

Strategic Marketing Communication: The Case For SMME Development

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ABSTRACT

Strategic marketing communication is imperative for the successful implementation of projects of developmental corporations. Business development in the North West Province, South Africa however, seems to be hampered by the lack of effective marketing communication from the NWDC regarding its support services and the lack of feedback from the registered SMMEs regarding their satisfaction with services rendered. This study was aimed at determining whether effective strategic marketing communication exists between the North West Development Corporation (NWDC) and all their registered Small, Medium and Micro Enterprises (SMMEs) in the North West Province. The study adopted qualitative and quantitative research approaches (mixed method). A non-probability, convenience sample of 82 participants were used from a population of 140 SMMEs. For the quantitative part of the study, semi-structured interviews were conducted by the researcher in order to gather information about the support services that the North West Development Corporation offers. SMMEs indicated uncertainty about being aware of the support services offered by NWDC. The findings of the study show that the marketing of the NWDC is not reaching the targeted audience at an acceptable level. The study can conclude that a significant number of the SMMEs do not have the required awareness of the NWDC's support services. It is recommended from the study that good strategic marketing communication will encourage organisational sustainability which will also be beneficial to future SMME entrepreneurs and the economic development of the region.

Keywords: Developmental Corporations; North West Development Corporation; Small, Medium and Micro Enterprises (SMMEs); Strategic Marketing Communication

INTRODUCTION

*M*arketing is currently regarded as an essential set of principles and practices which are necessary in order to attract and retain customers. Furthermore, strategic marketing communication is imperative for the successful implementation of projects of developmental corporations. Developmental corporations are faced with situations where it is necessary to meet their customers' (i.e. SMMEs) needs satisfactorily and to help create competitive advantageous that will ensure the long-term survival of the SMMEs they are supporting (Fadahunsi & Pelsler, 2013). This study was aimed at determining whether effective strategic marketing communication exists between the North West Development Corporation (NWDC) and all their registered Small, Medium and Micro Enterprises (SMMEs) in the North West Province. The NWDC in the North West Province of South Africa, has its head office situated in Mafikeng and is primarily there to foster SMME business development. The Corporation operates within all four regions of the North West Province namely Ngaka Modiri Molema region, Dr Ruth Mompati region, Bojanala region and Dr Kenneth Kaunda region (NWDC, 2010).

According to Fohitung, Fongwa, Stanley, Molem, Okezie, Oneal & Idoku. (2012), SMMEs are being perceived as clients rather than beneficiaries of support services, hence there is a very low level of awareness by SMMEs regarding the various support services that are available for them. "Creating the channels for effective collaboration between stakeholders is essential as many Development Agencies and related partners can often become overwhelmed by their workloads, leaving little time for communication" (Mountford, 2009).

The aims and objectives of the NWDC are to plan, finance, co-ordinate, promote and carry out the economic development of the province and its people in the commercial fields of industry, commerce, finance, mining and other business, resulting in wealth and job creation (NWDC, 2010). Effective communication of the NWDC's support services to Small Medium and Micro Enterprises (SMMEs) remains a challenge. As indicated by Nedlac (2005) "there is lack of awareness of available support, in terms of information". Gounden, (2000) also states that there are core difficulties seen in SMMEs accessing information and a lack of market exposure.

LITERATURE REVIEW

Marketing plays a significant role in any organisation. According to Kotler and Keller (2006) marketing is everywhere and good marketing is no accident, but a consequence of cautious planning and execution that deals with identifying and meeting individual and social needs. Marketing is defined as an exchange between an organisation and its customers. The customer wants something from the firm and the firm wants something from the customer hence marketers try to figure out what customers want and how to provide it profitably (Iacobucci, 2012). Kotler and Keller (2012) state one of the shortest definitions of marketing as "meeting needs profitably".

According to Cant and Van Heerden (2010) marketing contributes to the achievement of the fundamental objectives of most businesses, which include survival, profitability and growth. The marketing mix combines product, distribution (place), marketing communication and pricing strategies in a way that creates exchanges satisfying to both the individual's and company objectives (Cant & Van Heerden, 2010).

Corporate Marketing

Corporate marketing activities are publicly visible programmes and actions that companies undertake to communicate corporate activities that reflect the social responsibility, values and goals of the company (Wilson, 2001). According to the NWDC (2010) the vision of the North West Development Corporation (Pty) Ltd is for the NWDC brand to be recognised as an efficient and effective economic development agency within the North West Province.

