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IMPACT OF THE NEW MARKETING LANDSCAPE ON ETHIOPIAN FIRMS

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Abstract

This study basically deals with the impact of the new marketing landscape on local firms. The new marketing landscape comprises: the new digital age, rapid globalization, the call for more ethics and social responsibility, and the growth in not-for profit marketing.

The researcher is mainly initiated towards this topic, because he has witnessed most of the local firms being affected by the new developments in the global and local market places.

The research is conducted by using the descriptive method of research. Both primary and secondary data are used in gathering information for the study. The primary data is mainly collected from the managers of selected firms and sample customers. The secondary data is collected from the documents and publications of various governmental and non governmental agencies. The data were analyzed by the use of some statistical tools.

From the data analysis and interpretation it was extracted that the impact of the rapid globalization on local firms is high; on the other hand the local firms are not responding well to pressure coming from the new digital age. On the other hand the impact of the call for more ethics and social responsibility is limited.

Based on the above findings the researcher has forwarded some useful recommendations.

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1. Introduction

As the world spins into the first decade of the twenty-first century, dramatic changes are occurring in the marketplace. There are four major developments that are changing the marketing landscape and challenging marketing strategies, namely: the new digital age, rapid globalization, the call for more ethics and social responsibility, and the growth in not-for profit marketing.

This study focuses on analyzing the impact of these multidimensional forces, on the efficiency and effectiveness of local firms in achieving their goals. The researcher is induced towards this topic because he has witnessed that several local firms failing to be competent enough in both domestic and global marketplaces, as a result of these unforeseen dynamics in the marketing arena.

We have seen that the shoe and textile industries being invaded by foreign (international) low cost firms. We have seen our main export item, coffee, making others lucrative at the expense of the local producers (farmers) welfare. And we have seen how most of our companies become unable to penetrate the global market failing to meet international standards of environmental friendly way of production and social responsibility.

Moreover, the new technology boom has created a new digital age. The explosive growth in computer, telecommunication, information, transportation, and other technologies has had a major impact on the ways companies bring value to their customers.

Hence, the new developments in these technologies have been also affecting our local firms in varied dimensions. These days the technological developments have facilitated rapid communication between the companies and the other elements of the value delivery system. As a result our local firms are expected to respond accordingly. However, if they fail to keep up with the current dynamics they may face decline in sales or being thrown out of the market.

These are some of the reasons why the researcher is motivated towards analyzing the effect of new marketing landscape on the performance of the local firms and assisting them in designing a combating strategy.

1.1. Statement of the Problem

"The technology boom has created existing new ways to learn about and track customers, and to create products and services tailored to individual customer needs. Today every company, large or small, is touched in some way by global competition. Today, companies are not only trying to sell more of their locally produced goods in international markets, they also are buying more supplies and components abroad. Thus, ma..ages in countries around the world are increasingly taking global, not just local, view of the company's industry, competitors, and opportunities. In addition marketers are reexamining their relationship with social values and responsibilities and with the very earth that sustains us." Kotler (2006:40).

From the above perspective the following basic questions were stated in relation to the performance of local firms

- Does the rapid globalization in the world market affect the local firms?
- How well are the local firms responding to the technological boom in the fields of computer, communication, information, transportation and others?
- Is there any influence from social responsibility and environmental movements in the competence of the local firms?

1.2. Objectives of the Study

These days' firms are facing varied challenges, due to the new marketing landscape. In order to cop up with the prevailing situation firms need to respond accordingly to the changing marketing environment. This study is aimed at achieving the following objectives.

- To identify the impact of globalization on the local firms
- To find out the influence imposed due to the new digital age on the ability of domestic firms in accomplishing their objectives.
- To investigate the responsiveness of local firms to the call for more ethics and social responsibility.

1.3. Significance of the study

The outcome of this study is expected to be helpful in designing a combating strategy for local firms that are affected by the new developments in the marketing landscape. Moreover, it can be used as a springboard for those who want to do further investigation in this particular issue.

1.4. Scope of the study

The study is delimited to analyzing the impact of the new developments (Globalization, New digital age, and Social Responsibility) in the marketing arena in relation to the performance of the local firms. It basically focuses on analyzing data related with the last five years. And it mainly focuses on firms that are found in Addis Ababa and its surroundings.

1.5. Research Methodology

The study follows the descriptive and analytical method of research, by using both primary and secondary data. The primary data is collected from the managers of selected local firms and sample customers. And the secondary data is gathered from books, journals, magazines and also websites of the selected firms and other authorized government agencies.

1.5.1. Sampling technique

Primary data is collected from 20 local firms representing different industries and 100 local customers (of course the questionnaires fully returned from customers are 85). The respondent managers are selected from different firms representing the industries prevailing in Ethiopia. For this the researcher has adopted the industrial classification system used by World Bank (see the attached document in the appendix). And from these industries representative firms are selected based on their convenience. In other words both quota and convenience sampling techniques are used. The same sampling technique is applied in the case of data to be collected from customers. Out of the 100 customers 20 are from postgraduate students of AAU and the rest from employees of different companies.

1.5.2. Data collection

Primary data is collected from the top level manages of the selected 20 firms using questionnaires. The instrument in collection of the data from customers was questionnaires. Secondary data is reviewed from the publications, documents and websites of various governmental and non-governmental institutions in the country.

1.5.3. Data analysis

The data collected from both primary and secondary sources is analyzed using tabulations and percentages. Moreover, the assistance of statistical software is used in sorting the responses.

1.6. Limitation of the study

In conducting the study the researcher has faced various problems. The major problem was acquiring both primary and secondary data from the sources. Firms were reluctant to provide information that will in finding the real impact of the issue. The reason they gave was confidentiality. Moreover, there was a time limitation in conducting the study. This study would have been conducted in a more comprehensive manner if there was sufficient time.

Organization of the Study

The study is organized in to four chapters. The first chapter deals with the problem and its approach. The second chapter focuses on reviewing literatures that are related with the topic. The third chapter is used to analyze and interpret the data gathered from different sources. The fourth chapter deals with the conclusions made from the findings of the study and recommendations forwarded in order to assist local firms in challenging the new developments of the marketplace.

2. Review of literature

As it was stated by Traupel(2007) many of us in the marketing services and/or agency business are starting to see some real tangible marketing patterns emerging that businesses need to be aware of if they want to leverage their marketing dollars in this "post .com implosion economy."

Moreover, Kotler(2006) has elaborated this idea as follows: “As the world spins to the first decade of the twenty first century, dramatic changes are occurring in the market place. There are four major developments that are changing the marketing landscape and challenging the marketing strategies, namely: the new digital age, rapid globalization, the call for more ethics and social responsibility and the growth in not-for profit marketing.”

With reference to the above description we can understand that the marketplace and the rules of the game that are governing the participants are having a new framework. As one member of the global market place Ethiopia is also feeling the flare.

In this section of the study various concepts and theories that are assumed to give an insight on the new marketing landscape are reviewed. These concepts and theories are categorized in to three focal areas: globalization, the new digital age, and ethics and social responsibility.

2.1 The Rapid Globalization

What is Globalization?

Globalization as described by Leavitt(1992) it refers to increasing global connectivity, integration and interdependence in the economic, social, technological, cultural, political, and ecological spheres. Globalization is an umbrella term and is perhaps best understood as a unitary process inclusive of many sub-processes (such as enhanced economic interdependence, increased cultural influence, rapid advances of information technology, and novel governance and geopolitical challenges) that are increasingly binding people and the biosphere more tightly into one global system.

