marketing department in Power Holding Company of Nigeria PLC (PHCN) Yola District office, the following question were

raised.

- i. Does your district see difference between marketing and advertising?
- ii. Does your district have a customer services department?
- iii. What is the department/management doing to change the public notion about the frequent power interruption?
- iv. Do you have a registered meter by the PHCN?
- v. Are you satisfied with the services of PHCN?
- vi. When you have electricity problem, were you promptly attended to?

#### **1.4 RESEARCH HYPOTHESIS**

It is important to put some hypothesis to test so as to arrive at a more justifiable and unbiased conclusion by testing statistically the following;

Ho denotes null hypothesis

Hi denotes alternate hypothesis

Ho: many people in Yola are not aware of the range of service That PHCN offer

Hi: Customers of PHCN in Yola are satisfied with the service Offer by PHCN

Ho: customers of PHCN in Yola are not satisfied with the Service offered by PHCN

Hi: Customers of PHCN in Yola not satisfied with the services offer by PHCN.

Ho: Marketing department does not have a role to play in providing a better service to the public.

Hi: Marketing department has a role to play in providing a better service to the public.

## **1.5 SIGNIFICANCE OF THE STUDY**

This research work after completion is important in the following ways;

- i.** There is growing importance of the service industry in the whole globe. Indeed the service sector in the United State of America is said to account for over 70% of employment and productivity. Professionals generally needed to provide the specialized skills to the teaming industries
- ii.** This study is also significant when one consider the role of marketing generally as a must in willing organization. The study will help extends to appreciate the role of marketing and less in their expertise.
- iii.** A clear knowledge and understanding as well as the use of the concept of marketing techniques will help improved the professionals performance and ability to penetrate the market thereby having a large clientele which will provide more employment opportunities to the Zeniths.
- iv.** This research work will be of great assistance to policy makers of marketing sector of the PHCN in formulating policies towards.

## **1.6 SCOPE OF THE STUDY**

This research work covered the general contribution of marketing department in monopolistic service industry in Nigeria.

Attention is been paid particularly the Power Holding Company of Nigeria (PHCN) District office Yola within the period of five years (2001-

2005) on how it contribute towards the marketing of electricity in Adamawa State.

### **1.7 LIMITATION OF THE STUDY**

The limitation of this research work goes a long way in setting back certain information that can be of importance to the research work. Some of the questionnaires were not properly ticked thereby rendering the questionnaire useless.

Financial constraints play one of the major role in which the research did not cover more ground for duties and there is not enough time for the research to carryout the research in order to reach and assess more information. And finally, some of the staffs of the Company held back the vital information that could be of immense important to the research work.

### **1.8 DEFINATION OF TERMS**

This work is operated with concepts, which may not be very usual to every reader as some unfamiliar term have been used. Thus, this section serves as the dictionary of the research and the following terms are hereby explained.

Clients: The party for which professional services rendered, a person or organization taking advice from an attorney, accountant, engineers and as are that depends on the protection of another.

**Customer:** A person or organization to whom goods or service are provided for and sold.

Professional Services:

Is the frequent, technical or unique function performed by an independent contractor or organizations where customers spend considerable time in the service process.

## **CHAPTER TWO**

### **2.0 LITERATURE REVIEW**

#### **2.1 INTRODUCTION**

In this chapter, the researcher is set to review literature as it concerns PHCN and marketing specially. The chapter will check on what PHCN is all about, it's meaning, essence and product. This will be looked at in junta position with the theoretical concept of the marketing concept and how this concept is applied in the electricity business.

#### **MARKETING DEFINITION AND MEANING**

Many authors and authorities have defined marketing differently. For instance, Atlases (1972.22) defined it as the business process by which products are matched and through which transfers of ownership are affected so as to maximize long term earnings per share. From this somewhat bound/stock market oriented definition one can readily identify the three main definition involved in marketing product/services.

#### INVESTMENTS

In research stage to identify the right product/services which will satisfy a consumer need.

#### DESIGNING

The process of developing the product.

## SELLING

The finished touch which include advertising promotion, new merchandizing and the total sales force effort to sell the product to achieve its target - using both face to face selling and sales promotional methods etc.

Philip Koltler (1983:3) defined marketing as a social and managerial process by which individuals and groups obtain what they want and need through creating and exchanging products and values with others.