The strategic objectives of the NWDC with regard to SMMEs are to:

- Establish strategic partnerships with both public and private sector institutions in order to draw on their relevant expertise and resources for the benefit of the manufacturing, trade and SMME sectors throughout the Province.
- Facilitate access to business opportunities, financing and other resources by SMMEs in order to prepare them for the future.
- Provide affordable infrastructure for SMMEs desiring to operate as small industries.
- Identify markets and strategic partners for SMMEs.

Marketing Communication

According to Belch and Belch (2007) the marketing communication purpose in most companies was dominated by mass media advertising for many years. The majority of marketers used additional marketing communication tools. Sales promotion and direct marketing agencies as well as package design firms, were generally viewed as supporting services and often used on an impromptu or a per project basis. These companies fail to recognise that the wide range of marketing communication tools available must be coordinated to communicate effectively and present a consistent image to target markets.

Customers should be made aware of what the organisation has to offer, hence almost all firms selling a product or a service use some form of advertising. Advertising is any form of paid communication in which the sponsor or firm is identified. Traditional media such as television, radio, newspapers, magazines, books, direct mail, billboards and transit cards (advertisements on buses and taxis and at bus stops) are commonly used to transmit advertisements to customers (Belch and Belch, 2007).

One of the most important reasons for the growing importance of marketing communication is that it plays a key role in the process of developing and sustaining a consistent image in the market. With more products and services competing for consideration by customers who have less time to make choices, well known brands have a major competitive advantage in the marketplace (Prinsloo, Groenewald & Pelsler, 2014).

A brand should represent what an organisation is about (company personality) or has to offer. Beukes, Prinsloo & Pelsler, (2013) states that a brand is a sign of identification, the label which differentiates the product from the competitors. A strong brand is a business asset and delivers outstanding benefits. It commands a premium price and makes marketing more efficient. Wood (2000) continues to define a brand as a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.

Thus, the NWDC brand has to be communicated to all SMMEs (registered and non-registered) for them to be aware of how they can benefit from it.

Brand Identity

Capon and Hulbert (2007) define brand identity as the associations an organisation wants people to hold about its brand. Iacobucci (2012) states that regardless of the quantity of information inherent in the brand name when it is introduced to the market place, brand name meaning is built over time through the firm's communications to customers. The marketer educates customers about the meaning of the brand as well as its logos and symbols. Just as the brand name engages the customers verbally, the logos and packaging colours engage the customers visually and sensually (Beukes *et al.*, 2013).

Understanding brand meaning involves understanding the symbolism and associations that create brand image, the mental impression consumers construct for a product. The richness of the brand image determines the quality of the relationship and the strength of the associations and emotional connections that link a customer to a brand (Prinsloo, *et al.*, 2014). Branding should be the cornerstone of the NWDC's marketing efforts toward SMMEs in the relevant region or regions.

Small, Medium and Micro Enterprises (SMMEs)

SMMEs exist in many economies. SMMEs are universally acknowledged as the driving force of economies in both developed and developing nations (Fadahunsi & Pelsler, 2013). According to Biekpe (2011) the role of SMMEs in the economy is to increase productivity, create employment especially for unskilled labour, and help reduce poverty.

Nieman, Hough & Nieuwenhuizen (2004) define a small business as one that is independently owned and operated, but is not dominant in its field and does not engage in any new marketing or innovative practices. The label 'small business' is attributed to businesses that meet the following criteria:

“Financing of the business is supplied by one individual or a small group of individuals; apart from its marketing function, the business operations are geographically restricted; compared to the bigger firms in the industry, the business is small and the number of employees in the business is usually less than 100.” - Longnecker, Moore & Petty, 2005:14.

According to South Africa's National Small Business Act 102 of 1996, Small, Medium and Micro Enterprises are defined as follows (South Africa, 2004):

- Survivalist Enterprises - which operate in the informal sector of the economy, mainly undertaken by unemployed persons whose income is generated below the poverty line, providing minimum means to keep the unemployed and their families alive. Little capital is invested with not much assets, neither is there much training. Opportunities for growing these businesses are very small.
- Micro Enterprises - there are between one to five employees, usually the owner and family. They are informal with no license, formal business premises, or labour legislation. Turnover is below the VAT registration level of R300 000 per year. The owner has basic business skills and training and the business has the potential to make the transition to a viable formal small business.
- Very Small Enterprise - is part of the formal economy with the use of technology and has less than 10 paid employees. Includes self-employed artisans (electricians, plumbers) and professionals.
- Small Enterprise - as less than 100 employees. It is more established than very small enterprises. It is formal and registered, with fixed business premises. Owner manages, but has a more complex management structure.
- Medium Enterprise - as up to 200 employees and still mainly owner managed, but has a decentralised management structure with division of labour. It operates from fixed premises with all formal requirements.