There are several definitions and all usually mention the increasing connectivity of economies and ways of life across the world. The Encyclopedia Britannica says that globalization is the "process by which the experience of everyday life ... is becoming standardized around the world." While some scholars and observers of globalization stress convergence of patterns of production and consumption and a resulting homogenization of culture, others stress that globalization has the potential to take many diverse forms.

In economics, globalization is the convergence of prices, products, wages, rates of interest and profits towards developed country norms. Globalization of the economy depends on the role of human migration, international trade, movement of capital, and integration of financial markets. The International Monetary Fund notes the growing economic interdependence of countries worldwide through increasing volume and variety of cross-border transactions, free international capital flows, and more rapid and widespread diffusion of technology. Theodore Levitt is usually credited with globalization's first use in an economic context.

"With the faster communication, transportation, and financial flows, the world is rapidly shrinking. Products developed in one country-Gucci purses, Mont Blank pens, McDonald's hamburgers.... -are finding enthusiastic acceptance in others. A German businessman may wear an Armani suit to meet an English friend at Japanese restaurant who later returns home to drink Russian vodka and watch an American soap on TV. "Kotler (2005)

The above illustrations indicate that there are widespread views towards globalization. However most of the definitions indicate how the world market is highly integrated. A new marketing development in one nation will have an impact in the entire world. This issue is further elaborated by Thomson (2004:30), from the perspective of firms participating in the global market as follows.

"International firms are taking a global perspective today to a much greater degree than in the past. Globalization is a particular way of looking at the markets of the world and a particular way of responding to international pressures. Companies today are arranging their entire business structure to respond to global demands. Manufacturing is done at different points around the world; distribution is shaped to different requirements; products are repackaged and even reformulated for different world regions; and marketing is shaped to appeal to people in different parts of the world." Furthermore, Boorstin(1999) has supported this idea by indicating "Our age is driven by the Republic of Technology whose supreme law...is convergence, the tendency for everything to become more like everything else. I realized that nowadays a lot of changes occur because of companies' tendency to globalize. Growing opportunities of e-business and other Internet activities allow companies to focus not only on domestic or national markets, but also on diverse global markets. That is why the process of globalization requires detailed research and analysis. Theodore Leavitt, the author of the first article "The globalization of markets", tries to perform that research and analysis showing how the modernity practice influences most countries and how sophisticated new technologies affect further development of the global marketing. He also explains the term – standardization, which is based on standardization of products, manufacturing, and the institutions and commerce, and which is certainly inevitable for succeeding in global competition."

2.1.1 Impact of Globalization in the Economic Performance of Developing Countries

Theoretically, the case for trade liberalization is well known. It is long argued that lower protection and neutrality of incentives between import-substituting and export-promoting activities will produce both static and dynamic benefits. Kirkpatrick & Weiss (1994)

The static benefits arise from increased actual or potential competition from imports, which confronts domestic producers as a result of lowering of protection levels. This has the effect of stimulating domestic manufacturers to lower their costs and/or improve quality. Such improvement in technical efficiency does not require new investment or significant resource reallocation. Additional static benefits can also occur through allocative efficiency gains. The removal of protective barriers introduces a set of relative prices for traded goods that correspond to international opportunity costs. This allows for the allocation of resources between and within sectors in accordance with comparative advantage. (Birhanu: 2003)

Many agree that developing countries are increasingly liberalizing their economy. Clearly, today the trade regime of developing countries is relatively more open than a decade ago. However, their share in world export has either declined or at best remained the same. Between 1990 and 1999 the share of low income countries remained the same at 3.1

percent, while that of Sub-Saharan Africa declined from 1.9 to 1.4 percent. On the other hand the share of middle-income countries increased form 16.5 to 20 percent during the same period. [World Bank, 2001] High-income countries, though their share declined marginally, still maintain a massive 76 percent of world export. The underlying difference between these groups of countries is their level of industrialization. Today, the share of agriculture value added in GDP for high, middle and low-income countries is respectively 2, 10 and 26 percent. For least developed countries the share could go as high as 50%. Therefore, underlying the degree of competitiveness, and hence export performance, is the level of industrialization; the higher the level of industrialization, the greater the degree of competitiveness in international trade.

Therefore, before some degree of industrialization is achieved, openness could not necessarily lead to better competitiveness and diversification, and hence improved export performance. This is so because high level and sustained growth of productivity, the prime factor that determines competitiveness, can only be achieved with industrialization.

Barbara Stallings (1995:1) supports this idea as follows:

> "The 1980"s and early 1990's witnessed historic changes in the patterns of economic development that had prevailed since the end of World War II. New winners and losers emerged within

what had traditionally been called the "third world." Thus, as the new century approaches, East Asia's newly industrialized countries are on the verge of joining the developed world. At the other extreme a large part of the African continent has experienced an absolute decline in living standards, and its future prospects appear dim. In between, other countries in Asia, Latin America, and the Middle East are trying - with various degrees of success – to reposition themselves to take advantage of new global dynamics. Finally, a new group of third world nations has appeared as a consequence of the collapse of communism. Eastern Europe and the former soviet republics are now facing many of the same problems as other developing countries and competing with them for available resources."

There has been a great deal of debate about the reasons for the differential success in achieving economic development –international and regional. While not denying the role of domestic economic, political, and cultural factors Barbara (1995:10) believes that recent analysis has seriously underestimated the relevance of international variables and overlooked the importance of geographic location. Moreover, there has been an interaction between international and regional factors in ways that skew an individual nation's chances of achieving rapid growth with a measure of equity.

In addition if we analyze the impact of globalization on firms that belong to the developing countries we will find a statement forwarded by Fauzy (2002) as globalization has increased competitive pressures on firms. Together with rapid technological change it has altered the environment in which firms operate. While globalization offers unprecedented opportunities for firms that act successfully, it heightens the foregone costs for firms that lag behind; those lagging firms thus risk becoming marginalized. The bottom line is that, in an open and liberalized world, increasing firm competitiveness has become a major challenge.

2.1.2 Globalization Debates

Globalization is a contentious process. Ever since the term was first used to make sense of large-scale changes, scholars have debated its meaning and use. As the term became a globally popular buzzword, it served to crystallize disagreements about the direction of change in the world at large. By the end of the twentieth century, the meaning and merits of globalization were contested in the media and in the streets. Intellectual debate blended with political conflict. In the years to come, debates and conflicts surrounding globalization will increasingly affect the processes captured by the term. The main debates:

1. ***Meaning: Process vs. Project***

According to one popular view, globalization is the "inexorable integration of markets, nation-states and technologies to a degree never witnessed before-in a way that is enabling individuals, corporations and nation-states to reach round the world farther, faster, deeper and cheaper than ever before" Friedman(1999). By contrast, some groups of scholars and activists view globalization not as an inexorable process but as a deliberate, ideological project of economic liberalization that subjects states and individuals to more intense market forces McMichael(2000).

2. *Interpretation: New Era vs. Nothing New*

Discussions of globalization often convey a sense that something new is happening to the world: it is becoming a "single place" and experienced as such Robertson (1992), global practices, values, and technologies now shape people's lives to the point that we are entering a "global age" Albrow (1997), or global integration spells the end of the nation-state Ohmae(1995).

3. *Evaluation: Good vs. Bad*

Globalization used to be widely celebrated as a new birth of freedom: better connections in a more open world would improve people's lives by making new products and ideas universally available, breaking down barriers to trade and democratic institutions, resolve tensions between old adversaries, and empower more and more people Friedman (1999). Politicians opposed to America's global influence and activists opposed to the inequities of oppressive global capitalism now portray globalization as dangerous. Globalization has thus become an issue in a wide-ranging global debate.

