



MARKET DEVELOPMENT STRATEGIES AND PERFORMANCE OF LOCAL FIRMS IN CRISIS: THE REALITIES OF COSMETIC FIRMS IN BAMENDA-CAMEROON

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1. INTRODUCTION

In every business sector operating either under the service industry or the manufacturing industry, their prime focus is to excel in every domain be it at the level of profit maximization, at the level of market expansion or having a competitive advantage over competitors. All these objectives cannot be accomplished without having a stable environment both internally and externally. In other words, company in crisis will obviously require some “grace” to survive and achieve the afore stated objectives. Crisis here refers to an unexpected, unplanned situation or rather, an event that threatens the stability of a business. It is often noticed thus that in periods of crisis, companies put extra efforts to sustain their businesses and these extra efforts we are talking about here are strategies

Market development strategy is one of the four alternative growth strategy brought about by Ansoff (1987). We intend to see what impact it has on performance of local firms in times of crisis. Ansoff (1987) defines market development as taking current products and finding new markets achieved through opening up previously excluded market segments, new market, distribution and entering new geographic markets. McCarthy (1960) developed possible methods of implementing market development strategy as moving the present product into new geographical areas and expanding sales by attracting new markets.

From these definitions, we can have a view of the fact that when an existing market no longer accepts an existing product, or an existing product has lost its market position in that market due so many probable reasons, the most appropriate strategy to use is definitely the market development strategy. Furthermore, from the researcher’s observations on what is happening to the business environment in Cameroons’ North West region, and Bamenda in particular where these findings were carried out, it was noticed that businesses were losing their markets and

causing their successes to be at stake. Due to the current political crisis, Again, Majority of persons living in Bamenda are on low incomes especially after the start of the socio-political crisis. Being price sensitive, this consumer group tends to direct their expenditure towards essential goods like food and shelter. The population of Bamenda suffers from high unemployment and apart from that, Bamenda is experiencing a high level of population drop due to some internal migration and displacement of so many people which has affected drastically the market of cosmetic firms. Thus as markets in Bamenda shrink due to this crisis, businesses face as well a good number of internal crisis such; as financial, managerial and technological crisis.

Therefore, we discovered that one of Ansoff's expansion strategies is very much suitable which if effectively implemented can be able to solve these problem. From this, the research work has in mind the following general research question:

Research question: The above analysis led to the following research questions

- How can market development strategies solve the problem faced by the beauty industry in Bamenda-Cameroon?

Research objective: The general research objective was;

- to know how market development strategies can solve the problems faced by the beauty industries in Bamenda-Cameroon

Research Hypothesis: in the null form a follows:

H₀: Market development strategies have no significant impact on the performance of beauty industries in crisis.

2. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 concepts and definition

2.1.1 The concept of strategy

Several authors have advanced different definitions on the concept of strategy. According to Peter Drucker (1973), the very first element of a business plan after the project summary is the foundation stone of a business, the aspiration which it continually tries to attain, that is, its reason to be, this shapes all decisions made by the company. The most important reason for frustration and failure in companies comes from insufficient reflection

of the company's reason to be. Several authors have advanced different definitions on the concept of strategy, some of whom include. Mintzberg (1979) defined strategy as a mediating force between the organization and its environment: consistent patterns in streams of organizational decisions to deal with the environment. According to Igor Ansoff (1995), the strategy is the firm's conception of its expansion and its directions, the major forces to exploit and the profit to be realized. For Michel Machesney (1993), a strategy consists of reflections, decisions, actions to determine the general goal, the objectives, to determine the means to achieve these goals, implement the actions and activities accordingly, to monitor the performance of the execution and achievement of the goals.

➤ Growth strategy

Following the advent of set objectives by organizations either to expand in terms of market size, turnover or profits, Igor Ansoff (1995), developed a number of strategies known as the growth expansion strategy from which market development strategy has been taken as a tool to help local companies. These growth strategies are the most important set of strategies to develop in order to maintain performance and growth I companies.