PROBLEM STATEMENT

The NWDC, previously known as the Bophuthatswana National Development Corporation (BNDC), was established and owned by the former Republic of Bophuthatswana as its economic development agency. The mission of the BNDC was to contribute towards the improvement of the quality of life in Bophuthatswana by developing Industry, Commerce, Small Businesses and Human Resources (NWDC, 2010). After the reincorporation of the former Republic of Bophuthatswana into the Republic of South Africa, the North West Provincial Government recognised the need for the continuance of the former BNDC as a development corporation for the North West Province (NWDC, 2010).

The NWDC came into existence when the North West Development Corporation Limited Act (Act No 6 of 1995), was approved by the Provincial Legislature and published in the North West Provincial Gazette during 1995. Due to various constraints the NWDC was placed under judicial management and as part of the business rescue plan, the NWDC was later converted into a private company by the judicial managers on 3 February 1999, named the North West Development Corporation (Pty) Ltd. The vision of NWDC is for the NWDC brand to be recognised as that of an efficient and effective economic development agency within the North West Province (NWDC, 2010).

According to the NWDC's marketing, communication and social responsibility policy (NWDC, 2012) the marketing and communication department of the NWDC takes responsibility for the marketing function of the NWDC. The department's functions include the marketing of the NWDC brand, by corporate image management with respect to NWDC stakeholders, and by marketing the NWDC through communication. This should create brand loyalty and support in the form of corporate social responsibility initiatives which are informed by the NWDC value system.

The objective of the marketing of the NWDC brand is to expand the NWDC corporate brand within the North West Province, which includes businesses, industry and the public, as well as to create an awareness of the NWDC amongst potential investors outside of the North West Province (NWDC, 2012).

Strategic marketing communication is imperative for implementation of the projects at NWDC. Business development in the North West Province, however, seems to be hampered by the lack of effective marketing communication from the NWDC regarding its support services and the lack of feedback from the registered SMMEs regarding their satisfaction with services rendered.

RESEARCH OBJECTIVES & QUESTIONS

The research objectives are as follows:

- To identify the marketing communication challenges of the NWDC.
- To determine the effectiveness of the marketing communication of the NWDC's support services to SMMEs.
- To establish the level of awareness of NWDC's support services amongst the SMMEs.
- To make suggestions that address the identified marketing communication challenges of the NWDC to SMMEs.

The study focuses on three central questions:

1. Is the NWDC's marketing communication effective?
2. To what extent are the SMMEs aware of the NWDC's marketing support services?
3. How can the NWDC effectively use marketing communication?

RESEARCH METHODOLOGY

The empirical focus was in the Ngaka Modiri Molema region since it encapsulates the capital city of the Province and has the highest population of registered SMME. The study adopted qualitative and quantitative research approaches (mixed method). A mixed method approach was advantageous in the sense that it enabled the researcher to simultaneously answer confirmatory and exploratory questions therefore verifying and generating theory in the same study (Tashakkori & Teddlie, 2003), hence qualitative and quantitative data was collected, and the research was explorative in nature. The purpose of the qualitative approach in this research was to explore the support services and the levels of communication that are offered by NWDC.

The population (N=140) consisted of all registered SMMEs on the current database. 108 SMMEs (convenience sampling) constituted the sample (n) for the study using a 0.05 margin of error. The population for this study comprised all the SMMEs in the Mafikeng and Zeerust areas (77 and 63 respectively) that are registered with NWDC and have their business in the current NWDC industrial sites. The participants (SMMEs) also had to show an interest or willingness to participate in the study. The non-probability sampling type was appropriate for this study as the convenience sampling method was adopted, based on the availability of SMMEs (n=82).

For this study a list of all SMMEs registered with NWDC in Mafikeng and Zeerust (Lehurutse and Motswedi village) was retrieved from the NWDC database and this constituted the population. Data was collected at the NWDC offices in Mafikeng. Two officials from the NWDC head office in Mafikeng and one official from the NWDC Regional Office in Mafikeng were interviewed. Questions for the interviews were divided into three themes:

- The extent of awareness by SMMEs of NWDC's marketing support services.
- The effectiveness of the NWDC's marketing communication.
- How marketing communication is effectively used by the NWDC.

For the quantitative part of the study, semi-structured interviews were conducted by the researcher in order to gather information about the support services that the North West Development Corporation offers. A list of perceptual attributes of the NWDC was identified from the interviews held with the employees of NWDC. The questionnaire was thereafter developed in a way that SMMEs had to indicate their level of awareness with regards to the support services offered by NWDC. The questionnaire comprised Section A that had demographics and personal data. Section B required business data information. Section C consisted of questions that focused on the awareness of support services and communication levels and was divided into Parts A and B. Participants were asked to answer Part A according to a 5 point Likert scale. Part B had two closed questions.

