

# Enhancing Sales Volume through Marketing Strategies: A Case of the Cropchem Brand

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## ABSTRACT

This study investigated key marketing strategies that enhanced sales volume for agrochemical products at Cropchem. Being centred on marketing processes by businesses and organizations, the study was anchored on the "Marketing Mix" and the "Push and Pull" theories which depict concern for determining the needs of the potential customers and pushing the solutions out to those customers. The research used an exploratory qualitative design. Research data was collected using interviews and focus group discussions (FGDs) to unearth the truth on a fact-finding mission. A total of 34 individuals were interviewed; 5 each from Cropchem employees, agro dealers, commercial farmers and households supplemented by 2 FGDs (14) comprised of small -scale farmers, using purposive sampling. The research concluded that despite the challenges faced by Cropchem, ten (10) various kinds of marketing strategies were identified to have been used by the firm, out of which four (competitive pricing; physical evidence, social media and process) stood out to be effective for enhanced sales volume of Cropchem products. This shows the extent to which customer behavior was influenced by those key marketing strategies in enhancing sales volumes of the agrochemical products. Some recommendations were made, and it was concluded that not all marketing strategies used in the agrochemical business can enhance sales volume. The marketing strategies, competitive pricing, physical evidence, social media and process are key to enhanced sales volume for the Cropchem brand. This study is expected to assist economic policy makers in designing policies that will help infant and/or local industries to survive in highly competitive business environments dominated by large foreign companies.

**Keywords:** marketing strategies, sales volume, agrochemical business, Zambia

## I. INTRODUCTION

The fundamental goal of marketing strategy is that of increasing sales and achieving a sustainable competitive advantage in any business enterprise (Rotich, 2016). This entails that marketing strategies are important factors in any business. In today's business environment, including the agricultural business organizations, it is unquestionably true that firms that depend on orthodox or conventional marketing strategies to enhance sales, risk being booted out of the market. Otieno (2015) observed that small and medium enterprises worldwide are faced with reduced sales volume or performance due to lack of effective marketing strategies.

In the agricultural sector, the use of marketing strategy has no doubt become an important and integral part of business, without which production and sales volumes are compromised (Food and Agriculture Organization (FAO- 2021). The agrochemical industry has become a business among agricultural firms worldwide, requiring marketing strategies that suit the nature of the business in order to enhance sales volume. In agrochemical industries, designing effective marketing strategies involve major decisions considering various factors, among them government policy and culture of the customers [Jagtap & Pahurkar, 2019].

The agrochemical industry is highly saturated with small companies with limited capital, and also large multinational companies with higher access to finance. Small companies must therefore, use various marketing strategies and tactics to thrive in this industry.

The aim of the study was to establish marketing strategies that enhanced sales volume of Cropchem products. Therefore to achieve this, the specific objectives were to evaluate sales volumes for Cropchem between 2016 and 2021; to establish marketing strategies that enhance sales volumes for Cropchem; to establish challenges faced in enhancing sales volume; and to identify the key strategies that enhance sales volume for Cropchem.

## II. LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

### 2.1 Agrochemicals in Zambia

Zambia has a favorable climate that promotes agricultural production. The agriculture sector accounts for 21% of GDP, with the balance coming from industry (35%) and services (44%). Further, it is estimated that the sector is growing at an annual rate of 7% (Indaba Agricultural Policy Research Institute- IAPRI, 2014), and employing about 70% of the population (Deloitte, 2013).

From 1964 to date, the Zambian government has been involved in the marketing and distribution of fertilizer. Before the liberalization of the economy, many quasi governments were delegated to distribute and market fertilizer to the small-scale farmers on behalf of government and few companies were involved in the rest of the agrochemicals. After 1991, the government embraced market reform programs and their implementation by liberalizing the agrochemical sector as well. The main purpose of those reforms was to reduce budget deficits as a result of huge subsidized marketing board operations. These reforms included the role of private sector and their participation in fertilizer and agrochemical marketing.