In an almost similar way, Olakunori and Ejionueme (1977:2) defined it as the identification and satisfaction of people's needs through the exchange process. But Udeasha (1995:3) in a manner similar to the conclusions of Laczniak and Manner (1977) described marketing as involving the use of intellectual, technical, managerial, and spiritual skills in the solution of the existential needs of man. In providing him with all the goods and services he requires to survive prosper and be happy in this world.

And to the British Institute of marketing, marketing is the management process responsible for identifying, anticipating and satisfying customer requirements profitably. Even though marketing has been thus variably defined, no one will object to describing its main thrust as satisfying customer's needs. His just not a substitute word for selling. Selling is a vital indispensable component of marketing.

## 2.2 **MARKETING CONCEPT**

Marketing concept is a management philosophy, which state that

whatever a business decision is taken, whether by the production department, sales department and such decision should be taken with full consideration and prior knowledge of the customer.

The involvement here is that of the understanding customer need and preference through market research, and providing the services meet those needs through the product/service determination scheme Ekong (1983: 197)

This definition means that the interest and the entire satisfaction of the consumer receive priority any decision taken in the implementation of the marketing functions. This is marketing orientation.

An organization is marketing or customer oriented when it adopts the marketing concept as a management philosophy. Citing Kotler (1983: 17) Boone (1972 L3), Eudengha emphasize that marketing/customer orientation implies that the customer and not the company are in the middle of the business universe.

In view of the above facts, the following are common features of a marketing oriented company Kotler (1983: 17) Boone (1972:3)

1. Its basic aim is to satisfy customer's needs and requirements.
2. It accepts that marketing research seem absolutely necessary in order to identify those customer's needs.
3. It is prepared to anticipate and meet further requirements of the customers.
4. That only by applying a planned controlled and integrated marketing programmed can it achieve its mission profitably?

### 2.2.1 **SELLING/PRODUCT ORIENTATION**

Selling or product orientation is a parochial approach to satisfying the customer's needs. Some of the times, good quality product/services will be placed on offer but then they were not, in the first place, produced based on research on the needs of the customers. The product current is hinged on the belief that customers will always be attracted and retrained if improved quality products are placed on offer at the right price, place and time.

On the other hand, the selling concept lays emphasis in ensuring that the goods produced, whether of high quality or not are sold to the public by all means.

This concept is build around notion that so long as the product have been manufactured, demand for them could be arouse through some selling techniques.

According to Olakunor, and Ezionueme. Selling efforts employed by sales - oriented organization to aggressively turn their products to sales revenue are predominately the promotional tools of sale promotion and personal selling.

### 2.2.2 **SERVICE MARKETING**

Service marketing is concern with all aspect of direct contact with the potential client. It requires good understanding of the market place and clear identification of the client's decision making unit. The process of service marketing involves understanding the needs of the target customers, initiating contact and developing an on-going relationship with that decision making unit (Brain 1966).

Electricity marketing is service marketing. Also necessary to state the quality is an essential part of service marketing and high quality is a bid advantage in positioning a service.

## **2.3 POWER HOLDING COMPANY OF NIGERIA (PHCN) DEVELOPMENT**

Electricity development in Nigeria started towards the closing year of the last century when first generating plant was installed in the city of Lagos in 1898, then by the colonial Government under the jurisdiction of the public works Department. Later, the native and municipal authorities in different plants of the country set up other electricity undertakings.

### **2.3.1 ELECTRICITY CORPORATION OF NIGERIA (ECN)**

In 1950, in order to integrate power development in the country and make it effective, the federal government passed the electricity cooperation of Nigeria ordinance No 15 1950. This ordinance brought under one umbrella all the electricity undertakings owned and controlled by the native and municipal authorities under the public works department.

The electricity cooperation of Nigeria usually referred to as E.C.N. this become the statutory body responsible for generation's transmission, distribution and sale of electricity to all electricity customers in Nigeria.

### **2.3.2 NIGER DAM AUTHORITY (NDA)**

Niger dam authority was established by an act of parliament in 1962, it was charged with the responsibility of construction and maintenance of Dams and other works on the River Niger and elsewhere it's functions also included generating electricity by means of water power, improving navigation and promoting fisheries and irrigation.

Construction of the Kenji Dam which began in march 1964, was completed in schedule in December 1968. Based on the prevalent buck passing between Electricity Corporation of Nigeria (ECN) and Niger Dame Authority (NDA) on intermittent in power failure in the country. The federal government decided to fuse the two organizations into one single body.