The study compared the analysis of SMME data with the analysis of NWDC employee data. The very same questionnaire was distributed to a sample of NWDC employees working with SMMEs in order to rate the services

they offer SMMEs. The questionnaire to NWDC employees had Section A that highlighted Demographics and Section B that addressed the awareness of support services. Communication levels consisted of Part A (5 point Likert scale) and Part B (2 closed questions).

Validity & Reliability

The validity of the questionnaire was tested by carrying out a pilot study that employed factor analysis to confirm that the questions were formulated to measure the support services offered by NWDC. A pilot study was done to serve as a testing ground for data collection instruments, sample selection and the method of analysis. Questionnaires were distributed to 10 SMMEs and their feedback revealed that they did not experience any difficulties in providing answers to the questions.

Field (2007) reasons that with attitudinal or behavioural constructs, an alpha coefficient above 0.70 is sufficient and that such data is suitable to use for subsequent analytical scrutiny. All the participants (SMMEs) responses were used to determine the reliability of the extracted factor. The Cronbach alpha coefficient measured a very respectable 0.959 for the study.

Ethical Considerations

The following ethical considerations were adhered to:

- Guarantee of confidentiality.
- The principle of voluntary participation.

Permission to conduct the study was sought and granted by the North West Development Corporation. Ethical approval for the study was obtained from the ethics committee of the North West University, Mafikeng Campus.

ANALYSIS OF RESULTS

Descriptive Statistics

According to Figure 1, 12.2% of the SMMEs are in the construction business. The aggregate of SMMEs that provide services are 18.3% and the aggregate of SMMEs that provide products are 81.74%. This indicates that the business of selling goods is a focus area for SMME owners.