During the First Republic in Zambia, prior to the introduction of the liberalization of the economy, most of the agrochemical businesses pulled out from the country owing to the lack of access to foreign exchange. Examples of the companies included Shell Chemicals, Imperial Chemical Industries Zambia (ICI), Cooper Zambia, Fiser and Hoechst Zambia (Pray, Gissequit and Nagaran, 2011). The exit of these companies from the industry created a vacuum, resulting in a critical shortage of agrochemical products in the market. Following this shortage, a number of local entrepreneurs took advantage and formed companies to supply farmers with the agrochemical inputs (Pray, Gissequit and Nagaran, 2011). Some of such companies included FarmChem, Rhino Agrochemicals, Croppack Agro, Plant Agrichem, Growell Chemicals, Cropserve and Cropchem Services Limited (Kaite, 2016).

Cropchem Services Limited is an indigenous Zambian agrochemical company that imports and distributes a comprehensive range of agricultural chemicals and other farm inputs, to the local market (Cropchem Services limited, financial statement, 2018).

Agribusiness Global Direct (2023) asserts that there are many local importers and distributors active in Zambia, including Farmchem Services, Dunavant, Farmers Barn, Nemchem International, CHC Commodities, Cropchem Services, Hygrotech, Zambia Cooperatives Federation, Agchem Tech. Services, Agrichem, Reckitt Benkiser, Index Investments, Lamise Investments, Agrocentre, Danatract, Cure Chem, Amiran, ETG Inputs, Simmer Enterprises, Crop Care Solutions, Twiga Chemicals, Swinney Enterprises, Mana Agrochemicals, Femitech Enterprises, Croppack Agro Services, Plant Agrichem Services, Arostel, Base Chemicals, ATS Agro, Precision Farming, and NWK Agri Services.

### 2.2 Marketing Strategies of Agrochemicals from Global Perspective

Research studies have continued to show the use of different marketing strategies of agrochemicals in many parts of the world. In India, Jagtap & Paurkar [2019], conducted a study on the role of agrochemical companies in agricultural market with intent to explore futuristic scope for the agrochemical companies, to study strategic decisions to the extent of marketing perspectives of the agrochemical companies, to exploit the marketing opportunities in Indian agricultural segment, and to offer hypothetical observations in regards to the marketing strategies of agrochemical companies in India.

### 2.3 Marketing Strategies of Agrochemicals from Regional View

A study in Kenya by Irunga (2018) was reviewed whose main objective was to establish the effects of innovation strategies and performance of agrochemical companies in Nairobi County, Kenya particularly by looking at the effect of product, technological, marketing and process innovations.

Results revealed that there was a strong relationship ( $R$ -value = 0.532) between innovation strategies and organizational performance of agrochemical companies in Nairobi County, Kenya. Innovation strategies explained about 21% of the total variance in the organizational performance of agrochemical companies. It was further established that product, technological, marketing and process innovation strategies had a positive effect on the organizational performance of agrochemical companies. Out of all the variables studied, only marketing innovation influenced the organizational performance of agrochemical companies significantly. It was further revealed that agrochemical firms faced innovation challenges to a moderate extent with high cost of developing new products, high cost of implementing new strategies, inadequate technological infrastructure, shortage of expertise, rigid regulating practice that discourages innovation, lack of a research and development department, lack of avenues to share innovative ideas, and lack of top management support being the most faced challenges. Several suggestions were put forward for management of agrochemicals and government to improve all the challenges revealed.

### III. RESEARCH METHODOLOGY

The researcher collected data through interviews to explore more about the use of marketing strategies of agrochemicals for Cropchem. Among these were in-depth interviews from sales representatives; commercial farmers; agro-dealers and households. FGDs were used to collect data from small scale farmers. Exploratory research uses interviews to unearth or discover the truth, and based on that, the researcher's position is that of using advocacy philosophical view which combines subjectivity, inductive, biased and qualitative approaches in collecting data for the study. This means that positivism or pragmatic philosophies are excluded from such assumptions of subjectivity, inductive and bias. This calls for purely qualitative approach. Creswell (2012) defines qualitative research as a means for exploring and understanding the meaning that individuals or groups ascribe to as a social or human problem.

### IV. RELIABILITY AND VALIDITY

To ensure the validity of research results, the researcher saw to it that every component of the research project was carried out at any level, would be clearly spelt out as well as pursued. High reliability implied measurement was valid. The use of triangulation by use of the three techniques to collect data i.e interviews, FGDs and KIs was a sure way to achieve validity. Discussions with buyers ensured reliability. The use of more than one tool is advocated for in qualitative research that deals with subjective issues.