The Ansoff growth matrix is comprised of two axes;

- ❖ Products, that is, which products you currently offer and which new products would you like to offer in the future.
- ❖ The market, that is which market do you currently serve and which markets would you like to serve in the future

Ansoff allows a marketer to consider four combinations of classifying these strategies:

- 1 Existing products selling to existing markets
- 2 Existing products which can be sold to new markets
- 3 New products being sold In existing markets
- 4 New products which can be sold to new markets.

Thus using these different combinations, Ansoff (1995), points to four possible basic strategies: **Market penetration, Market development, Product development and Diversification.**

- **Market penetration**

It is the name given to a growth strategy where business focuses on selling existing products into existing markets. It seeks to achieve four main objectives:

Maintain or increase market share of current products, Secure dominance of growth markets, Restructure a mature market and Increase usage.

Product development

This is where a business aims to introduce new products into existing markets. A strategy of product development is particularly suitable for a business where the product needs to be differentiated in order to remain competitive. It emphasizes on: Research and development and innovation, detailed insights into customer needs and Being the first to market

Diversification

It is the name given to the growth strategy where a business markets new products in new markets. This is an inherent more risk strategy because the business is moving into markets which it has little or no experience.

Market development

It is the name given to a new growth strategy where the business seeks to sell its existing products into new markets. There are many ways of approaching this strategy, including: New geographical markets, New product dimensions or packaging, New distribution channels and Different pricing policies to attract different customers.

Market development has to do with market research where the new target markets are being researched upon. According to Edward Fowe (2009) It goes through the following stages:

Step one: define your new target market

Step 2: do your market research

Step 3: enter the market or look for another target market

Step 4: create a plan to enter the market.

2.1.2 Cosmetics industry overview

The cosmetic industry is dominated by a small number of multinational corporations that originated in the early 20th century, but the distribution and sale of cosmetics is spread among a wide range of different businesses. The cosmetic industry seems to be continuously developing, now more than ever with the advent of the internet companies. Martin Brett A.S., Joel, Durme Van, Raules Mika, Merisavo Marko,(2003_ *Email marketing: Exploratory insights from Finland*) research of cosmetics to consumers suggests they are goal oriented with email content that is seen as useful, motivating recipients to visit a store to test the cosmetics or talk to sales representatives. Useful content includes sales offerings and new product information about makeup trends.

Going to Cameroonian cosmetic market alone is estimated to be around 150 billion FCFA. More and more people especially the women are getting into the trend of using multiple cosmetics. A part from big companies like Biopharma, we also have a wide range of retailers who operate in this industry of both local and international products. These retailers play a vital role in the cosmetic industry and their contribution in the supply chain cannot be underestimated. These retailers offer different product range such as: skin care creams, lotions, powders, perfumes ,lipsticks, nail polish, hair sprays, shampoo, colored contact lenses, deodorants, hand sanitizers, bubble baths, bath salts and what have you and popular brands like Avon, Mac and Mary Kay are very common among the cosmetics sold in Cameroon.

2.1.3 Market development strategies.

According to Ansoff (1957), market development involves selling an already existing product into a market that was not buying the product before; the strategy can involve selling the product to different customer segment, selling the product in a new area or region in which the product was not being sold or even in markets out of the country.

The strategies each organization puts in place and operates in the new market plays important role in the ability of the organization to maintain its dominance in the market. Some of the strategies used by organizations to sustain the first mover advantage include creation of high switching costs. With the existence of a product in the market, a customer adopts to the characteristics of the product and the pioneer company finding it difficult to change to other products that meet the needs of customers. According to Wernerfelt, (1985), Companies entering a market that had not explored needs to create appropriate distribution channel, appropriate product packaging, pricing and new geographical markets will face difficulties. These in other words are the various ways that this strategy can be achieved.