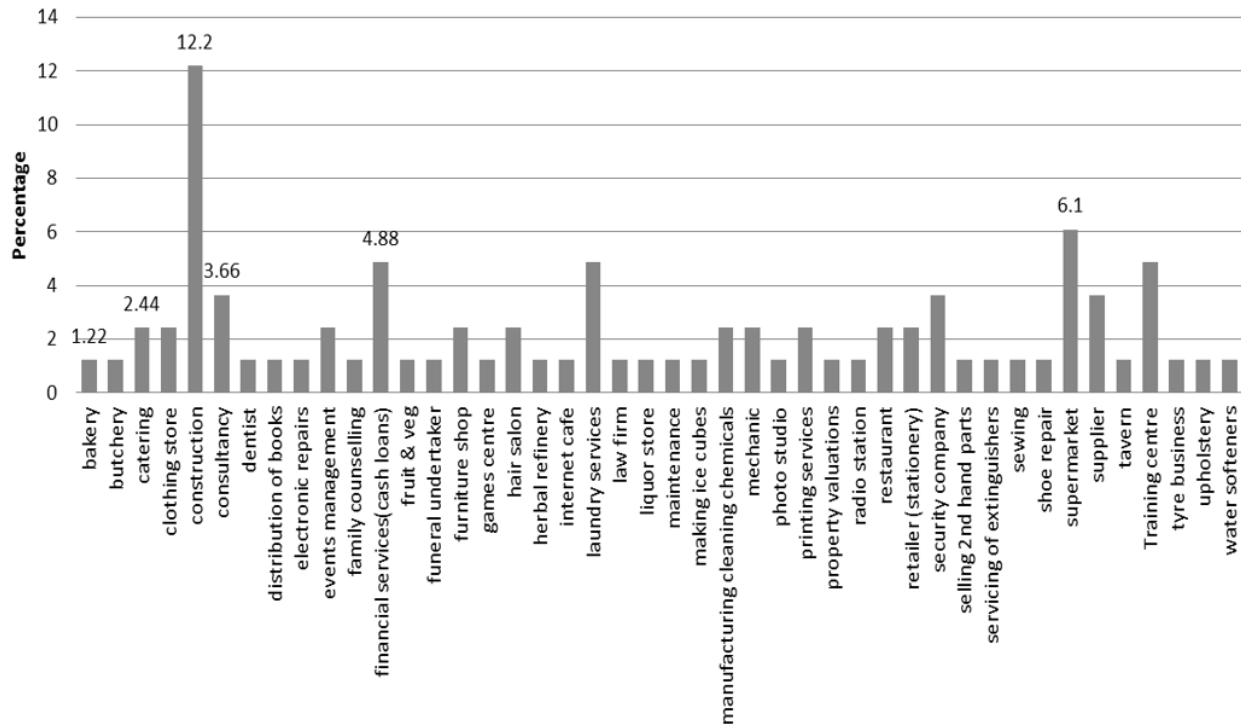


Figure 1: Business Type Profile

Further to the results, 59.75% of the SMMEs are selling other products which refer to miscellaneous items while 1.22% of the SMMEs indicated as selling products under the category of unsought products. This result reflects that SMMEs are selling a fairly wide variety of goods. Finally, 84.15% of the SMMEs indicated that they do not make use of the World Wide Web, also known as the internet for general communication with the NWDC. 15.85% of the SMMEs on the other hand make use of the internet. This is an indication that the majority of the SMMEs have not implemented technology for communication purposes with the NWDC.

Table 1 shows the items of the Likert scale showing mean values and the standard deviation. The Likert scale items were coded as follows: 1 = strongly disagree, 2 = Disagree, 3 = Unsure, 4 = Agree and 5 = strongly agree. Statement 1 in Table 1, “a vibrant SMME sector is crucial for South Africa’s economic growth, industrial development and job creation” indicated the largest mean of 3.90 (rounded up to 4) which shows that the SMMEs are in agreement with this statement because 4 in the Likert scale coding indicates “agree”. Statement 5 (b) in Table 1, “exhibitions” indicated the lowest mean of 2.21 (rounded down to 2) which shows that SMMEs disagree that they have a comprehensive awareness of NWDC’s training to SMME’s by presenting programmes such as exhibitions and 2, according to the Likert scale coding, indicates “disagree”. In aggregate the items in the Likert scale obtained an average of 2.60. Therefore with regards to awareness of support services and communication levels the SMMEs indicated that they are unsure. This is arrived at after rounding 2.60 up to 3 and according to the Likert scale coding 3 indicates an “unsure” response.

The Likert scale standard deviation of 0.96 was obtained (Table 1). Therefore with regards to awareness of support services and communication levels, the SMME responses are almost the same or identical concerning their awareness of NWDCs support services. It indicates that the scores are closely clustered around the mean.

Table 1: Awareness of Support Services and Communication Levels

	Item	Likert Scale	
		Mean	Standard Deviation
1	A vibrant SMME sector is crucial for South Africa's economic growth, industrial development and job creation.	3.90	0.94
2	SMMEs in the North West Province have easy access to affordable and appropriate finance.	2.63	0.95
3	SMMEs that receive business development services are better positioned to access finance easily.	3.02	0.99
4	You have a comprehensive awareness of all the support services that NWDC has to offer such as:		
	a) Loan service.	2.60	1.05
	b) Mentorship.	2.30	0.90
	c) Registration of companies	2.85	1.02
	d) Pre care and after care service.	2.46	0.98
	e) Development opportunity by allocating business space.	3.32	1.09
	f) Mentorship from stage 1.	2.24	0.84
	g) Moratorium on loans.	2.37	0.91
	h) Negotiations on rental.	2.89	1.11
5	You have a comprehensive awareness of NWDC's training to SMME's by presenting programmes such as:		
	a) Workshops on loan taking.	2.24	0.90
	b) Exhibitions.	2.21	0.87
	c) Business plan drafting.	2.24	0.87
	d) Report writing	2.24	0.87
6	Assistance with finding a suitable market for your products or services.	2.33	0.93
7	NWDC plays an active role in promoting your business and contributing to its growth.	2.35	0.99
8	Good communication relationship with the NWDC is in existence.	3.15	1.13
9	You have a comprehensive awareness of communication methods used by NWDC such as:		
	a) Phone calls.	2.89	1.07
	b) Brochures.	2.55	1.03
	c) Email.	2.62	1.00
	d) Workshops.	2.48	0.91
	e) Newspaper article.	2.48	0.92
	f) Meetings.	2.55	0.98
	g) Site visits.	2.71	1.09
	h) Exhibitions.	2.37	0.87
	i) Noticeboards.	2.46	0.93
	j) Newsletters.	2.49	0.91
	k) Memos.	2.46	0.89
10	The NWDC engages with you online/ internet by sending you emails to keep you updated.	2.49	0.98
	Average	2.60	0.96

The average responses (see Figure 2) in terms of percentages on awareness of support services and communication levels indicated that 35.61% of the SMMEs disagree that they are aware of support services offered by NWDC. 3.25% of the SMMEs strongly agree that they are aware of the support services offered by NWDC. This indicates that SMMEs are uninformed about NWDCs support services.