In 1970 precisely, a year after above decision was taken. The federal government appointed a Canadian firm of consultants, "Showemont Limited" to look into the technical details of the merger. The report was submitted in 1971; by Decree No. 24 of 27<sup>th</sup> 1972 (which become effective from 1<sup>st</sup> April 1972). The electricity corporation of Nigeria (ECN) and the Niger Dam authority (NDA) were merged together by the federal government to become the national Electric Power Authority (NEPA).

In January 1973, PHCN become operational when a General Manager was appointed. The decree setting it up stipulates that the authority is to generate, transmit, and distribute electricity supply to all parts of the country and change customers minimally for their consumption.

Since the PHCN has been performing all these functions throughout the length, and breadth of the country, growing in leaps and bound; whereas the total generating capacity of PHCN in 1972 was 473 megawatt today the authority now has an installed' capacity of well over 5,000 megawatt. As we approach the beginning of the 21<sup>st</sup> century, PHCN is aiming and reaching for even higher heights.

## **2.4 FUNCTION OF POWER HOLDING COMPANY OF NIGERIA (PHCN)**

Specifically, the function of Power Holding Company of Nigeria is to provide efficient and effective power supply to the while country. The newly established corporation is with responsibility of maintaining an efficient coordinate and economic system of electricity supply to all parts of the county.

The Power Holding Company of Nigeria (PHCN) in trying to achieve the objective, for which it was establish, generates electricity from Power stations, transmit and market electricity to customers all over the country at government approved tariff.

Power Holding Company of Nigeria (PHCN) was divided into five (5) sectors.

Managing Director/Chief Executive Officer

General, Transmission and Engineering (GTE)

Distribution and Marketing (D&M)

Corporate Services

Finance and Account

An Executive Director (ED) heads each of these sectors.

The division of PHCN perform prominent role in the activities of PHCN. The division is charge with the responsibility of generating revenue through the sales of electricity to several of customers. Meanwhile, the main functions of the marketing division are:-

Electricity Tariff

Data processing

District processing

Meter test station

5. Finance and Accounts

Tariff Department is charge with the responsibility of designing and implementing the rate at which electricity consumed is charged to a customer. This department was established in 1993 to child the distribution and marketing department in determining tariff regularly. In determining a tariff class of a customer, the following factors are considered.

1. Residential (Domestic) Customers:-

This is a customer who uses his premises exclusively as a residence house, flat or motorcled horse.

2. Commercial customers:-

This is another type of customers who use his premises for the purpose other than exclusively as a residence or as a factory for manufacturing of good is defined as commercial consumer

3. Industrial customer:-

A customer who uses his premises for manufacturing of goods is

defined as an industrial customer.

Large residential/Commercial head/industrial Tariff (for Voltage Customers)

## **2.5 ASSESSING CONSUMER SATISFACTION WITH PUBLIC SERVICES**

Corporations use multiple listening tools to track customer satisfaction. They hold focus group discussions; establish consumer hotlines; survey current, potential and lost customers.

They do all this because they are determined to stay ahead of the competition. World class companies not only measure customer satisfaction regularly; their measuring instruments grow more comprehensive and sophisticated.

Not all business firms operate by this principle. Companies that enjoy a near monopolistic advantage, or what might seem to be insurmountable market dominance, tend to act complacent and cavalierly about customer sentiment.

Government offices tend to behave like monopolistic services. After all, if you're not happy with your banker or barber, you can always switch to another bank or Barber shop; but if you're unsatisfied with your fire department, you can't report your burning home to next city.

Still, in a democracy, governments are accountable to the governed, and constituent satisfaction should be as vital a concern to public officials as it is to entrepreneurs. Hence the Development Academy of the Philippines is to be commended for developing

measures of constituent satisfaction for the specific use of government agencies.

One such effort was initiated by the DAP Productivity and Development Center at a 1999 workshop attended by representatives of government corporations, local government units and national line agencies. Due to the heterogeneity of their service offerings, the workshop used a generic instrument, a questionnaire known to service marketers as SERVQUAL, first developed at the Marketing Science Institute in Cambridge, Massachusetts. The SERVQUAL questionnaire consists of 22 statements measuring five dimensions of service quality: reliability, of the dependable performance of service; assurance, or ability to inspire trust; tangibles, or physical facilities and equipment; empathy, or individualized attention; and responsiveness, or helpfulness and promptness of service. The service provider's "score" is measured by the gap between customers' expectations and their perceptions of service actually received.

Since the SERVQUAL is generic – reliable, assurance, empathy and so on are sought in all service situations – it doesn't measure variables specific to a particular industry. Prompt service, for instance, is less important in a census office than a fire department. The DAP workshop pinpointed another drawback: SERVQUAL, designed for use in private enterprise, doesn't measure integrity, because service providers do not usually demand bribes before attending to customers.