1. **New Geographical Markets:** this could involve expanding outside of your region or selling to a new country or a new continent. The element of risk in adopting this strategy will depend on whether or not you can use your established sales channels in new markets. Extending to new geographical markets entails research on the attractiveness of these markets and availability of resources and finally being able to maintain a competitive advantage.
2. **Distribution channel:** it entails developing a new distribution channel to reach target customers where they shop including physical and digital locations. John spacey (July 04, 2017). Many companies have transformed themselves from high street retailers into internet retailers. This particular channel is economical and less strength is required from the company or firm to take orders and get orders.
3. **Pricing:** it involves implementing price structures and strategies to target a set of customers. This strategy also may be taken in this direction of selling a cheaper product under a different sub-brand. Thus segmenting the market by means of different pricing strategy which brings about a great concept known as the **Bottom of pyramid strategy** which is a socio economic concept that groups world poorest into poorly serve and unprotected market which is made of the largest population size of more than four billion who live In less than 1.25 dollars a day. Thus designing a pricing strategy that even the less privilege will take part in the purchase and consumption of some of the beauty products and services rendered effectively.
4. **Product packaging:** product packaging as one of the market development strategy looks at development a new brand for products to reach a target markets. For example: a manufacturer producing a sunshade product for the skin to avoid sun burns in dry seasons. It also entails re-packaging the product so that it can open up whole new markets.

Thus these are the various market development strategies that local companies may be used when undertaking a market development expansion strategy.

2.1.4 Companies in crisis

A business crisis occurs when an unexpected problem puts the stability of a company or organization at risk. These dilemmas can either originate internally or they can be brought on by external influences. The problem affecting the business escalates to the point where it is out of the company's control and they can't resolve it. If left unaddressed, his issue may permanently damage the business or cause it to fail.

According to Clint Fontanella (2019), the easiest way to identify a business crisis is to assess the problem from three key elements. First, the problem must post an imminent threat to the organization, next the situation must

involve an element of surprise or shock, finally due to the severity of the problem as well as its unexpected nature, and the situation will place pressure on the business to make timely and effective decisions”.

We have types of crisis which will be examined below:

1. Financial crisis
2. Personnel crisis
3. Organizational crisis
4. Technological crisis
5. Natural crisis
6. Socio-political crisis

Financial crisis:

A financial crisis occurs when a business loses value in its assets and the company can't afford to pay off its debt.

Personnel crisis:

It occurs when an employee or individual who's associated with the company is involved in unethical or illegal misconduct.

Organizational crisis:

They are situations where the company has significantly wronged its customers. Rather than creating mutually beneficial relationships, these businesses used their customers as a means of benefiting the company. It includes for example: exploiting customers.

Technological crisis

In today's tech-driven age, businesses heavily rely on technology to perform their day-to-day functions. So when that technology crashes they have a lot to worry about.

Natural crisis:

If an earthquake destroys your office, you might call that a crisis, though it might be very rare.

Socio-political crisis:

It is a situation where the pursuit of specific objectives or a failure to satisfy demands by different parties leads to high levels of political, social or military mobilization and the use of violence. This as well affects businesses and may further lead to internal crisis to these businesses.

2.2 THEORETICAL FRAMEWORK

2.2.1 Industrial organization theory

Industrial organization theory was adopted in the early fifties through the writings of Andrews (1952). The structure of a market, and how a market is functioning is the concept behind the industrial organization theory (Tirole, 1988). Industrial organization theory is about how a structure of market has an influence on the strategy and decision making of a company (Raible, 2013). Ramsey (2001) pointed that industrial organization theory is reflected in the structure conduct performance model, which claims there is a “causal link between the structure of a market in which a company operates, the organizational conduct and in turn the organizational performance in terms of profitability. Industrial organization focuses on the whole industry and market conditions of a company and the central analytical aspect can be used to identify strategic choices, which firms have in their respective industries (Porter, 1981; Teece et. al., 1997).

Resource based theory has its origin from the work of Penrose (1959), though inadvertently the view was formerly presented by Wernerfelt (1984). He assessed the firm using resource-market matrices instead of the market share-growth combination of the competitive position view presented by the Boston Consulting Group (1972). In the place of emphasizing market entry barriers as a way of gaining a competitive advantage to increase returns, the resource-based theory stressed ‘resource position barriers’ as a means of increasing profits (Wernerfelt, 1984 and Barney, 1991). A resource based view (RBV) is one of the most widely accepted theories of strategic management (Powell, 2001). In terms of performance, resource may increase the firm’s capacity to charge high prices and thus contribute to performance by helping the firm to appropriate value linked to competitive advantage. Furthermore resources may be used to erect entry barriers and so increase performance at the industry level (Newbert, 2007).