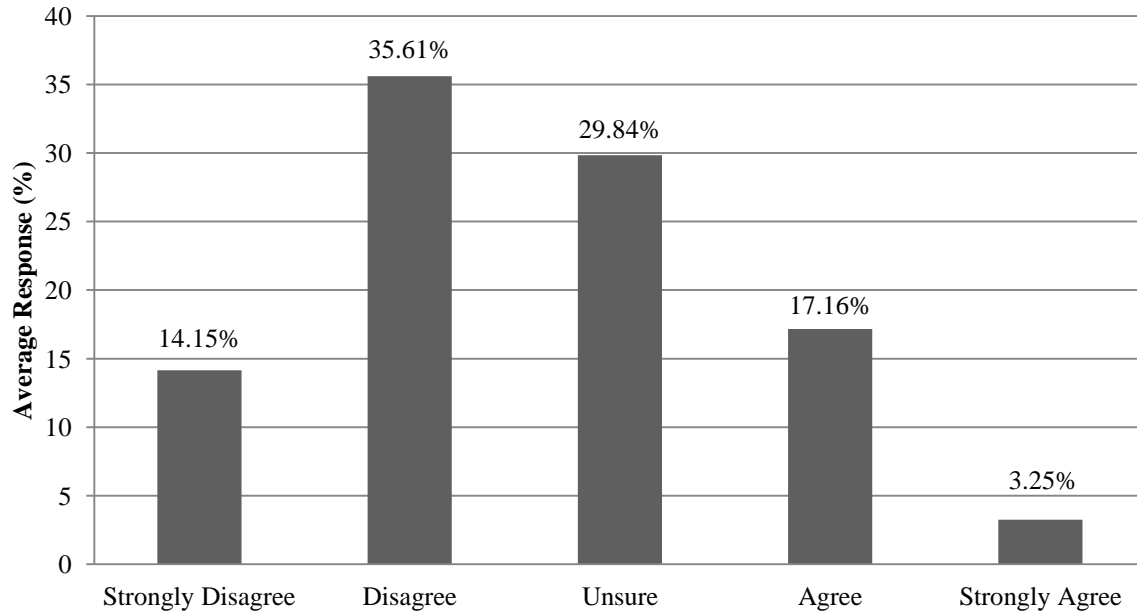


Figure 2: Views on Awareness of Support Services and Communication Levels

To conclude this section, 85.37% of the SMMEs indicated that workshops and exhibitions are never held. 1.22% of the SMMEs indicated that workshops and exhibitions are held twice a month. It seems that the majority of the SMMEs have not attended any workshops or exhibitions held by NWDC. 43.90% of SMMEs indicated that the NWDC communicates with them once a month by site visits regarding SMME queries and progress. 1.22% of the SMMEs indicated that NWDC communicated with them 4-6 times a month by site visits. Finally, there was a 43.9% - 39.02% split between SMMEs that indicated “once a month” and SMMEs that indicated “never”.

Test of Significance

The Spearman’s rank correlation was used to analyse perceptions between age category and views of SMMEs on awareness of support services and communication levels (see Table 2). Since the p-values of 0.035 and 0.010 are less than a level of significance of 0.050, the correlation between age category and views of SMMEs on awareness of support services and communication levels is significant. Positive correlation coefficients ($r = 0.234$ and 0.285) imply that older SMMEs tend to agree with the items listed in Table 2, whereas younger SMMEs tend to disagree.

Table 2: Correlation between Age Category and Views of SMMEs on Awareness of Support Services and Communication Levels

<i>You have a comprehensive awareness of all the support services that NWDC has to offer such as:</i>		Age Category
Mentorship	Correlation coefficient (r)	0.234
	p - value	0.035
Moratorium on loans	Correlation coefficient (r)	0.285
	p - value	0.010

Factor Analysis

Principal factors extraction with varimax rotation was performed on 30 items from a sample of 82 SMMEs. Principal components extraction was used prior to principal factors extraction to estimate number of factors, presence of outliers, absence of multicollinearity and factorability of the correlation matrices. Thereafter the “varimax rotation method” was used to detect factors each of which is related to few variables. The first factor solution was stage one where a set of loadings was calculated that yielded theoretical variances and covariances.

Table 3 reflects the principal components extraction method that utilizes the entire variation in the set of variables being analyzed. The eigenvalues indicates the amount of variance explained by each component. The total variance was used to determine the emerging components. These components are the five whose eigenvalue is greater than 1 as indicated in Table 3 (highlighted in bold) under the column total (eigenvalues). They have values of 15.083, 3.140, 1.701, 1.271 and 1.084.