4. *Explanation: "Hard" vs. "Soft"*

Many authors attribute the dynamics of globalization to the pursuit of material interests by dominant states and multinational companies that exploit new technologies to shape a world in which they can flourish according to rules they set Wallerstein(1992). An alternative view suggests that globalization is rooted in an expanding consciousness of living together on one planet, a consciousness that takes the concrete form of models for global interaction and institutional development that constrain the interests of even powerful players and relate any particular place to a larger global whole. Robertson (1992)

5. *Political: End vs. Revival of Nation-State*

According to one line of argument, globalization constrains states: free trade limits the ability of states to set policy and protect domestic companies; capital mobility makes generous welfare states less competitive; global problems exceed the grasp of any individual state; and global norms and institutions become more powerful. Others suggest that in a more integrated world nation-states may even become more important: they have a special role in creating conditions for growth and compensating for the effects of economic competition; they are key players in organizations and treaties that address global problems; and they are themselves global models charged with great authority by global norms. Hamlin (1994)

6. *Cultural: Sameness vs. Difference*

A standard complaint about globalization is that it leads to cultural homogeneity: interaction and integration diminish difference; global norms, ideas or practices overtake local mores; many cultural flows, such as the provision of news, reflect exclusively Western interests and control; and the cultural imperialism of the United States leads to the global spread of American symbols and popular culture. Schiller (1969) The counterargument stresses new heterogeneity that results from globalization: interaction is likely to lead to new mixtures of cultures and integration practices are necessarily interpreted differently according to local tradition, and one such norm stresses the value of cultural difference itself; cultural flows now originate in many places; and America has no hegemonic grasp on a world that must passively accept whatever it has to sell. Barber (1995)

2.2. The New Digital Age

As it was stated by Kotler (2006:45) the new technology has created a new digital age. The explosive growth in computer, telecommunications, information, transportation and other technologies has had a major impact on the ways companies bring value to their customers.

Digital marketing is referred as the practice of promoting products and services using online distribution channels to reach consumers in a timely, relevant, personal and cost-effective manner. Containing some, but not all, of the techniques that fall under the category of Internet Marketing, digital marketing encompasses all aspects of modern life that include a digital component. These can, and often do, include items such as mobile phones, SMS/mms, Email, pod casting, Instant Messaging, web sites, banner ads, EPTY, digital outdoor and others.

Previously seen as a stand-alone service in its own right, it is frequently being seen as a domain that can and does cover most, if not all, of the more traditional marketing areas such as Direct Marketing by providing the same method of communicating with an audience but in a digital fashion.

2.2.1 Digital Marketing – Pull vs. Push

Wilson (2000) describes the different forms of digital marketing, each of which has their pros and cons as follows.

A. Pull

Pull digital marketing technologies involve the user having to seek out and directly grab (or pull) the content. Website/blogs and streaming media (audio and video) are good examples of this. In each of these examples, users have a specific link (URL) to view the content.

Pros:

No restriction in terms of type of content or size as the user determines what they want. No technology required sending the content, only to store/display it. No regulations or opt-in process required.

Cons:

Considerable marketing effort required for users to find the message/content. Limited tracking capabilities – only total downloads, page views, etc. No personalization – content is received and viewed the same across all audiences.

B. Push

Push digital marketing technologies involve both the marketer (creator of the message) as well as the recipients (the user). Email, SMS, RSS are examples of push digital marketing. In each of these examples, the marketer has to send (push) the messages to the users (subscribers) in order for the message to be received.

Pros:

Can be personalized -- messages received can be highly targeted and specific to selected criteria – like a special offer for females, 21 years old or over and living in California. Detailed tracking and reporting – marketers can see not only how many people saw their message but also specific information about each user such as their name as well as demographic and psychographic data. High Return on Investment (ROI) possible – if executed the right way, push messaging can help drive new revenue as well as brand reinforcementt.

Cons:

Compliance issue – each push messaging technology has its own set of regulations, from minor (RSS) to heavily controlled (email and text messaging). Requires mechanism to deliver content – the marketer has to use an application to send the message, from an email marketing system to RSS feeders. Delivery can be blocked – if the marketer does not follow the regulations set forth by each push message type, the content can be refused or rejected before getting to the intended recipient.

2.2.2 Digital Marketing and Multi-Channel Communications

While digital marketing is effective when using one message type, it is much more successful when a marketer combines multiple channels in the message campaigns. For example, if a company is trying to promote a new product release, they could send out an email message or text campaign individually. This, if properly executed, could yield positive results.

An email could be sent to a list of potential customers with a special offer for those that also include their cell phone number. A couple of days later, a follow up campaign would be sent via text message (SMS) with the special offer.

Push and pull message technologies can also be used in conjunction with each other. For example, an email campaign can include a banner ad or link to a content download. This enables a marketer to have the best of both worlds in terms of their marketing messaging. Bocks (2000)

2.2.3 Potential Downsides of The Internet Technology

Potential downsides of the Internet technology are stated below as described by Robert P. (2000)

1. The Internet has become a fertile field for fraud. It allows fraud promoters to mimic legitimate business more convincingly, reach potential victims efficiently, elude detection by maintaining anonymity,

and frustrate enforcement officials by locating (or relocating when detected) in remote jurisdictions that have no relevant law or no serious enforcement.

2. The technology of the Internet -- its ability to marshal and sort vast amounts of information, sometimes without the online consumer even knowing information is being collected -- is a new and potent threat to traditional privacy values.

3. Because electronic commerce respects no borders, cooperation and coordination in international law enforcement -- a set of problems not really very pressing in more conventional forms of marketing -- becomes increasingly essential to protect consumers and protect the medium.

4. Finally, there is a subject no one should neglect. The electronic commerce revolution, for all its promise, may widen the divide between the have's and have not's, between nations and even within nation states. As we celebrate the promise of the digital revolution, we must also acknowledge the threat it poses to individual welfare and to the stability of international order.

Robert further elaborated that globalization offers businesses a vastly larger market and consumers more choice, but it also presents complexities and greater risks. The dilemma can be stated quite simply:

1. When a business goes online, it may subject itself to the jurisdiction and systems of law of every country around the world. *Is that fair?*

The seller's connection with the jurisdiction of the purchaser may be tenuous and remote. It may have limited control over who accesses its advertising and sales messages once they are launched in cyberspace, and it may have no intention to make a sale in particular jurisdictions. Laws about permissible targets of marketing, discounts, product safety and required disclosures vary greatly from country to country -- even within countries -- and are fairly constantly in flux. 2. On the other hand, when consumers go online, they may lose the benefit of domestic consumer protection laws. *Is that fair?*

Consumers are accustomed to domestic law that tends to protect their interests, and they are accustomed to having this law apply when they do business from home with distant companies, like mail-order sales. They may be astonished at how little protection they are accorded in the country of the seller (assuming the consumer even knows the seller is located in a foreign country, let alone which country). Given the costs of travel, delay, lack of familiarity with local law, a system of remedies that depends on the law and courts of the seller, and not the law where the consumer lives, may mean no remedy at all. Arguably the law that applies in the location of the buyer should control.