2.2.2 Igor Ansoff theory

Igor (1957) posted that for an organization to increase its performance, it needs to achieve products and market growth through four strategies which depends on whether or not a company or product is already present in the

market. He considered two dimensions: one dimension is based on the product being either new and the other dimension the product being an existing product. The four main growth strategies include: market penetration, product development, diversification and market development.

2.3 EMPIRICAL LITERATURE

Several studies have been conducted on the effects of market development strategy on performance of industries but most at times not on industries in crisis like is our case. Willy and Rambo studied the relationship between marketing development strategy and firm performance of sugar industry in Kenya. They emphasized mixed outcomes with developing new market segments and found it to have influence on sales volume and total turnover though not statistically significant, while extensions into new geographical areas having influence in sales volume with statistically significant results. Based on the outcome both extending to new regions and developing new market segments does not result to increased profitability but increased market share which would eventually positively affect profitability. Rebranding, promotions, different quantity packaging enables accessing new segments of the market while opening outlets or agencies could boost extending geographically for sugar companies.

Chisanga, Gathiaka, Nguruse, Onyancha, and Vilakazi, (2014) did a study on competition in the regional sugar sector: the case of Kenya, South Africa, Tanzania and Zambia and later presented the paper at pre-ICN conference. The study which was basically empirical reviews found progressive liberalization of global markets are likely to result in increased competitiveness in the regional sugar industry as firms seek to grow their capabilities in order to trade globally. The study further showed that while firms have strategically positioned themselves in markets which are characterized by trade and investment incentives, the competitive outcomes in the region are more likely to be affected by protectionism (Chisanga et. al., 2014). The study fell short of exploring same industry similarly in other economies in Africa.

A study on strategic orientation and firm performance in an artistic environment building on the market orientation research was explored by (Voss & Voss, 2000). The study examined the impact of three alternative strategic orientations; customer orientation, competitor orientation and product orientation on a variety of subjective and objective measures of performance in the nonprofit professional theater industry. The study instituted a two-stage research design in conjunction with Theatre Communications Group (TCG), a national service organization for the nonprofit professional theater field. To test the hypotheses, the study conducted a series of regression analyses that substituted the various performance measures as dependent variables. For each

performance measure, the study conducted a hierarchical, moderated regression analysis that tests for independent and interaction effects for the hypothesized moderator. The results indicated that the association between strategic orientation and performance varies depending on the type of performance measure used (Voss & Voss, 2000). However, the most unambiguous result was that a customer orientation exhibits a negative association with subscriber ticket sales, total income, and net surplus/deficit. The study's focus on a single artistic industry limited the generalisability of the findings.

A Review of theoretical and empirical evidence, using a customer-level marketing strategy to enhance firm performance, Kumar & Petersen (2005) used data sources from several B2B and B2C firms to validate some of the empirical findings in previous research. The study looked at the theoretical and empirical evidence of seven key customer-level tactics a firm should consider when managing its marketing resources. Findings showed each of these tactics had been linked directly to the firm's performance in the literature and offered firms a way to use resources efficiently and effectively to streamline their marketing efforts (Kumar & Petersen, 2005). Even though the study sought to tie each of the seven aforementioned marketing tactics together to create an overall framework, it did not analyze how practical each of these strategies are given the variance in business types and product offerings.