Table 3: Principal Components Extraction Method

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total (Eigenvalues)	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	15.083	50.278	50.278	9.124	30.414	30.414
2	3.140	10.468	60.746	7.879	26.263	56.678
3	1.701	5.671	66.417	2.394	7.980	64.657
4	1.271	4.236	70.653	1.588	5.294	69.951
5	1.084	3.614	74.267	1.295	4.316	74.267
6	.997	3.324	77.591			
7	.860	2.868	80.459			
8	.784	2.612	83.071			
9	.688	2.293	85.365			
10	.540	1.800	87.165			
11	.480	1.601	88.765			
12	.471	1.570	90.335			
13	.400	1.333	91.669			
14	.353	1.176	92.845			
15	.321	1.072	93.916			
16	.274	.913	94.829			
17	.230	.767	95.596			
18	.222	.739	96.335			
19	.208	.692	97.027			
20	.176	.588	97.616			
21	.152	.506	98.122			
22	.141	.470	98.592			
23	.099	.331	98.923			
24	.084	.279	99.202			
25	.064	.214	99.416			
26	.057	.189	99.605			
27	.050	.166	99.771			
28	.032	.107	99.878			
29	.021	.069	99.948			
30	.016	.052	100.000			

Table 4 shows variables (Y) that can be explained by the five components identified. According to Raul and Ahmed (2005:273) the factor loading worth considering from the rotated factor matrix should be greater than 0.45. Therefore the variables with loadings of 0.45 or greater in the table will be the points to be considered for inclusion of a variable in interpretation of a factor.

Table 4: Rotated Component Matrix

Variables	Factor/Component				
	F1	F2	F3	F4	F5
Y1	.105	-.025	.005	-.047	.886
Y2	.118	.372	.052	.747	-.239
Y3	.238	.367	-.008	.561	.272
Y4	.143	.572	.573	.149	.141
Y5	.340	.782	.254	-.010	.034
Y6	.128	.296	.682	-.080	-.012
Y7	.390	.645	.227	.050	-.057
Y8	-.003	.095	.853	.054	.022
Y9	.296	.799	.208	.042	-.040
Y10	.173	.690	.342	.142	.251
Y11	.242	.515	.386	-.259	-.310
Y12	.335	.822	.064	.184	-.067
Y13	.251	.836	.068	.260	.009
Y14	.250	.840	.073	.107	-.038
Y15	.373	.712	.162	.052	-.033
Y16	.301	.694	.112	.357	-.036
Y17	.296	.647	.040	.303	-.029
Y18	.464	.143	.458	.129	-.264
Y19	.786	.014	.245	.137	-.092
Y20	.783	.202	.182	.114	.070
Y21	.769	.330	.136	.183	.123
Y22	.833	.451	.036	-.009	.147
Y23	.822	.468	.019	.039	.126
Y24	.832	.278	.136	-.082	.064
Y25	.778	.198	.194	.201	-.071
Y26	.839	.359	-.002	.124	.081
Y27	.841	.439	.060	.034	.123
Y28	.833	.338	-.038	-.004	-.121
Y29	.841	.348	-.061	-.098	-.056
Y30	.699	.138	.047	.314	-.002

Five factors were extracted with a cut off of 0.45 for inclusion of a variable in the interpretation of those factors. All the factors were included in the interpretation. Loading of variables on factors, communalities and percentages of variance are shown in Table 4 under Factors F1 to F5 respectively.

Table 5 shows the order in which variables contribute to factors and lists the factors after rotation of components.

Table 5: Order in which Variables Contribute to Factors

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
	<i>COMMUNICATION</i>	<i>MENTORSHIP</i>	<i>REGISTRATION OF COMPANIES</i>	<i>ACCESS TO FINANCE</i>	<i>DEVELOPMENT OF SMMEs</i>
1	Good communication relationship with the NWDC is in existence	Loan service	Loan service	SMMEs in the North West Province have easy access to affordable and appropriate finance	A vibrant SMME sector is crucial for South Africa’s economic growth and job creation
2	Phone calls	Mentorship	Registration of companies	SMMEs that receive business development services are better positioned to access finance easily	
3	Brochures	Pre - care and after care service	Development opportunity by allocating business space		
4	Email	Mentorship	Good communication relationship with the NWDC is in existence		
5	Workshops	Moratorium on loans			
6	Newspaper article	Negotiations on rental			
7	Meetings	Workshops on loan taking			
8	Site visits	Exhibitions			
9	Exhibitions	Business plan drafting			
10	Noticeboards	Report writing			
11	Newsletters	Assistance with finding a suitable market for your products or services			
12	Memos	NWDC plays an active role in promoting your business and contributing to its growth			
13	The NWDC engages with you online / internet by sending you emails to keep you updated	Workshops			

Summary of Findings

SMMEs indicated uncertainty about being aware of the support services offered by NWDC. The study can conclude that the marketing of the NWDC is not reaching the targeted audience at an acceptable level. Furthermore, 35.61% of the SMMEs disagreed that they were aware of NWDCs marketing support services whilst 3.25% of the SMMEs agreed. The study can conclude that a significant number of the SMMEs do not have the required awareness of the NWDC’s support services.