2.3 The Call for Ethics and Social Responsibility

2.3.1 Definition of social responsibility

The topic of the social responsibilities of business has been a subject of intense controversy and interest for three decades. In part, this debate is an out growth of different definitions of "social responsibility". A wide variety of definitions have been proposed. These definitions emphasize differing dimensions of a firm's socially responsive activity. A sample of such activities includes: profit making only (Freidman, 1962); going beyond profit making (Backman,1975); going beyond economic/legal requirements (McGuire,1963);voluntary activities (stainer,1972); concentric, ever – widening circles of influence (CED,1971); concern for the broader social system (Ells,1961)

Since business receives its legitimation from society, the definition employed here is; a socially responsible firm is one that accomplishes the desired ends of society in terms of moral, economic, legal ethical and discretionary expectations. (Murray &Montanari, 1985)

Carroll (1991) argued that in the modern era business has begun to be more accountable to a greater number of constituencies than ever before. The notions of the stakeholder have become to be drawn much wider than before. Social responsibility, once decried as being irrelevant in the early 1950s and 1960s is now at the forefront of business relationships. Off course there are firms that take this concept lightly, there are others who espouse such notions, but are seen to be lacking in the finer points when under scrutiny. It is often argued that business will always be responsible only to itself. We now see, in number of settings that a lack of social responsibility can be very costly for the firm.

In addition Maxwell (1998) has forwarded the following definition. "Social responsibility is a doctrine that claims that an entity whether it is state, government, corporation, organization or individual has a responsibility to society. Among these entities, activist groups and local communities can also be associated with social responsibility, not only business or governmental entities. This responsibility can be "negative," in that it is a responsibility to refrain from acting (resistance stance) or it can be "positive," meaning there is a responsibility to act(proactive stance)."

2.3.2 Social Criticisms of Marketing

Marketing receives much criticism. Some of this criticism is justified; much is not. Social critics claim that certain marketing practices hurt individual consumers, society as a whole, and other business firms.

Marketing's impact on individual consumers

As it was described by kotlter(1996) Consumers have many concerns about how well the marketing system serves their interests. Surveys usually show that consumers hold mixed or even slightly unfavorable attitudes toward marketing practices. Consumers, consumer advocates, government agencies, and other critics have accused marketing of harming consumers through high prices, deceptive practices, high-pressure selling shoddy or unsafe products, planned obsolescence, and poor service to disadvantaged consumers.

High Prices

Many critics charge that the marketing system causes prices to be higher than they would be under more "sensible" systems. They point to three factors – high costs of distribution, high advertising and promotion costs, and excessive markup.

Deceptive Practices

Mmarketers are sometimes accused of deceptive practices that lead consumers to believe they will get more value than they actually do. Deceptive practices fall into three groups: deceptive pricing, promotion and packaging.

High – pressure Selling

Salespeople are sometimes accused of high pressure selling that persuades people to buy goods they had no thought of buying. It is often said that encyclopedias, insurance, real estate, cars, and jewelry are sold, not bought. Salespeople are trained to deliver smooth, canned talks to entice purchase. They sell hard because sales contests promise big prizes to those who sell the most.

Shoddy or unsafe products

Another criticism is that products lack the quality they should have. One complaint is that many products are not made well and services not performed well. A second complaint is that many products deliver little benefit.

Planned obsolescence

Critics also have charged that some products follow a program of planned obsolescence, causing their products to become obsolete before they actually should need replacement.

Poor Service to disadvantaged Consumers

Finally, the marketing system has been accused of poorly serving disadvantaged consumers. For example, critics claim that the urban poor often have to shop in smaller stores that carry inferior goods and charge higher prices.

Marketing's impact on society as a whole

The marketing system has been accused of adding to several "evils" in society at large. Advertising has been a special target. Advertising is criticized for creating false wants and too much materialism, too few social goods, too much political power.

2.3.3 Citizen and Public Actions to Regulate Marketing

Because some people view business as the cause of many economic and social ills, grassroots movements have arisen from time to time to keep business in line. The two major movements have been consumerism and environmentalism.

Business firms have been the targets of organized consumer movements. Consumerism is an organized movement of citizens and governments agencies to improve the rights and power of buyers in relation to sellers.

As it was mentioned by Freeman, (1988) the second half of social responsibility is the idea that a company has even more responsibility to the environment and the world around it then an individual. Companies by nature act on a far larger scale then an individual could. Thus, their environmental impacts are often far greater and have much farther-reaching impacts then an individual consumer could.

Environmentalism considers whether the marketing system is efficiently serving consumer needs and wants. Environmentalism is an organized movement of concerned citizens, businesses, and government agencies to protect and improve people's living environment. Environmentalists are not against marketing and consumption; they simply want people and organizations to operate with more care for the environment. The marketing system's goal, they assert, should not be to maximize consumption; consumer choice, or consumer satisfaction, but rather to maximize life quality.

2.3.4 Business Actions toward Socially responsible marketing

At first, many companies opposed consumerism and environmentalism. They thought the criticisms were either unfair or unimportant. But by now, most companies have grown to accept the new consumer rights, at least in principle. They might oppose certain prices of legislation as inappropriate ways to solve specific consumer problems, but they recognize the consumer's right to information and protection. Many of these companies have responded positively to consumerism and environmentalism in order to serve consumer needs better.

Kotler(1996)suggests that enlightened marketing, a companies marketing should support the best long run performance of the marketing system. It consists of five principles: consumer oriented marketing, innovative marketing, value marketing, sense of mission marketing, and societal marketing.

Moreover, conscientious marketers face many moral dilemmas. The best thing to do is often unclear. Because not all managers have fine moral sensitivity, companies need to develop corporate marketing ethics policies – board guidelines that everyone in the organization must follow. These policies should cover distributor relations, advertising standards, customer services, pricing, product development, and general ethical standards.

In the other hand Robinson & Pearce (2000:49) suggest that when a firm attempts to incorporate the interests of these groups into its mission statement, broad generalizations are insufficient. These steps need to be taken

1. Identification of the stakeholders
2. Understanding the stakeholders' specific claims vis – a – vis the firm.
3. Reconciliation of these claims and assignment of priorities to them
4. Coordination of the claims with other elements of the company mission

3. Data Analysis and Interpretation

In this part of the study, the researcher has presented the analysis and interpretation of data gathered through questionnaires, interview and secondary data found from different sources.

The data collected by the use of questionnaires was found from the managers of selected firms and sample customers.

The analysis of data gathered using the questionnaires is presented in four sections namely: background of respondents, the rapid globalization, the new digital age and the call for more ethics and social responsibility.

Similar topics in both the questionnaires, the selected managers and the sample customers, are analyzed simultaneously in order to make the analysis more meaningful and comprehensive.

3.1 Background of respondents

In this section the background of both respondent groups is presented with summarized tables.

In table no.1, it is clearly indicated that, the manager respondents represent various industries operating in Ethiopia. This is mainly taken in order to check the cross-industry impact of the new marketing landscape. Most of the respondent managers are at the general manager level in their respective companies. Only three of the respondents were marketing managers.