Investigating the mediating effects of a firm's competitive strategy in the market orientation performance relationship, Ge & Ding (2005) used descriptive statistics, correlation coefficients and reliabilities of the constructs together with mean scores on the three competitive strategies. Based on a sample of 371 manufacturing firms in China, evidence found that the three dimensions of market orientation exert different effects on competitive strategy and performance. Among them, customer orientation has the strongest association with competitive strategy and market performance. The results of structural equation analyses indicated that the mediating effect of competitive strategy is mainly revealed in innovation strategy, the most vital factor in creating superior value for the company in the emerging market (Ge & Ding, 2005). Although this study provided interesting insights into the understanding of the market orientation-performance relationship in China, it relied mainly on the single key informant approach for data collection, which may cause a halo effect or common method variance. Secondly this study relied primarily on subjective measures of performance and thirdly this study did not examine the potential impacts of environment on the market orientation-performance relationship.

The study by Zott and Amit (2007) examined the fit between a firm's product market strategy and its business model. Data was collected on a sample of firms that had gone public in Europe or in the United States between April 1996 and May 2000. The study randomly sampled 170 firms on their business model characteristics and

product market strategies. Analysis for the study was done through descriptive statistics, confirmatory factor analysis and partial least squares regression. The study manually collected dataset and found that novelty-centered business models—coupled with product market strategies that emphasize differentiation, cost leadership, or early market entry—can enhance firm performance. Data suggested that business model and product market strategy are complements, not substitutes (Zott and Amit, 2007). The study was however limited in addressing how business models evolve and in particular how they co-evolve with the product market strategy of the firm.

3. RESEARCH METHODOLOGY

The study adopted descriptive cross sectional survey design. Descriptive design allows the researcher to obtain information and give a description of current phenomenon describing what exists with reference to the situation in cosmetic shops around Bamenda. This also enables one to obtain accurate profile of person, event or place. Further, it was ideal because the researcher intended to collect descriptive data that was accorded statistical treatment to allow for hypothesis testing to come up with objective conclusions (Cooper and Schindler, 2003). The target population of the research entailed 100 cosmetic shops in Bamenda and comprises of privately owned shops. Target respondents were senior and middle level managers holding senior portfolios relevant to the study in targeted shops. One hundred and twenty (120) respondents are targeted to fill the questionnaire.

The sampling was done using probability sampling and simple random sampling was used where all cosmetic shops in the target population had an equal chance of being selected. Data from questionnaires was compiled, sorted, edited, classified and coded into a coding sheet and analyzed using a computerized data analysis package known as statistical package for social science (SPSS). The Pearson product moment correlation coefficient (r) was to compute the relationship between the included variables of the study. The general formula for the Pearson product moment correlation coefficient used was;

$$r = \frac{\sum(x - \bar{x}) - (y - \bar{y})}{\sqrt{\sum(x - \bar{x})^2 - (y - \bar{y})^2}}$$

In our descriptive analysis, the formula for the mean and standard deviation were specified as follows

$$Mean = \frac{\sum fx}{\sum f} \quad Standard\ Deviation = \sqrt{\frac{\sum fx^2}{\sum f} - (\bar{x})^2}$$

Where f is the frequency and $\sum f$ is the sum of frequency, \bar{x} is the mean score.

The decision level was set at

$$\bar{x} = \frac{1 + 2 + 3 + 4 + 5}{5} = 3$$

This implies that all mean scores from 3.0 and above were accepted while those below 3.0 were rejected implying that the item did not have a significant effect on the respondents. Also the numbers of opinions were considered to be 5 because the respondents were for any of the following opinions strongly agree, Agree, Neutral, Disagree, and strongly disagree.

4. RESULTS AND DISCUSSION

The objective of the study was aimed at determining the extent to which market development strategy affects performance of sugar companies. Market development strategy is a choice strategy in companies which indicates the level in which products and services are extended to new geographical areas or developing of new market segments through conversion of non users to users. Ansoff, (1987) cited market development strategy in his product/market matrix as an approach of organizational growth. This was determined by citing the number of such new regions reached and also new market segments achieved. The results are further presented in the following sub-thematic areas.