So the questionnaire that emerged from the DAP-PDC workshop added three statements on integrity, exemplified as not seeking or

accepting personal favors in return for providing service; not giving unfair advantage during transactions; and disciplining workers who violate the rules.

A second and more recent DAP measuring instrument is the Report Card Survey, initiated by its Center for Governance, and first developed by the Public Affairs Centre of India. This questionnaire zeroes in on services provided by local government units, and won't work for, say, the Department of Education or the Bureau of Customs. But it is uniquely adapted to evaluating five core services provided by towns and cities: garbage collection, traffic management, neighborhood safety, public market management, and permit issuance/licensing. The core questionnaire covers such details as regularity of garbage collection, cleanness of public market restrooms, access to weighing scales, ventilation, functioning traffic lights, street signs and traffic enforcers, clarity of instructions for obtaining permits. Like the DAP-modified SERVQUAL, the RCS is well aware of graft in public service, and asks respondents if they have had to pay extra or give bribes for basic services.

DAP's report on its pilot Report Card Survey notes that while some local government officials recognize the value of using survey results in their planning and budgeting exercises, other officials find it difficult to understand the RCS's utility; "there is a common perception that results of the survey can be used against them."

True enough; but that is precisely what happens in the private sector: if you displease your customers, you suffer the consequences. Results from the SERVQUAL or Report Card Surveys represent taxpayer opinions on their experience with government service. Public servants who balk at being so evaluated should be reminded that they are not royalty, and that the divine right of kings is passe.

## **CHAPTER THREE**

### **3.0 RESEARCH METHODOLOGY.**

This chapter presents the research design for the study, it consists of the description of the population sample, method for data collection, instrument and method of analysis. This study is designed to assess the marketing department in a monopolistic service industry.

#### **3.1 RESEARCH DESIGN.**

Research design is a basic plan which guides the data collection and analysis phases of the research products. It is the form work which specifies the type of information to be collected, the scores and data collection procedure. The research design is a blue print the researcher expects to achieve and how he will go about collecting the information.

This research work starts from a careful definition of the problem which leads to the development of research objectives, correlation design was adopted to put together a comprehensive data which was sourced from the Power Holding Company of Nigeria (PHCN) District office Yola.

#### **3.2 THE POPULATION SIZE**

The research covered those who own meters and therefore are registered officially by PHCN. And since the population of those that own meters cannot be determined the research decided to study 200 meters conveniently.

However in Adamawa State only three types of meters are compulsory by PHCN regularities, the single phase meters, three phase meters supply and maximum demand (MD) meter for industrial users

### **3.3 SAMPLE SIZE OF THE STUDY**

The sample area covered is PHCN Yola District Office, taking into consideration Yola, Numan and Girei. The use of purposive sampling was applied in which 33 meters user was used.

### **3.4 INSTRUMENTS OF DATA COLLECTION**

A careful guide was adopted for the instrument used in data collection, the categories of data collection are:

The primary source of data collection with particular reference to those data which have a direct bearing with the study. These includes; the questionnaire and personal interview.

The secondary source of data includes; textbooks, magazines, gazettes, journals and organization records. The effectiveness in carrying out the research study wholly depends on the broad range of information yield from the above mentioned instruments

### **3.5 VALIDITY**

In order to ensure the validity of the information to be supplied, questionnaire was administered and interview was also carried out to supplement the data gathered and a pre testing the questionnaire was carried out. All those help the researcher to make a meaningful deduction and arrived at a conclusion. The research is valid.

### 3.6 RELIABILITY

Reliability consists of scores when the attitude is measured in a number of times. To ensure reliability of information in the research, questionnaire method of data collection was used for sampling the question and a pre test of the question was carried on the meter users in the district.

### 3.7 METHOD OF DATA ANALYSIS

The method of data analysis is through simple percentage and the use of Z-test to analysis the data collected through questionnaire. The statistical method used to test the hypothesis is Z-test.

$$Z = \frac{P - P_o}{\sqrt{P_o(1-P_o/N)}}$$

Where, P = Sample proportion that says Yes

P<sub>o</sub> = Population proportion that says Yes

N = Number of respondents.

The table below shows the analysis of questionnaire distribution and collection.