Table 1. Profile of the sample firms

No.	Type of Firm	Position of respondent
1	Educational Institution	Dean
2	Retail trade	General Manager
3	Hotel	General manager
4	Food manufacturing	General manager
5	Textile firm	General manager
6	Household and office furniture's manufacturing	Commercial manager
7	Real estate renting	General manager
8	Construction company	General manager
9	Travel agency	General manager
10	Health institution (Clinic)	General manager
11	Vehicle repairing (Garage)	General manager
12	Transportation company	General manager
13	Personal care (Beauty salon)	General manager
14	Shoe manufacturing	General manager
15	Horticulture firm	General manager
16	Financial institution	Marketing manager
17	Printing enterprise	General manager
18	Bakery	General manager
19	Beverage manufacturing	Marketing manager
20	Sportswear manufacturing	General manager

Table 2. Background of respondents

Item	No.	%
1. Age		
18-25	10	11.76
26-35	27	31.76
36-45	31	36.47
46-60	15	17.65
61 and above	2	2.35
Total	**85**	**100.00**
2. Sex		
Male	48	56.47
Female	37	43.53
Total	**85**	**100.00**
3. Educational Background		
Below 10^{th} grade	3	3.53
$10\text{-}12^{th}$ grade	13	15.29
Diploma	25	29.41
Degree	26	30.59
Masters and above	18	21.18
Total	**85**	**100.00**
4. Occupation		
Government employee	24	28.24
Private Business Employee	25	29.41
Self Employed	17	20.00
Others	19	22.35
Total	**85**	**100.00**

Source: survey data

In item No. 1 of the table 2 we can see that 58 (68%) of the respondents belong to the age group of 26-45; and the remaining 27 (32%) represent different age groups other than the above mentioned. The researcher focused on collecting data from customers that are keenly participating in the day to day activities of the marketplace.

In item No. 2 it is revealed that 48 (56%) of the respondents are male and the remaining 37 (44%) are females. This shows that some what equal emphasis is given to both sexes.

In item No. 3 we can find that 44 (52%) of the respondents are customers with higher educational background i.e. Degree and above, 25 (29%) have diploma and the other16 (19%) are 12^{th} grade and below. From this we can understand that more attention is given to customers with higher educational qualification due to the complexity of the issues raised.

In item No. 4 the occupation of the sample respondents is presented. Among the respondents 24 (28%) represent government employees, 25(30%) represent private business employees, 17 (20%) represent self-employed and the rest 19 (22%) represent various occupational status, from the unemployed up to the retired ones. As it was clearly indicated respondents from various occupational groups have participated in the study.

Table 2. Rapid globalization (managers' response)

Item	N		L		M		H		VH	
	No.	%	No.	%	No.	%	No.	%	No.	%
1. Threat from foreign imports	2	**10**	3	**15**	3	**15**	10	**50**	2	**10**
2. Threat from foreign firms producing in Ethiopia	3	**15**	5	**25**	9	**45**	2	**10**	1	**5**
3. Involvement in international trade	6	**30**	8	**40**	3	**15**	2	**10**	1	**5**
4. Tendency of using goods acquired from international firms	0	**0**	2	**10**	11	**55**	5	**25**	2	**10**
5. Level of change on the preference of customers	1	**5**	3	**15**	4	**20**	9	**45**	3	**15**
6. Impact on production system	3	**15**	4	**20**	5	**25**	6	**30**	2	**10**
7. Influence on promotion	4	**20**	8	**40**	5	**25**	2	**10**	1	**5**
8 Impact on delivering goods to customers	1	**5**	2	**10**	5	**25**	8	**40**	4	**20**
9. Impact on pricing strategy	1	**5**	3	**15**	4	**20**	7	**35**	5	**25**
10. Impact on achieving objectives	3	**15**	4	**20**	5	**25**	6	**30**	2	**10**

Table 3. Rapid globalization (customers' response)

Item	N		L		M		H		VH	
	No.	%	No.	%	No.	%	No.	%	No.	%
1. Changes in wants and preferences	0	**0**	8	**9.4**	26	**30.6**	39	**45.9**	12	**14.1**
2. Ability of local firms to satisfy needs	9	**10.6**	35	**41.2**	26	**30.6**	15	**17.6**	0	**0**
3. The production capacity of local firms	11	**12.9**	37	**43,5**	23	**27.1**	14	**16.5**	0	**0**
4. Price of local products	5	**5.9**	16	**18.8**	34	**40**	21	**24.7**	9	**10.6**
5. Capacity of local promotion	19	**22.4**	45	**52.9**	20	**23.5**	1	**1.2**	0	**0**
6. Ability of local firms to deliver products fast	12	**14.1**	41	**48.2**	25	**29.4**	3	**3.5**	0	**0**

Source: survey data

3.2 The Rapid Globalization

The response gathered from both the selected managers and the sample customers is summarized in tables 2 and 3 respectively. Matching issues raised to the two groups of respondents are analyzed jointly.

Threat from foreign imports

From the responses of the selected managers concerning the competitive threat faced by local firms in relation to the imported goods from different countries of the world, 12 (60%) of the respondents believe that the imported goods have imposed high threat on the ability of the companies' to achieve their objectives, 3(15%) responded medium and the remaining 5(25%) replied low and none. This implies that the imported goods from the global market are making the competition in the local market stiffer. In the other hand, in some industries the threat is not felt yet.

Threat from foreign firms producing in Ethiopia

Regarding the competitive threat imposed on local firms by foreign firms producing in Ethiopia, only 3(15%) consider it to be high, most i.e. 9(45%) believe that there is moderate (medium) impact, and 8(40%) replied the impact is low. From this we can understand that unlike the imported goods the competition due to firms producing in Ethiopia is low to medium. Of course, there are some industries that are highly affected by foreign firms producing in Ethiopia.

Involvement in Global Trade

In relation to the participation of local companies in the global/international trade, about 14(70%) replied low, 3 (15) said medium and only 3 (15%) responded that their companies' involvement in the global market is high. This indicates that the involvement of local firms in the global trade is low. The retaliation power of local firms to the invasion commenced by the foreign firms in their commercial territory is limited.

Using goods acquired from international firms

Here the respondents were asked to rate the tendency of their company in using goods manufactured by foreign firms. And they replied as follows. 7(35%) said they use goods manufacture by foreign firms at a high level, 11 (55%) replied medium and the other 2(10%) of the respondents replied low. From this we can conclude that most of the local firms are somewhat dependent on goods manufactured by foreign firms.

Change on the preference of customers

Most of the respondent managers believe that the impact of the rapid globalization on the wants and preference of target customers is high 12(60%). In the other hand, 4(20%) replied medium and the rest 4(20%) believe that the impact is low. This implies that the change in the global environment has also affected local customers' preferences and wants.

The response of the sample customers for the same question indicated that there is a change on the wants and preference of customers, due to the rapid globalization.

Impact of globalization on production system

In this part of the questionnaire the manager respondents were asked about the impact of globalization on their production system, 8(40%) replied that there is high impact, 5(25%) responded that the impact is medium, 4(20%) asserted it is low and the remaining 3(15%) replied that there is no impact on their production system because of the rapid globalization.

In the production issue most of the customers, believe that the local firms are not responding well in their production systems with the changing global environment.

Influence of globalization on promotion

Among the respondent managers 12(60%) replied that the influence of globalization on their promotional strategy is low, 5(25%) responded medium, 3(15%) of the respondents said that there is high influence on their promotion strategy. From the above illustration we can understand that the impact of the rapid globalization on the promotional strategies of local firms is low. Or the response of the local firms to this change is somewhat insignificant.

On the other hand, most of the sample customers have disclosed that the capacity of the promotional campaigns of local firms to attract their target customers in response to the rapid globalization is low. And even significant number of respondents 19(22.4%) replied local firms are not completely responding to the changes in the global environment through their promotional strategies.

Impact on Delivering Products to Target Customers

From the manager respondents 12 (60%) believe that the rapid globalization has affected their ability to deliver (distribute) products fast to their target customers, 5(25%) responded medium and the remaining 3(15%) replied that the impact of globalization on delivery of goods is low.