4.1 Presentation of Findings

Table 1 Demographic Information of respondents

		Frequency	Percentage
Gender of Respondent			
	Male	53	53.0
	Female	47	47.0
Age Group of Respondents			
	≤ 20	1	1
	21 – 30	15	15
	31 -40	31	31
	41-50	35	35
	≥ 50	18	18
Level of education			
	FSLC	11	22
	O/L	11	22
	A/L	16	32
	Degree	12	24

Number of years spend in this business			
	Less than 5 years	12	12
	Between 5 and 10	41	41
	More than 10years	47	47

Source (Researchers', 2016)

Table 4.1 shows the gender presentation of respondents. It would be observe that, out of a total sample size of 100 respondents, 53 of them were males with a score of 53 percent while 47 of the remaining respondents were females with a score of 47 percent. This implies that males were 6 percent more than females but the gap was not too wide to have any gender related effect on the outcome of our study. The table also presents findings on the age distribution of respondents. It is observed that only 1 percent of the respondents were aged less than or equal to 20. 15 percent were aged 21-30, 31 percent were 31-40 years old while 35 percent and majority of the respondents was between 41 and 50 years old and 18 percent of respondents were above 50 years. This implies that majority of the respondents were made up of youths who are more inclined to market development strategies and have the ability to accurately pass value judgments on services of cosmetic firms. The table equally presents findings on the level of education which was dominated by advanced level and degree holders as well as the number of years spent in this business by respondents, findings indicate that most of the respondents had spent more than 10 years in the business. They are therefore capable of valuing the change in service quality over time.

4.2 Presentation of Findings on Market development strategies and performance of local firms in crisis

This section present finding on our main objective which sought to investigate the impact that Market development strategies have on the performance of beauty industries in crisis, performance is measured through business in crisis and business before the crisis.

4.2.1 Descriptive statistics

Table 2 Descriptive Statistics for business before the crisis

	N	Range	Minimum	Maximum	Mean	Std. Deviation
Sale were in larger volumes	100	3.00	1.00	4.00	3.6400	.85994
Customer satisfaction was always witnessed	100	4.00	1.00	5.00	2.5200	1.21838
Acquisition of new customers was common	100	2.00	1.00	3.00	2.6400	.60292
Sales growth was experienced	100	1.00	1.00	2.00	3.6500	.67937
Profitability was achieved	100	4.00	1.00	5.00	3.6700	.93930
Valid N (listwise)	100					
Average					3.424	

Source: Authors' (2020)

This section presents findings on business before the crisis based on the items which investigated the extent to which market development strategies impact performance of beauty firms in crisis. Findings are presented on the table based on minimum, maximum, range, means and standard deviations values. The mean shows the average value of the item used while standard deviation shows the dispersion of the variables away from the mean. Also the range is the difference between the maximum and minimum value. According to findings above, any mean score of 3.0 and above is accepted implying that most of the respondents tend to agree to the item while any mean score of less than 3.0 implies that respondents disagree to the item. From the table, it can be observed that sales were in large volumes before the crisis since the mean value of this item is 3.64 and is greater than 3.0. Also it is observed that profitability was being achieved. Overall, the findings show that the table is inclusive as shown by the average mean score of 3.424 which is greater than 3.0.

Table 3 Descriptive Statistics for business in the crisis

	N	Range	Minimum	Maximum	Mean	Std. Deviation
Sale in larger volumes	100	4.00	1.00	5.00	2.9400	.98288
Customer satisfaction is witnessed	100	4.00	1.00	5.00	3.3000	.67420
Acquisition of new customers is common	100	4.00	1.00	5.00	2.9600	1.09101
Sales growth is experienced	100	4.00	1.00	5.00	1.4100	.69769

Profitability is achieved	100	4.00	1.00	5.00	1.2900	.75605
Valid N (listwise)	100					
Average					2.37	

Source: Authors' (2020)

In a similar way the findings on the table above are not inclusive implying that most of the respondents tend to disagree to the items.