PHCN office	No of question. Distributed	No reflection	Percentage (%)	No of reflection	Percentage (%)	Total
Yola/ Jimeta	20	20	100	-	0	20
Numan	8	5	70	-	0	8
Girei	5	4	90	-	0	5
TOTAL	33	29	260	-	0	33

Sources: Field survey 2000

From the above table, out of 20 questionnaires distributed to 20 Power Holding Company of Nigeria PHCN officers in Yola town 20 return represent 100%. In Numan town 8 questionnaires were distributed to 8 PHCN staffs and consumers and 5 were completed and return, the number represents 80%. 10 questionnaires distributed in Girei town to staffs of PHCN and 6 were completed and returned which represent 60%.

## CHAPTER FOUR

### 4.0 DATA PRESENTATION ANALYSIS AND FINDINGS OF THE STUDY

#### 4.1 INTRODUCTION

This chapter will present the collected information gathered via the questionnaire and try to analyze the data with the aim of proving the hypothesis of the study.

The data collected were presented using tables and percentages while the hypothesis were tested using the - Z test for proportion

#### 4.2 DATA PRESENTATION

The data collected from the respondents through the questionnaires distributed are presented and analyzed

<b>PHCN office</b>	<b>No of question- aire</b>	<b>No reflection</b>	<b>%</b>	<b>No. reflection</b>	<b>%</b>	<b>Tot al</b>
Yola/Jimeta	20	20	100	-	0	<b>20</b>
Numan	8	5	70	-	0	<b>8</b>
Girei	10	6	60	4	40	<b>6</b>
<b>Total</b>	<b>38</b>	<b>31</b>	<b>240</b>	<b>7</b>	<b>60</b>	<b>31</b>

Sources: Field Survey 2005

From the above table 4.3, out of 20 questionnaires distributed to 20 Power Holding Company of Nigeria (PHCN) offices in Yola Town 20 Were

return represent 100%. In Numan town 8 questionnaires were distributed to 8 Power Holding Company of Nigeria staffs and 5 were completed and return and the number represent 80% and 10 questionnaires distributed in Girei Town to staffs of PHCN and 6 were completed and return representing 60%. Obviously the operators were interested in this work and 50 were willing to complete the questionnaire

### 4.3 DATA ANALYSIS AND INTERPRETATION

#### CUSTOMERS RESPONSE RATES

TABLE 5.

<b>PHCN office</b>	<b>No of questionnaire</b>	<b>No reflection</b>	<b>%</b>	<b>No. reflection</b>	<b>Total</b>
Yola/Jimeta	67	65	97	2	<b>67</b>
Numan	75	70	94.6	4	<b>74</b>
Girei	59	58	98.3	1	<b>59</b>
<b>Total</b>	<b>200</b>	<b>193</b>	<b>96.5</b>	<b>7</b>	<b>200</b>

SOURCE: FIELD SURVEY, 2005

From the above table of the 200 questionnaires administered to the customers, 193 were satisfied completed and returned. This number represents 96.5% of the total number distributed. Out of the number distributed, 67 were administered 97% and 74 were distributed in Numan, and

70 were returned. This number also represents 94.6% and finally, 59 distributed in Girei town and 58 was return and 1 was rejected in Girei, 4 in Numan and out of the total number distributed, 67 were administered to Yola town. And 65 were returned which represent 97% and 74 were distributed in Numan, and 70 were returned. This also represent 94.6% and finally 59 distributed in Girei town and 58 were returned and 1 was rejected in Girei 4 in Numan and 2 in Yola town respectively.

### 4.3 TESTING OF HYPOTHESIS

Here the Z test statistics for proportion is used Ho: Null hypothesis

HI: Alternative Hypothesis

Atx = 0.05 level of significance

$$Z_{\alpha/2} = 1.96 - Z_{\alpha/2} = 1.96$$

Decision Rule.

Reject Ho if (calculated)  $Z = Z_{\alpha/2} < - Z_{\alpha/2}$

Test statistic

Z = Test (Test for proportion)

Z =  $\frac{P - P_0}{\sqrt{\frac{P_0(1-P_0)}{N}}}$

$P_0(1-P_0)/N$

Where P = Sample proportion that says Yes

P<sub>0</sub> = Population proportion that says Yes

N = Number of respondents

#### 4.4 TESTING OF HYPOTHESIS 1

Ho: Nigerians are not aware of range of services that PHCN offices offer

HI: Many Nigerians are aware of the range of services that PHCN office offer.