With the same token the sample customer's were asked about the ability delivery of goods by local firms in relation to the rabid globalization, most of them replied that this firms are not distributing goods fast enough to their target customers. From this it is possible to infer that the impact of the rapid globalization in the field of distribution is very high, however, firms are not using this opportunity in the right manner.

Impact on pricing strategies of local firms

Most of the respondent managers 12(60%) revealed that the rapid globalization highly affected their pricing strategy, 4(20%) consider the impact to be medium, and 5(25%) of the respondents believe the impact of globalization on their pricing strategy to be low.

For the same issue, the customer respondents disclosed that most of the local firms' price is high or medium when compared to prices of imported goods. This implies that the imported goods have a competitive advantage over the products of local producers due to their low cost of production; they price their products low.

Impact of Globalization on achieving the company's objectives

Asked about the impact of increased liberalization in trade with other nations, on the ability of their respective companies objective achievement, the managers responded as follows; 8(40%) said it has a high impact, 5(25%) replied low and none. From this it is possible to deduce that in some industries the managers have found it difficult to accomplish the goals of their company due to the trade liberalization. Where as, in some other industries the managers are not hampered by the trade liberalization, on achieving their objectives. So, the liberalization of trade has opposing impact on different sectors of the local business activity.

3.3 The New Digital Age

The response gathered from the managers of, the selected firms and the sample respondents (customers) is summarized in tables 4 and 5 respectively. The corresponding questions, in both tables are analyzed simultaneously.

Table 4. New digital age (managers' response)

Item	N		L		M		H		VH	
	No.	%	No.	%	No.	%	No.	%	No.	%
1. Using computers for data processing	4	**20**	5	**25**	3	**15**	6	**30**	2	**10**
2. Application of professional software	5	**25**	8	**40**	5	**25**	2	**10**	0	**0**
3. Using the internet in purchasing goods	6	**30**	3	**15**	3	**15**	6	**30**	2	**10**
4. Using the internet for selling goods	12	**45**	5	**40**	3	**15**	0	**0**	0	**0**
5. Impact of new digital age	4	**20**	2	**10**	5	**25**	7	**35**	2	**10**
6. Tendency of competitors to use digital marketing	4	**20**	7	**35**	4	**20**	4	**20**	1	**5**
7. Promotion of products using the internet	8	**40**	7	**35**	5	**15**	0	**0**	0	**0**
8. Customers awareness about digital marketing	5	**25**	10	**50**	3	**15**	2	**10**	0	**0**
9. Significance of using the tools of new digital age	1	**5**	4	**20**	5	**25**	8	**40**	2	**10**
10. Challenges in using digital marketing	0	**0**	2	**10**	4	**20**	9	**45**	5	**20**

Table 5. New digital age (customers' response)

Item	N		L		M		H		VH	
	No.	%	No.	%	No.	%	No.	%	No.	%
1. Using computers for various purposes	2	**2.35**	32	**41.2**	22	**25.9**	21	**24.7**	9	**10.6**
2. Using the internet	11	**11.8**	27	**31.8**	25	**29.4**	19	**22.4**	5	**5.9**
3. Using the internet to purchase goods	39	**45.9**	25	**29.4**	16	**18.8**	5	**5.9**	0	**0**
4. Changes in preferences	9	**10.6**	28	**32.9**	37	**43.5**	11	**12.9**	0	**0**
5. Capacity of digital marketing to solve problems	3	**3.5**	7	**8.2**	14	**16.5**	44	**51.8**	19	**22.4**
6. Intention of local firms to apply tools of digital age	29	**34.1**	33	**38.8**	17	**20**	6	**7.1**	0	**0**
7. Promotion using emails and internet	34	**40**	28	**32.9**	18	**21.2**	5	**5.9**	0	**0**

Source: survey data

Using Computers for Data Processing

In responding to the question regarding the tendency of firms in using computer for data processing purpose, 8 (40%) replied that they highly use computers for data processing, 3(15%) replied medium, 5(25%) replied low, and remaining 4(20%) responded that they don't use computers for data processing at all. This implies that significant portion of firms in Ethiopia is not even using computers for data processing purpose.

In relation to the response of customers for the same question 29(35%) replied that they highly use computers for various purposes, 32(41%) responded that their usage situation of computers for various purposes is low. This indicates that yet large portion of the customers are not using computer, adequately. In the other hand, significant number of the respondents replied they use computers adequately; this can be because of the high educational level of some of the sample respondents.

Application of Professional software

The manager Respondents were also asked about the rate of application of professional software in facilitating the operation of their companies', 13(65%) replied that their statues of using software's for facilitating operations in their companies is low/none, 5(25%) replied medium and only 2(10%) said they highly use professional software for their operational systems. Form this we can conclude that application of software in the operation system is very low among local firms.

Using the Internet

Among the manager respondents 8 (40%) disclosed that they highly use the Internet for purchasing goods from local and/or international firms, 3(15%) stated that they use the internet for purchasing purpose moderately, 3(15%) low and the remaining 6(35%) of the respondents never used the internet for purchasing purpose.

The same respondent's were asked to rate the status of their companies in relation to using the Internet for selling their offerings. 3(15%) replied they moderately use the Internet for selling their products, 5(25%) replied low and the rest 12(60%) disclosed that they have never sold their products using the Internet. This indicates that the application of the Internet in the local and international trade by our firms is not well utilized.

The sample customers were also requested about their tendency of using the computer. And most of them replied that they highly use the computer. They were also asked to rate their tendency of using the Internet for buying goods from local and/or international firms, and most of them revealed that their experience in using the Internet for purchasing purpose is low. Again the positive response for the former question may not reveal the prevailing situation in the country.

Impact of new digital age

The other question forwarded to the manager respondents was about the impact of the new digital age on the performance of their companies, 9(45%) replied that it is high, 5(25%) replied medium and the remaining 6(30%) stated that the impact of new digital age in the performance of their respected companies is insignificant. From the illustration we can judge that in most of the business sectors the impact of the new digital age is not felt yet.

Moreover, from the side of the customers most of them believe that the impact of the new digital age in their preferences and wants is somewhat medium and low.

Tendency of competitors to use digital marketing

The manager respondents were also asked about the tendency of their competitors to use tools of the digital age, 5(25%) of the managers replied that it is high, 4(20%) responded it is medium, and the remaining 11(55%) revealed that the tendency of competitors to apply digital marketing is low. This implies that the introduction of the new digital age is not as such affecting the intensity of competition in most of the industries of Ethiopia.

Using the Internet for promotion

Among the manager respondents 8(40%) replied they have never used the Internet and emails for promotion purpose, 7(35%) said low and the remaining 5(25%) stated that they moderately use the Internet and emails for promotion purpose. This indicates that the use of Internet for promotion purpose is at its infant stage.

The same issue was raised to the customers' respondents and their response was that most of them do not believe that the local firms have the tendency of using the Internet and emails for promotional purpose.

Customers' awareness about digital marketing

Most of the respondent managers 15(75%) believe that the awareness level of their target customers about digital marketing is very low, 3(15%) responded medium and the rest 2(10%) responded high. From this we can understand that the awareness level of most of the customers in various industries of Ethiopia in relation to digital marketing (ecommerce) is poor.

Significance of using the tools of new digital age

The other question raised to the managers of the selected firms was about the significance of using the tools of the new digital age in gaining competitive advantages over rival firms. About 10(50%) of the respondents believe that it is high, 5(25%) consider it to be medium and the other 5(25%) stated that it is insignificant. This implies that most of the managers believe that applying the tools of the new digital age will help in gaining a competitive advantage; however, most of them do not set out for snatching this opportunity.