Table 4 Descriptive Statistics Market development strategies

	N	Range	Minimum	Maximum	Mean	Std. Deviation
I intend to relocate to new geographical market	100	4.00	1.00	5.00	3.0300	1.19304
I will adopt new distribution channel to reach target customers	100	3.00	1.00	4.00	2.4200	1.08414
I will revisit my price structures and strategies to target a set of customers	100	4.00	1.00	5.00	3.8900	1.40630
I will adopt a new brand for products to reach a target markets	100	4.00	1.00	5.00	3.6000	1.07309
All the above listed strategies are good	100	3.00	1.00	4.00	2.8100	.58075
Valid N (listwise)	100					
Average					3.15	

Source: Authors' (2020)

Again according to findings above, any mean score of 3.0 and above is accepted implying that most of the respondents tend to agree to the item while any mean score of less than 3.0 implies that respondents disagree to the item. From the table, it can be observed that most of the respondents intends to relocate to new geographical markets since the mean value of this item is 3.03 and is greater than 3.0. Also it is observed that most respondents intend to restructure their prices to target new customers. Overall, the findings show that the table is inclusive as shown by the average mean score of 3.15 which is greater than 3.0.

Table 5: Pearson Product Moment Correlation for market development strategies and performance of cosmetics firms**Table 5 Correlations between market strategies and performance**

		performance	market strategies
performance	Pearson Correlation	1	.751**
	Sig. (2-tailed)		.000
	N	100	100
market strategies	Pearson Correlation	.751**	1
	Sig. (2-tailed)	.000	
	N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Authors' (2020)

Table 5 presents findings on the relationship between market development strategies and product performance of beauty firms in Bamenda, measured by volumes of sale before and within the crisis, we performed pre-tests of normality, linearity and heteroscedasticity to ensure that the data was in line with the assumption of bivariate correlation analysis. Our findings showed that there was a medium positive and highly significant relationship between market development strategies and performance of cosmetic industries [$r = .751$, $N=100$, $P<.000$], This implies that improving the market development strategies such as the ones mentioned in this work (**i.e. Product packaging, Distribution channel, New Geographical Markets, Pricing**) is likely to improve sales performance of cosmetic firms in Bamenda. This study therefore agrees with some previous studies which have linked market strategy strongly with organizational performance like Langerak, Hultink, Robben (2004), Muturi and Rambo (2015) just to name a few.

5. CONCLUSION AND RECOMMENDATION

5.1 Conclusions

Market development strategy was operationalized as extensions of markets into new geographical regions and developments of new market segments by targeting previous non users of the product. The results imply that market dynamism whether through reaching new regions geographically or accessing untapped market segments does promote performance with of cosmetic firms in crisis in capacity utilization. Generally, by implementing the

above mentioned market development strategies in this work, performance will increase in cosmetic firms in crisis.

5.2 Recommendations

From the research findings, owners of cosmetic firms and their management should involve in market development strategies especially new entries into new geographical zones that is going out of Bamenda municipality to better market segments. this particular strategy should be properly implemented in order to enhance performance.

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QUESTIONNAIRE

Dear sir/madam “The Impact of Market Development Strategies on the Performance of Local Companies”. It is my pleasure to approach you in view of this piece of work. Any data collected is purely for academic purpose and shall be treated confidentially.

Put a Cross (X) on the right answer

A. Demographic Information

1. Sex : Male Female
2. Age : ≤ 20 21 – 30 31 -40 41-50 > 50

B. Information on Education and number of years in this business

3. Level of education : no education FSLC O/L A/L 1st Degree
post Graduate
4. number of years in this business : less than 5years between 5 and 10years
more than 10years

Answer the following questions using either; **Strongly Agree (SA)**, **Agree (A)**, **Neutral (N)**, **Disagree (D)** or **Strongly Disagree (SD)**

Business before the crisis					
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Sale were in larger volumes					
Customer satisfaction was always witnessed					
Acquisition of new customers was common					
Sales growth was experienced					
Profitability was achieved					

Business in crisis					
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Sale in larger volumes					
Customer satisfaction is witnessed					
Acquisition of new customers is common					
Sales growth is experienced					
Profitability is achieved					

Market development strategies					
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
I intend to relocate to new geographical market					
I will adopt new distribution channel to reach target customers					
I will revisit my price structures and strategies to target a set of customers					
I will adopt a new brand for products to reach a target markets					
All the above listed strategies are good					