In this research 85.37% of the SMMEs indicated that they had never attended workshops held by NWDC while 1.22% agreed they attended workshops twice a month. The study can conclude that the vast majority of the SMMEs have never attended workshops held by NWDC.

Finally, there was a 43.9% - 39.02% split between SMMEs that indicated that NWDC communicated through site visits once a month and SMMEs that indicated site visits never took place. The study can conclude that the number of SMMEs that have never had site visits from NWDC is significant but only slightly less than the number of SMMEs that have had site visits.

RECOMMENDATIONS

Recommendation With Regard To Objective 1

The uncertainty of SMMEs with regards to NWDC's support services and communication levels is an indication that NWDC's marketing communication message is not effectively communicated to the SMMEs. Therefore, the NWDC must draw up and implement a schedule of specific dates when it will carry out training programmes that it already has in place such as:

- Workshops,
- Exhibitions to train smmes and better equip them for sustainability,
- Sending out memos,
- Newsletters,
- Use of noticeboards to paste useful information,
- Exhibitions,
- Having meetings,
- Sending out newspaper articles and brochures,
- Mentorship,
- Pre-care and after-care service,
- Moratorium on loans,
- Business plan drafting,
- Report writing, and
- Assisting SMMEs with finding suitable markets.

The marketing communication should adopt an action oriented approach towards communicating and working with the SMMEs. According to Beukes *et al.* (2013) these factors play a very important role in satisfying customer needs and to deliver a service that is of a high quality. For example, the NWDC should communicate relevant information about upcoming training events to the SMMEs for them to plan their time accordingly.

Recommendation With Regard To Objective 2

The NWDC should encourage its SMMEs to make use of the World Wide Web as this is a technological era. 84.15% of the SMMEs indicated that they did not make use of the World Wide Web. According to Pelser (2001) technology plays a pivotal role in interactions among the individual, society and nature. technological advances have major effects on each of these entities and are, in turn, influenced by them. Management of technology involves developing an understanding of these relationships and dealing with them in a rational and effective manner, and the same applies to marketing communication.

Recommendation With Regard To Objective 3

The level of awareness amongst SMMEs with regards to NWDC's support services and communication levels was indicated by "unsure" showing that SMMEs are not confident that they are aware of the support services that are being offered to SMMEs. Recent research has shown that setting policies regarding technologies, which have an impact on operations, is the same as developing effective strategies (Pelser, 2014a, 2014b, 2014c, and

2014d) and therefore it is recommended that a formal marketing communication policy be developed for the NWDC.

Recommendation With Regard To Objective 4

SMMEs are not well informed about the support services of NWDC and seem hesitant about most of the issues addressed with regards to support services and communication levels. SMMEs view the NWDC mainly as a landlord providing business space and are not provided with support services to an optimum level as should be the case. The North West Development Corporation's mission is to empower and develop SMMEs in the North West Province and therefore the NWDC should expand its marketing perspectives with the view to develop the SMMEs, the North West Province and the people in it.

CONCLUSION

This study focused on the effectiveness of the strategic marketing communication of the North West Development Corporation to Small, Medium and Micro Enterprises and found that the SMMEs showed uncertainty with regards to their awareness of the NWDC's support services and communication levels. The SMMEs were not supported with strategic marketing communication to enable them towards business growth and business expansion.

There is a need for the NWDC's marketing department to communicate efficiently and effectively with regards to the support services it offers and that are available to the SMMEs. The NWDC's marketing communication should also keep abreast of issues concerning SMMEs so as to provide effective care and continuous support to the SMMEs.

Development Corporations should encourage entrepreneurship and optimally use all marketing strategies available for efficient and effective communication. With regard to this study, the NWDC should be in a position to ask for feedback from the relevant SMMEs, as this encourages a dualistic communication process. Good communication will encourage organisational sustainability which will also be beneficial to future SMME entrepreneurs.

It is hoped that the responses from the SMMEs will be used by the NWDC to formulate a strategic marketing policy with the appropriate procedures, which will contribute towards making the process of working with SMMEs positive with regards to entrepreneurship, empowerment and development for the North West Province in South Africa.

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