Challenges in using digital marketing

The selected managers were also asked about the challenges they face in using digital marketing as a marketing tool, 14(70%) of the managers disclosed that the challenges they are exposed to in applying digital marketing are high, 4(20%) believe it is medium and the rest 2(10%) responded low. From this we can deduce that the infrastructures and other facilities needed to apply digital marketing are not adequately provided.

3.4 The Call for More Ethics and Social Responsibility

At this section of the analysis, the data gathered from respondents, the selected managers and the sample customers, in relation with the call for more ethics and social responsibility is summarized in tables 6 and 7.

Table 6. Ethics and social responsibility (managers' response)

Item	N		L		M		H		VH	
	No.	%	No.	%	No.	%	No.	%	No.	%
1. Impact of ethics and SR	4	**20**	5	**25**	3	**15**	6	**30**	2	**10**
2. Ability to comply with social values	0	**0**	0	**0**	4	**20**	10	**50**	6	**30**
3. Consideration to interests of customers	0	**0**	0	**0**	4	**20**	12	**60**	4	**20**
4. Pricing of products in relation with their value	0	**0**	2	**10**	5	**25**	10	**50**	3	**15**
5. Intention of salespeople to persuade customers	6	**30**	11	**55**	3	**15**	0	**0**	0	**0**
6. Organized action of target customers	9	**45**	8	**40**	3	**15**	0	**0**	0	**0**
7. Impact of production system in the environment	9	**45**	7	**35**	4	**20**	0	**0**	0	**0**
8. Impact of environmentalists	5	**25**	9	**45**	6	**30**	0	**0**	0	**0**
9. Relationship with local community	0	**0**	1	**5**	7	**35**	10	**50**	2	**0**
10. Significance of acquiring certificates of environmental standards	1	**5**	3	**15**	6	**30**	9	**45**	1	**5**

Table 7. Ethics and social responsibility (customers' response)

Item	N		L		M		H		VH	
	No.	%	No.	%	No.	%	No.	%	No.	%
1. Local firms willingness to comply with social values	17	**20**	49	**57.6**	13	**15.3**	6	**7.1**	0	**0**
2. Local firms consideration to interest of consumers	14	**16.5**	35	**41.2**	26	**30.6**	10	**11.8**	0	**0**
3. Pricing strategies of local firms in relation with values of products	15	**17.6**	57	**67.1**	13	**15.3**	0	**0**	0	**0**
4. Intention of salespeople in persuading customers	3	**3.5**	10	**11.8**	21	**24.7**	34	**40**	17	**20**
5. Involvement in consumer action groups	39	**45.9**	33	**38.8**	13	**15.3**	0	**0**	0	**0**
6. Intention of local firms to produce in environmental friendly way	18	**21.2**	48	**56.5**	10	**11.8**	9	**10.6**	0	**0**
7. Significance of acquiring international certificates	21	**24.7**	35	**41.2**	16	**18.8**	7	**8.2**	6	**7.1**
8. Awareness towards consumerism and environmentalism	11	**12.9**	34	**40**	15	**17.6**	15	**17.6**	10	**11.8**

Source: survey data

Impact of Ethics and Social Responsibility

As it was presented above the managers were asked about the impact of the call for more ethics and social responsibility, 8(40%) of the respondents stated that the impact of ethics and social responsibility is high, 3(15%) replied that the impact is medium and the remaining 9(45%) said the impact is low and none. From this it is possible to conclude that large portion of the local companies is not affected by this new development in the marketplace.

Ability of local firms to comply with the social values of the public at large

As it was presented in the above tables, both groups of respondents were asked about the ability of local firms to comply with the social values of the public at large. Out of the manager respondents 16(80%) replied that they highly comply with the social values of the society, and the rest 4(20%) replied that their emphasis to the values of the society is medium. From this we can infer that the local firms believe they give too much emphasis in order to go in accordance with the values of the public at large.

However, the response of the sample customers was quite different. 66(78%) of the respondents stated that the local firms willingness to respect the values of the society is low. From the above two responses we can conclude that, even though, the managers are claiming that they stand for the wellbeing of the society in relation to keeping its values the customers do not accept this claim.

Considerations to the interest of customers

Among the selected managers 16(80%) think that they have given too much consideration to the interest of their customers, the remaining 4(20%) believe that their ability to keep the interest of their customers is medium. This implies that the local companies consider themselves as firms established to keep the interest of their target customers.

In the other hand, most of the customer disclosed that the local firms' willingness to consider the interests of customers is limited 49(58%). From the above reactions, we can understand that the argument by the managers of local firms as if they are striving to safeguard the interests of their target customers is disproved by their customer counterparts.

Pricing of products in relation with their perceived values

The other issue raised to both parties was the pricing strategies of local firms in relation to the values of their offerings as perceived by their customers. From the side of managers 13 (65%) stated that their prices reflect the perceived values of their offerings, 5(25%) said it is medium and the remaining 2(10%) referred that their pricing strategies ability to meet the perceived values of their target customers is limited. This indicates that most of the local firms consider themselves as firms that price a product according to its perceived value by the target customers.

The customers were also requested to evaluate the pricing strategies of local firms in relation with the perceived values of their offerings. Of the total customer respondents 72 (84%) believe that the pricing strategies of firms do not take in to consideration the perceived values of their offerings. At this point also, there is disparity between the two parties in one hand the managers argue that they are setting prices according to the value perceived by their customers. Where as, the customers understanding is different those companies are setting prices above the stated values of their products.

Intention of salespeople in persuading customers

With in the managers of selected firms 17(85%) believe that their sales people are not in position of persuading their customers to buy products that they had no thought of buying, 3(15%) of them asserted that this intention is medium. From this, we can infer that most of the local companies do not accept that their sales force is forcing customers to buy products that they do not normally think of buying.

In the other side of the panel, we will find extremely opposing belief. That is, the customers believe that the salespeople of those firms are forcing them to purchase products they do not have intention to buy 51(70%). Again, another conflicting idea has come to the picture from the two responding groups. The managers are confident about the actions of their salespeople in relation to their intention to persuade people in buying goods. However, the customers believe that most of the time they are swayed by the sales people of the local firms even to buy products that they do not want to buy.

Organized actions of target customers

The other question raised to both groups of respondents was about the organized actions of customers against the products of the company or the company itself. From the manager respondents 17(85%) declared that the organized actions that they face from their target customers is low, and the remaining 3(15%) believe that they face medium influence. This implies that an organized action of customers is not a threat for most of the local firms.

From the customers side the response is almost similar, 62(85%) revealed that their involvement in organized actions of citizens towards the malpractices of business firms is very limited. From the above illustration, it is possible to deduce that the challenge coming from customers in an organized way is highly limited in the local marketplace.

Impact of production system in the environment

Managers' ware also asked about the impact their companies' production system in the environment. Most of the respondent managers 16(80%) assume that their production systems impact on the environment is insignificant, the remaining 4(20%) assume that the impact they cause in the environment is medium. May be, this kind off response is acquired because of the nature of the sample firms.

The same issue was also raised to customers, to rate the intention of local firms to operate in an environmental friendly way, and 66(78%) of them believe that the weight given by the local firms to the protection of the environment from pollution and other hazardous effects is low. From this we can conclude that the local firms need to strive hard to practice environmental friendly way of production.