In order to obtain the awareness rate of PHCN services in the three town under investigation. The researcher asked the following question. Do you know of other PHCN services (apart form provision of stable electricity supply) offered by PHCN district in the state

Table 4.4 below is used to test the above stated hypothesis

<b>Option</b>	<b>No of responses</b>	<b>Percentage (%) of responses</b>
Aware	103	53.37
Not aware	90	46.63
<b>Total</b>	<b>193</b>	<b>100</b>

Source Field Survey

Ho:  $P_o = 0.5$ , Hi:  $P_o = 0.5$

$P = \frac{103}{193} = 0.53$

$P_o = 0.5$

$N = 193$

Substituting the formula  $Z = \frac{0.53 - 0.50}{\sqrt{0.50(1-0.50) / 193}}$

$$0.13 = \frac{0.025}{\sqrt{0.03599}}$$

$$0.13 = \frac{0.025}{0.1897}$$

$$0.13 = \frac{0.025}{0.1897}$$

$$Z = \frac{0.13}{0.1897} = 0.685 = Z_{0.025} = 1.96$$

Since observed  $Z = 0.83 < Z_{0.025} = 1.96$

We accept  $H_0$  and conclude that many Nigerians are not of range of services that PHCN can offer

#### 4.5. Hypothesis II

$H_0$ : Customers of PHCN are not satisfied with the services offered by PHCN

$H_1$ : Customers of PHCN are satisfied with the services offered by PHCN

Table 7. Below is used to test the above stated hypothesis Level of satisfaction with electricity supply.

<b>Responses</b>	<b>No of responses</b>	<b>Percentage (%) of responses</b>
Satisfied	99	51.30
Not satisfied	94	48.70
Total	193	100

Source: Field 2005

$$H_0: P_0 = 0.5$$

$$H_1: P_0 = 0.5$$

$$P = \frac{99}{193} = 0.51$$

$$P_0 = 0.50$$

Substituting in the formula we obtain

$$Z = \frac{0.51 - 0.50}{\sqrt{0.50(1 - 0.50) \frac{1}{193}}} = \frac{0.01}{\sqrt{0.2500/193}} = \frac{0.010}{0.2500/193} = 28$$

$$Z = 0.28$$

$$Z = 0.025 = 1.96$$

$$Z_{0.025} = -1.96$$

Since we observed  $Z = 0.28 < Z_{0.025} = 1.96$

We accept  $H_0$ , and conclude that customers of PHCN are not satisfied with the services offered by PHCN.

#### 4.6 Hypothesis III

$H_0$ : The proportion of Nigerians that are disposed towards the PHCN services is 30%

$H_1$ : The proportion of Nigerian that are well disposed towards the PHCN services are not up to 30%

Ho:  $P_i = 30$

Hi:  $P_o < 30$

The above hypothesis is tested with table 8 below; disposition with PHCN services.

Table 8.

<b>Responses</b>	<b>No of responses</b>	<b>Percentage (%) of responses</b>
Well disposed	12	1.04
Not well disposed	191	98.96
Total	193	100

Sources: Field Survey, 2005

$$P = 2/193 = 0.010$$

$$Z = \frac{0.010 - 0.300}{(0.30)(1 - 0.30/N)}$$

$$= -0.29$$

$$= 0.0011$$

$$= -0.29 = -8.75$$

$$0.33$$

$$- Z_a = - Z_{0.05} = -1.645$$

Since observed  $Z = 8.75 < Z_{0.05} = -1.645$ , we reject Ho (Ho:  $P_o = 30$ ) and accept the alternative hypothesis and conclude that the proportion of Nigerians who are well disposed towards the PHCN services is less than 30%.

#### 4.7 hypothesis IV.

Ho: PHCN do not care much about satisfying the needs of their customers.

Hi: PHCN do not care much about satisfying the needs of their customers.

The above stated hypothesis is tested with the table 4.7 below.

<b>Responses</b>	<b>No of responses</b>	<b>Percentage (%) of responses</b>
Yes	19	54.29
No	16	45.71
Total	193	100

Sources: Field Survey 2005

$$P = \frac{19}{35} = 0.54$$

$$N = 35$$

Subtracting in our operation formula, we obtain.

$$Z = \frac{0.54 - 0.46}{\sqrt{(0.46)(1 - 0.46)/N}}$$

$$= \frac{0.080}{\sqrt{(0.46)(0.015)}}$$

$$= \frac{0.080}{0.084} = 0.95$$

$$= \frac{0.080}{0.084} = 0.95$$

$$= \frac{0.080}{0.084} = 0.95$$

$$= \frac{0.080}{0.084} = 0.95$$

$$= \frac{0.080}{0.084} = 0.95$$

$$Z = \frac{0.52}{2} = Z_{0.025} = 1.96$$

$$- Z_{0.025} = 1.96$$

Since observed  $Z = 0.95 < Z_{0.025} = 1.96$  and observed  $- Z = 0.96 < - Z_{0.025} = - 1.96$ , we accept  $H_0$  and conclude that PHCN make conscious effort to satisfy their customers needs.