### V. ETHICAL CONSIDERATIONS

Bryman (2008) states that every scientific study be conducted in a very ethically acceptable way possible, therefore the University of Zambia, Cropchem employees, commercial & small-scale farmers, and the agro-dealers that the researcher interacted with during the course of the research were treated with high moral value and responsibility. The researcher had to make sure that ethics were adhered to during all stages of conducting the research.

### VI. ANALYSIS OF THE RESULTS

#### 6.1 Demographic Profile of the Respondents

For easy identification during the findings and discussions, the 20 participants were each given a code in order to help the researcher avoid using names. The participants were informed that their names were substituted with codes. Table 1 shows the participant and category.

Table 1: Participant and Category

Category	Participants
Cropchem Employees	AgroEmp 01- 05
Agro-Dealers	AgroDls 01- 05
Commercial Farmers	CFs 01 – 05
House Holds	HH 01-05
Focus Group Discussion 1	FGD 11; FGD 12; FGD 13; FGD 14; FGD 15; FGD 16 & FGD 17
Focus Group Discussion 2	FGD 21; FGD 22; FGD 23; FGD 24; FGD 25; FGD 26 & FGD 27

#### 6.2 Age of Participants

The participants were asked to indicate their age. Table 2 shows the interval and frequencies.

Table 2: Age Distribution of Participants

Age Interval	Frequency	Percentage
Below 25	2	6%
25- 35	3	9%
36- 45	7	21%
46- 55	9	25%
56-65	7	21%
Above 65	6	18%
<b>TOTAL</b>	<b>34</b>	<b>100%</b>

The table shows age of participants in interval. The table shows that 6% of the participants were below 25 years; 25- 35 years were 9%; 36- 45 years were 21%; 46- 55years were 25%; 56-65 years were 21% and above 65 years were 18%. The majority of the participants above 55 years constituted about 64%.

### 6.3 Educational Levels of Participants

Table 3 shows a total of seven (7) participants constituting 21% ended at Grade 9, with nine (9) participants constituting 26% having attained Grade 12, six (6) participants constituting 17% ended at College Certificate; five (5) at Diploma; and seven (7) participants constituting 21% ended at University Degree.

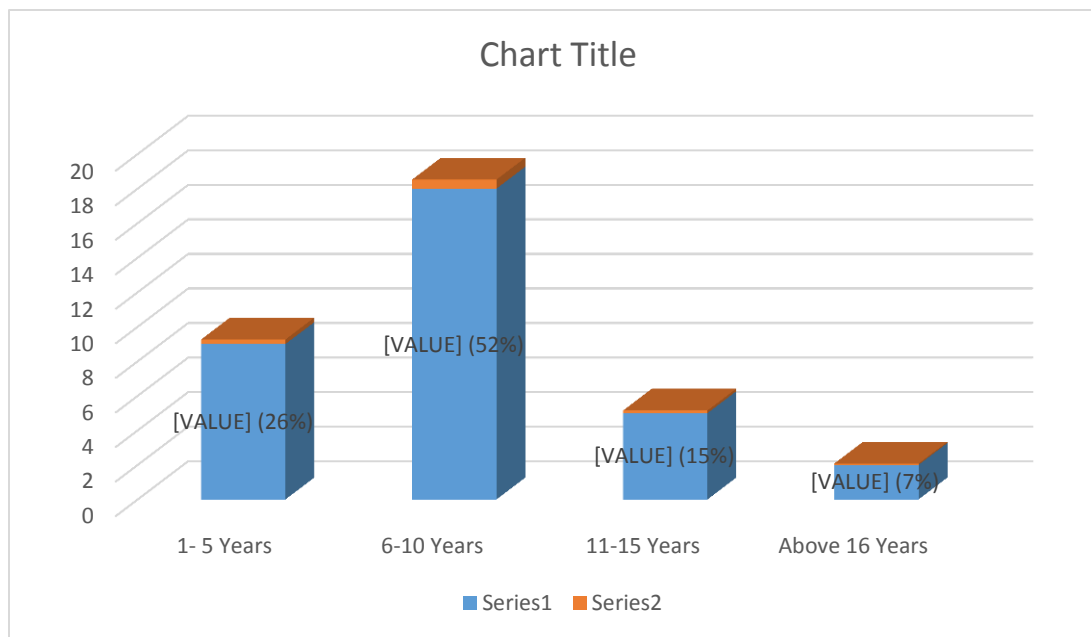
**Table 3:** Educational Levels of Participants