Relationship with local community

The managers of the selected firms were also requested to rate their relationship with their local community, 12(48%) of the respondents replied their relationship with their local community is high, 7(35%) replied it is medium and only one respondent accepted the companies relationship with the local community is poor. This indicates that the relationship of local firms with their respected customers is promising and it can be further utilized to build mutual benefits.

Impact of environmentalism

For the question, which is related with the impact of environmentalists in the ability of the firm to achieve its objectives, 5 (25%), replied that environmentalists do not have any impact on the ability of the firm to achieve its objective, 9(45%) said it is low, and the remaining 6(30%) believe that the impact of environmentalists is medium. From this, we can understand that the impact of environmentalists is not yet a threat for the actions of the local firms.

Significance of acquiring certificates of environmental standards

The final question presented to the respondent managers was about the significance of acquiring international certificates of standards in relation to acquiring competitive advantage, 9(45%) of the managers asserted that this certificates will help them to gain an advantage over their competitors, 6(30%) of them replied medium, and the remaining 4(20%)

believe that the impact of acquiring this certificates is not helpful in granting an advantage over rivals.

The same issue was also raised to customer respondents; however, most of them 56(66%) do not think that acquiring these certificates is not a guarantee for environmental friendly way of production by the bearers of the papers. This implies that even though the companies are claiming these certificates will bring a competitive edge, local customers are not in a position to buy most of their consumption items from companies that hold these papers.

Customers' awareness towards consumerism and environmentalism

The final question raised to the sample customers was to rate their awareness level towards the two concepts, consumerism and environmentalism, 45(53%) responded that they don't have any idea about this concepts, 15(18%) replied medium and the remaining 25(29%) said that their awareness about consumerism and environmentalism is high. This implies that the idea of consumerism and environmentalism is becoming one of the focal points among the educated Ethiopians, whereas, in the remaining group of customers the awareness level is very low.

4. Conclusions and Recommendations

In this part of the study the researcher attempts to summarize and present the implications of the findings. Moreover, possible recommendations are forwarded in order to draw strategies for challenging the impact of the new marketing landscape on the operations and performance of local firms.

4.1 Conclusion

From the data analysis made in chapter three of the study it is eminent to conclude the following:

- The impact of the rapid globalization on local firms can be revealed through the high competitive threat these firms are facing from the imported goods. However, for this kind of ruthless incursion by the foreign/global companies the retaliation capacity of the local firms is poor. This is disclosed from the low involvement of the local firms in the global trade.
- The impact of products manufactured in the local marketplace by foreign firms is limited. Moreover, the tendency of local firms to use goods manufactured by foreign firms is increasing from time to time. As a result local firms have become more dependent on the out puts of the global companies.
- The rapid globalization has also resulted in the change in wants and preferences of domestic customers. It is also affecting the ability of the companies in accomplishing their goals.

- From the findings we can conclude that the impact of rapid globalization on the production system of the local firms is moderate. And its effect on the promotional strategies of the local firms is low. Whereas, it is imposing high impact on the distribution and pricing strategies of the local firms.
- In relation to the impact of the new digital age on the performance of local firms, the findings made evident that; these companies moderately use computers for various purposes. However, their intention to apply professional software in facilitating operation systems of the company is low. Moreover, the tendency of these firms towards using the Internet for buying and selling activities is poor. The paradox is that most of these firms confess that the impact of the new digital age on their performance is high.
- The local firms are not responding well to the global change in the digital technology. Some of the reasons for this, as it was revealed in the findings can be, the low intention of rival firms to apply digital marketing; the low level of customers awareness towards digital marketing and the high challenges they face in trying to apply digital marketing. But still most of them accept that using the tools of new digital age can result in gaining a competitive edge.

- In relation to the call for more ethics and social responsibility, there are conflicting ideas from the side of the two respondent groups, managers and customers. On one hand, the managers believe that they are highly striving to comply with the social values of the public at large, and give due consideration to the interests of their target customers. However, their customer counterparts do not acknowledge this. Most of the customers believe that the emphasis given to the values of the society and their interests is limited. Moreover, the pricing strategy of these companies is also not approved by the customer groups.
- The managers disclosed that their sales force intention to persuade customers to buy products they don't have any thought is low. However, the customers asserted that the salespeople of these firms are too pushy.
- The other issue, which is evident from the findings of the study, is that the organized effort of customers in order to defy the malpractices of the business firms is low. This reveals that the capacity of local customers to challenge business firms through structured efforts is insignificant.
- Our world is becoming more polluted from time to time, and this is mostly associated with the way business firms are conducting their production activities. From the findings most of the managers revealed that their impact on the environmental pollution of the

country is low. Where as, the customers mainly accuse business firms for the environmental dreadful conditions. Moreover, the managers asserted that the influence their companies' are facing from environmentalist groups is low.

- The findings also revealed that the relationship of the local firms with the local community is assumed to be high from the side of the managers. Moreover, they believe that acquiring international environmental standard certificates is significant for gaining a competitive advantage in the marketplace; however, most of the customers believe that having these papers is not a guarantee for being pro-environment. In addition the customer respondents revealed that they don't normally buy products with reference to the pro environment actions of the firm. The findings also disclosed that the awareness level of customers towards consumerism and environmentalism is low.

4.2 Recommendation

- We have seen how brutal is the challenge faced by our local companies due to the rapid globalization. In order to defend their territory they need to expand their involvement in the global trade. Because, one way of defending ones territory is through attacking the rivals in their own territory. For this to be real the local firms need to improve the quality of their products at a global standard and they need to strive in finding substitutes for the imports they made to facilitate their operation.
- The rapid globalization has resulted in serious changes on the way customers are shaping their wants and preferences. As a result, the local firms in order to perform well in the market place they need to adjust their production, promotion, distribution, and pricing strategies accordingly. If they fail to do these, the customers will shift to other alternatives.
- -The second pattern in the new marketing landscape is related with the new digital age. It was deduced that the local companies are not utilizing the tools of these new development well. Therefore, in order to be competent in the international and local marketplace these firms need to apply the fruits of this technological boom. The local firms need to enhance their initiation towards using the Internet for their buying and selling activities. Of course, one of the challenges indicated by the respondents for not using the digital

marketing, as a marketing tool is that the lack of sufficient facilities for the application of this new technological development. The researcher would like to suggest the government agencies and other responsible institutions to provide adequate infrastructural facilities in order to adopt this technology in the country.

- The local firms should respond well to the changes in the global digital patterns. They need to acquaint their employees (staff) with this new technological development through training at home and abroad. Using this new technological development will help in enabling the company to be competent enough in both local and global marketplace.
- Most of the time business firms are charged for fostering the environmental pollution. In order to resolve this accusation, business firms need to develop new ways of production that are environmental friendly. What is feared by business firms not to apply this system of production is the high cost they incur. However, as the proponents of the new marketing philosophy, societal marketing, preach customers will prefer to buy goods that are manufactured in an environmental friendly way. So, this can by it self boost the sales of the firm hand in hand with saving Mother Nature from peril.

- One of the negative images triggered towards business firms is related with the ethics of their customer handling practices. They need to respect the values of the society. They need to assess and acknowledge the interests of their customers. They need to convince their sales force persuasion is no more a tool for selling more merchandise. And in order to survive in the market place they need to enhance their relationship with the local community.
- Moreover, local business firms should not be relaxed with prevailing low level of impact coming from customers and other citizen action groups towards their practice. There are some signs that the awareness level of customers and other citizen action groups will not remain as it is.