#### **4.4 FINDINGS OF THE STUDY**

From the above analysis, the following findings were reach;

Many Nigerians are not aware of the range of the services that PHCN can offer, apart of the basic provision of electricity.

Customers are not satisfied with the services offered by PHCN, certain things are not well explain for the customer to understand.

PHCN make conscious effort to satisfy their customers needs based on the available material and resources on their disposal.

It is also discovered that less than 30% of Nigerians are aware of the service of PHCN rather and other responsibilities.

- 1.7 Majority of electricity users do not have meter and some are not registered.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATION**

This research work was conducted with selected units of the Power Holding Company of Nigeria, in Yola District in attempt to assessed the performance of the marketing department of power holding company of Nigeria in Yola district.

Most professional services industries like PHCN adopt marketing practices. In the early 40s to 50s the code of professional practice or the marketing research society prohibited members of the society from direct advertising and selling of their services. Companies decided to disregarded the ban enforced and decided they could exist without the benefits of the society's approval and began to market their services aggressively and with skill.

Therefore, this work was predicated upon the fact that the marketing department plays a significant role in the marketing of their services of power holding company of Nigeria very well, satisfying their customers, an informal survey on the other hand, show that the customers are not dissatisfied but also do not like the PHCN business. In realization of the services of the Power Holding Company of Nigerian economic and social development, the researcher decided to carry on this work. The primary objective of the work therefore, was to find out the performance of marketing department in marketing PHCN products and if the PHCN industry is applying the modern business philosophy of marketing in her operations.

It was found out, from the both the data and hypothesis that Nigerians have not changed their attitudes to the PHCN services. Infact, given the chance, many will not patronize PHCN the most important reason given for this is that PHCN is not adequately supply electricity to its customers.

Ironically, majority of those covered in the survey said that they were not satisfied with the level of services they received from PHCN. While some of the PHCN District offices have marketing department and professional. Most of them do not see any difference between marketing and selling or most PHCN advertising.

## **5.2 CONCLUSION**

Based on the finding, the following recommendations are made:

1. Since the image of the power holding company of Nigeria is still battered, the corporation should increase efforts in laundering their image. The laundering of their image should be very upper most in the activities of the PHCN industry. This is because it will now help to put trust and confidence in the mind of their customers and they will pay their electricity dues promptly. Also it will help in boasting the economic base of the country in the form of large - scale production or economic of scale.

This will be seen in the area of many services to be rendered with little capital base. Also laundering of their image will make people who up till now have a lukewarm attitude towards Power Holding Company of Nigeria to rescinal their negative ideas and start to seeing it as a service industry that made in the right direction for the direct purpose of supplying constants and stable electricity supply. No uninterrupted

supply of electricity makes people see the whole exercise as not worth doing.

Those who established electricity industry are not spanned from this wrong impression of the public because they are being seen as properly to defer and unsuspecting customer, therefore electricity supply should be made adequately.

2. Ignorance of their services is one of the biggest problems that confront any business concern. Based on this, awareness campaign should be carried to the grassroots level to enable people of the rural areas and then those in the ear ban areas to know the purpose, benefit and good thing that are associated with PHCN services. This draw many consumers very close to the business because they will start seeing it as another method of service and hereby giving it a wider acceptance and patronage. Marketing entails much more than selling and it's not the something as advertising. PHCN should therefore make use of professional marketers and train their staff to appreciate the place of marketing in business. A situation where the sellers do not know how the buyers feels about the product buoyant does not make good business relationship. This is because he will not know how to improve on the supply of the product being sold.

But if the PHCN industry should employ professional marketer's and the seeking of their product, it will create an avenue where the professionalism in marketing are involved in the act of selling their product by making the whole thing market oriented. A good marketer knows his onions and a mechanism of information feed back are created between the seller and buyer of product or services. Now it is through the buyer as we mentioned that the seller get information on how best to

improve on his product in terms of punctual delivery of services with efficiency.

The PHCN management should make law - stipulating section against those who engage in acts that are inimical to the good image of the industry. This is because many PHCN districts and undertakings are going out of their unsuspecting customers and many of them out of their way in local scheduling the supply of their customers, which will not make good for the success of the organization.