Educational Level	Frequency	Percentage
Grade 9	7	21%
Grade 12	9	26%
College Certificate	6	17%
College Diploma	5	15%
University Degree	7	21%
<b>Total</b>	<b>34</b>	<b>100%</b>

Source: Researcher (2023)

### 6.4 Number of Years of Doing Business with Cropchem Services Ltd

Figure 1 depicts the number of years of doing business with Cropchem.



**Figure 1:** Number of Years of doing Business with Cropchem Service Ltd.

The figure shows that nine (9) participants constituting 26% have been doing business with Cropchem for the past five years; 6 to 10 years were eighteen (18) constituting 52%; 11 to 15 years were five (5) constituting 15%; and above 16 years were two (2) constituting 7%.

### 6.5 Sales Performance of Cropchem Services Limited from 2016 to 2021

Secondary data from Cropchem Services Limited Annual Financial Reports from 2016 -2021 revealed the sales performance. Figure 2 presents the sales performance.

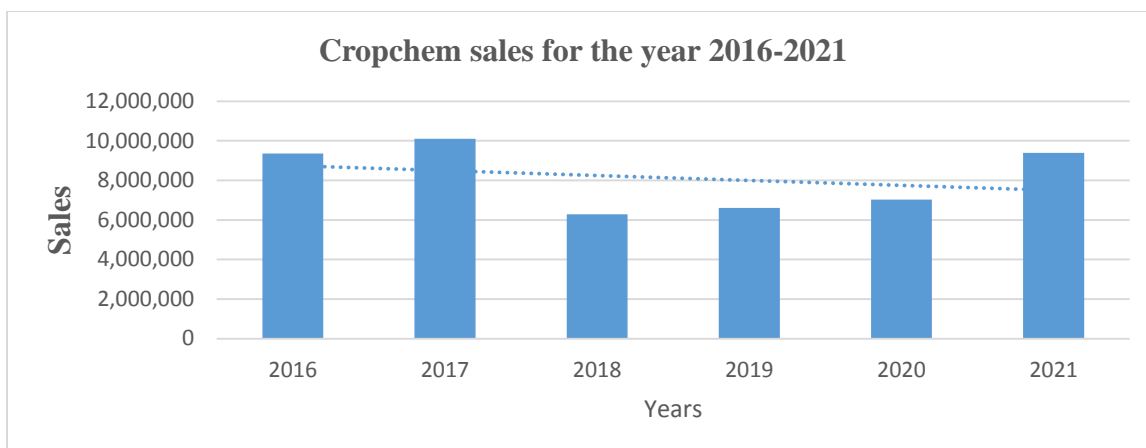


Figure 2: Six-year Sales from 2016- 2021

In 2016, above 9,000,000 was recorded; 10,000,000 was recorded in 2017; 6,000,000 in 2018; between 6 to 7,000,000 in 2019; above 7, 000,000 was recorded in 2020 and closer to 10,000,000 was recorded.

### 6.6 Key Strategies to Enhance Sales Volume for Agrochemical Products

It was established that Cropchem Services Ltd had been using marketing strategies as follows;

#### Social Media

Modern technology has brought many benefits to the users of social media platforms such facebook, Tweeter, Instagram etc. The use of facebook by Cropchem incorporates various products and features that allow users to connect with business customers to share content, and engage in online activities.

#### Agricultural Shows

Agricultural shows have a long history in the marketing of agricultural products from time immemorial. These events at district, provincial and national level provide a platform for farmers, agribusinesses and other stakeholders to showcase their products and services, exchange knowledge, and build relationships.

#### Farm Visits

Farm visits provide valuable experiences for various farmers groups and individuals. The purpose is to provide firsthand exposure to agricultural practices. These visits are educational, recreational, or business-focused in nature, and they offer many benefits. Farm visits, when well-organized and informative, contribute to a broader understanding of agriculture, promote sustainable practices, and create connections between different stakeholders in the agricultural ecosystem.

#### Competitive Pricing

This helps businesses analyze competitors and align pricing with overall business objectives. It is strategically done in order to attract and retain customers, optimizing profitability, and ensuring a business's resilience in a competitive environment. There are many advantages of competitive pricing vis a vie consumers tend to compare prices; attracts price-sensitive customers and retain existing ones; influence how consumers perceive a brand; allows a business to position itself effectively; maintain market share; increases sales and revenue growth among many.

#### Presence of Experienced Technical Team in the Field

These experienced agronomists play a critical role in the field of agriculture, contributing to the success and sustainability of farming practices. Agronomy is a science that needs professionals in the field to explain issues from soil science, crop physiology, and agronomic practices. They analyze soil conditions, choose appropriate crop varieties, and recommend optimal planting and harvesting times. This knowledge helps maximize crop yields and overall agricultural productivity.

#### Delivery up to Door Step

This is a critical aspect of modern business operations. There are numerous benefits for both businesses and customers: customer satisfaction, operational efficiency, and overall business success; saves customer's time and effort as they receive their

orders at their homes or preferred locations without the need to visit physical stores; can attract and retain customers; can lead to increased sales and revenue; provide businesses with valuable data on customer behavior, preferences, and geographic distribution.

### **Awareness of and Offer of Attractive Brand**

Awareness of a business brand is critical for several reasons, as it plays a significant role in the success and growth of a company. It makes a brand easily recognizable; creates trust and credibility among consumers who are more likely to be loyal to that brand; contributes to the perceived value of a product or service; marketing efforts become more efficient and easier to attract, and convert potential customers; provides a platform for successful brand extensions and diversification among many.

### **Credit Facilities**

This plays a critical role in marketing for several reasons. These include allowing customers to borrow money or obtain goods and services in the absence of immediate cash; credit facilities increase consumers' purchasing power; boost sales for businesses; can help the firm to penetrate new markets; can be a significant differentiator; gain a competitive edge over those that do not; customer can defer payments until a later date.

### **Promotions through T-Shirts, Caps and Fliers**

Promotions through t-shirts, caps, and flyers can be valued mechanisms of a marketing strategy, offering a range of benefits such as: increasing brand visibility, engaging with target customers silently and driving sales volume in the long run; create walking billboards; spark conversations and word-of-mouth marketing; contribute to building a strong corporate identity; reinforcing the image and values of a business and providing ongoing promotion over an extended period.

### **Challenges Faced by Cropchem in Enhancing Sales Volume**

The study established the following challenges:-

- Unstable pricing structure due to high cost of importation and the dollar kwacha ratio.
- High cost of marketing due to increased cost of fuel.
- Low purchasing power by clients due to liquidity challenges.
- Inadequate resources for research and development.
- Inadequate technological infrastructure.

The key marketing strategies as emerged from the majority participants as affirmed from FGDs, small scale farmers, commercial farmers, agro-dealers and households were competitive pricing; physical evidence and process.

## **VII. DISCUSSION OF RESULTS**

The results from the review of Cropchem sales for the period 2016 to 2021 show that sales fluctuated and also show a reduction during the years 2018, 2019 and 2020. The maximum recorded was 10,000,000 in 2017 and minimum recorded was slightly above 6,000,000 in 2018. King'ori, & Waithaka (2017) confirms that many agrochemical companies continue to struggle as a result of not being aware of the challenges in agrochemical industry as they are closed and that little information is available to them. Taiwo et al., (2010) found that strategic marketing practices have a significant impact on performance variables and that they interact with the different components to facilitate performance.

The study revealed many marketing strategies used by Cropchem in marketing the company products which include social media; agricultural shows; farm visits; competitive pricing; print media; presence of technical staff in the field; experienced agronomists; delivery up to door step; awareness of and offer of attractive Cropchem brand; credit facilities; promotions through t-shirts, caps and fliers. Marketing activities in the global system vary from one country to another depending on political, social, economic, natural, and technological factors (Sheldon, 2016). In order to come up with a marketing strategy, McCharthy (2011) is of the view that a marketing strategy should specify a target market and a related marketing mix. Key marketing strategies as emerged were competitive pricing; physical evidence and process.