These measures if put in place and is religiously adhered to will minimize the rate at which the Power Holding Company of Nigeria default from their obligation to their customers.

### 5.3. **RECOMMENDATION**

In view of the findings of this research work and the recommendation given, the following conclusions have been made:-

1. The potentials of electricity industry in Nigeria have not been fully harnessed, Nigeria as the need more of the electricity companies than the number that is existing now. This is because as we observed in the foregoing, a lot of potentials are still remaining untapped; however, to do this a lot of things have to come into play. There has to be aggressive awareness campaign to the people about electricity supply, in Nigeria. When people are fully aware of benefits of electricity supply, they will be in position to demand for more, then the entire people will start to understand the electricity supply from another angle and will start to appreciate their services as people appreciate the services of banks now.

No longer will people perceived electricity business as cheating and criminal oriented rather than they will start seeing them as social services.

So the Power Holding Company of Nigeria still hold a lot of prospect for the people who are interested in going into the business both for the operators and the Nigerian economy. If electricity business in Nigeria is blended with marketing professionalism it will be in a good position to earn more foreign currency to the country and at the same time provide more employment opportunities.

2. With the continued deregulation ,of Nigeria economy and globalization of the world market through improved information technology, the attendant consequences is that there will be competition and this resultant competition due to sprung of business will force the electricity industry to adopt the marketing concept to its fullness. The companies that refused to adjust will any be taking away marketing concept, which will take into consideration, the involvement of marketing professionalism business and this will eventually bring in more competition to the whole system. And competition as we know is the surveys way to bring out efficiency because this will lead to more research in other to find out better ways of doing things and how to meet up with the economic expectation of the customers. In terms of good services and effective disbursement of their respective customers.

**APPENDIX A**  
**QUESTIONNAIRE 1**

PHCN Customer

Please tick ( ) in the box provided to indicate your choice of answer where appropriate.

1. Do you own a meter? Yes/No
2. To what use do you put it? Private /Commercial
3. How long have you been using the meter? Less than 5 years/ More than 5 years
4. What is your occupation?
5. What is the level of your education?
  - (a). No formal education
  - (b). Primary education
  - (c). Secondary education
  - (d). Tertiary education
6. Is your meter registered by PHCN? Yes/No
7. Under which supply is it registered?
  - (a). Single Phase supply
  - (b). Three Phase supply
  - (c). Maximum demand supply
8. Do you know of any other type of supply other than single Phase supply?  
Yes/No
9. Do you have any of these supplies? Yes/No

## APPENDIX B

10. What is your reason(s) for 8 above?
- (a).....
  - (b).....
  - (c).....
11. Do you pay your electricity bills promptly? Yes/No
12. Are you satisfied with the services of PHCN? Yes/No
13. When you have electricity problem, are you promptly attended to? Yes/No
14. Do you think people in Yola like PHCN? Yes/No
15. What do you think could be done to make people pay their electricity bills promptly?
- (a).....
  - (b).....
  - (c).....
16. Who should do these things you said above?
- (a) PHCN
  - (b) Government
  - (c) Others

**APPENDIX C**  
**QUESTIONNAIRE II**

FOR PHCN DISTRICT OFFICE MANAGEMENT

1. What is the name e of your district .....
2. What is the location Yola, Numan, Girei
3. How long have you, been in PHCN?  
Less than 5 years                      More than 5 years
4. What is your position office?  
Supervisor                      Office                      Manager                      Ex. Mgt
5. How long have been working with your present district?  
1-2 years                      3- 4 years                      5 and above
6. Is your district separate marketing department?  
Yes                      or                      No
7. Who leads this department? Manage/Personnel? Other.....
8. Does your district see any difference between marketing and advertising?  
Yes                      No
9. Going by your districts policy, is there any difference between marketing and selling?  
Yes                      No
10. Does your district have a customer services department?  
Yes                      No
11. Does it have a public relation office?  
Yes                      No
12. If yes why?.....

13. What determines the price of your products
- a) .....
  - b) .....
  - c) .....
14. What determines your opening branches?
- a) .....
  - b) .....
  - c) .....
15. How do you determine what would be your potential customers need?
- a) .....
  - b) .....
  - c) .....
16. How do you satisfy them?
- a) .....
  - b) .....
  - c) .....
17. What is your PHCN management doing to change the public negative impression about the frequent power interruption?
- a) .....
  - b) .....
  - c) .....

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