Among the challenges were; unstable pricing structure due to high cost of importation and the dollar kwacha ratio; high cost of marketing due to increased cost of fuel and low purchasing power by clients due to liquidity challenges among others. Zhou & Wu (2010) emphasize that in a turbulent business environment, marketing innovation is a key enabler, and marketing innovation allows the implementation of new marketing techniques leading to significant changes in pricing, promotion, product and place strategies [Polder et al. 2010]. Luostarinen and Gabriellsson (2006) point out that sales and marketing strategies may be adopted to combat competition, improve the position of the company in the market, or grow the business. Good marketing supports sales and expansion, and contributes significantly to the growth of market share in competitive markets (Marjanova and Stojanovskl, 2012).

## VIII. CONCLUSIONS AND RECOMMENDATIONS

The research concludes that although some challenges were faced by Cropchem Ltd such as unstable pricing structure due to high cost of importation, high cost of marketing due to increased cost of fuel and low purchasing power by clients due to liquidity challenges among others, there were ten marketing strategies that were identified to have been used by the business. Four key marketing strategies (competitive pricing; physical evidence, social media and process) stood out to be effective to have enhanced sales volume of their products. This shows the extent to which customer behavior was influenced by those key marketing strategies in enhancing sales volumes of the agrochemical products.

The study also concludes that continued use of orthodox marketing strategies without evaluating them brings uncertainty and many negative consequences arise if a case study of this nature is not done. Finally, the study concludes that three main challenges identified in this study have contributed to the fluctuations of sales volume for Cropchem.

### Theoretical Contribution

The Marketing Mix theory was used to help the researcher identify different marketing strategies existing on the market. Marketing Mix analysis helped the researcher to investigate the elements of the marketing mix (product, price, place, and promotion, physical evidence, people and processing) and their influence on sales volume of Cropchem Services Ltd. The "Push" and "Pull" theories are concepts in marketing and supply chain management that can contribute to the development of effective marketing strategies to enhance sales. This theory helped the researcher to better understand how products move from Cropchem Services Ltd to customers such as commercial farmers; small scale farmers; households and agro-dealers and how marketing efforts can be aligned with the processes. In Pull theory, much is placed on the understanding of consumer preferences and market demand. This can help the business to develop products that truly cater to customer needs. Understanding push theory helps in effective planning and management.

Both push and pull theories offer valuable insights for developing marketing strategies. The choice between the two, or a combination of both, depends on the nature of the product, the target market, and the specific business objectives. An effective marketing strategy should be adaptable, data-driven, and customer-focused to enhance sales in a competitive market.

### Practical Contribution

Effective marketing strategies play a crucial role in enhancing sales volume for businesses. Some of the practical contributions of effective marketing strategies to boost sales volumes include: increased brand awareness; identify and target your ideal customer base; customer engagement; effective pricing and promotion tactics can influence customers' buying decisions; retaining existing profitable customers and excluding those not profitable; has helped to analyze the results and will the firm to identify what's working and what's not.

Effective marketing strategies identified are essential for business to enhance their sales volume by reaching the right audience, building brand recognition, differentiating products, and optimizing customer engagement. By combining various marketing tactics and continually refining the approach, the firm can drive increased sales volumes and grow the business.

### Recommendations

- i) Not all marketing strategies used for sales volume in the agrochemical businesses can enhance sale, Cropchem Services Ltd should only engage the key strategies marketing to enhance sales volume for agrochemical products.
- ii) To resolve some of the challenges established by Cropchem in enhancing sales volume in the agrochemicals market, management has an opportunity to have such a study enlightening it on its challenges that were hidden. Cropchem Services Ltd will struggle to solve some of the problems. Suggested recommendations to management to solve the challenges are:
  - Implement a well-researched and workable marketing strategy.
  - Have a good R&D team in place that will come up with ways and means to improve and solve the above-mentioned challenges.
  - Come up with a targeted marketing campaigns.
  - Use well renowned farmer celebrities to grow the customer base.

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