Marketing skills of young entrepreneurs trained by youth development organisations in Limpopo Province

by

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Dear Sir

I wish to acknowledge that I have edited the dissertation of Sehlapelo AM

Yours faithfully

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DECLARATION

I declare that the dissertation hereby submitted to the University of Limpopo, for the degree of Masters of Commerce in Business Management has not previously been submitted by me for a degree at this or any other university; that it is my own work in design and in execution, and that all material contained here in have been duly acknowledged.

_____   _____
Sehlapelo AM (Mr)   Date

I dedicate this work to my daughter (Itumeleng) who got injured in a car accident when she accompanied me to UNIN for final submission of this dissertation on the 4th of April 2012. Thanks to the almighty for her speedy recovery. I also want to thank my wife Tshidi (my dictionary), my mom (Linda), my dad (Abbey), my son (Thapelo), my brother (Tswaledi) and his family and my sisters (Pheladi, Junior and Mankeke) and their families for the sacrifice and encouragement. Unity is strength.

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There are several individuals to whom I owe a debt of gratitude:

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1. Background Information

Whilst much hope is vested in emerging youth entrepreneurship, there are significant barriers to, and few examples so far of, its success.

Youth entrepreneurship development project was established in 2001 by the South African Government through Umsombovhu Youth Fund, which is one of the biggest role players in youth development in Limpopo Province. It was established mainly for the purpose of facilitating and promoting the creation of jobs and skills development and transfer among young South Africans in all the provinces of South Africa.

A study of marketing management of young entrepreneurs trained by youth development organisations was conducted in four youth development organisations offering entrepreneurship training to the youth of Limpopo Province, namely,

- o   Umsobomvhu Youth Fund (UYF)
- o   Limpopo Business Support Agency (LIBSA)
- o   Small Enterprise Development Agency (SEDA)
- o   Dhlavhama Tlhavhama Training Initiative (DTTI)

This study focuses on young entrepreneurs who received entrepreneurship training from these institutions but operating their businesses in all the four districts of this province with a larger percentage of respondents from the Capricorn District and smaller percentages from Waterberg, Sekhukhune, Mopani and Vhembe Districts, in an attempt to make the results obtained representative of the whole province.

The study identified aspects of marketing management training that youth development organisations included in their entrepreneurship training as well as their gaps; gaps in training methods utilised and finally, how trained young entrepreneurs put into practice the marketing

management skills they acquired through marketing management training from youth development organisations.

The duration of training of entrepreneurship training, more especially marketing management training, limited the content of marketing management training due to limited duration of entrepreneurship training, lack of post training support, low entrepreneurship culture, competition by foreign entrepreneurs and other aspects were identified as key constraints. The implementation business incubation concept is beginning to intensify in most youth development organisations in Limpopo Province. Though they currently support only business firms operating in particular business sectors and others are mostly based on inclusion in entrepreneurship competitions and benefit only few young entrepreneurs, this is evidence that on-going efforts by youth development organisations to build capacity in youth development business ventures can be successful.

2. The aim of the study

The aim of the study was to provide structured data on the nature of marketing management training to the youth of Limpopo Province by youth development organisations in the province.

3. The objectives of the study

The research objectives included the following:

- o To establish aspects of marketing management that youth development organisations offer in their entrepreneurship training as well as their gaps.
- o To establish gaps as well as weaknesses in the methods of training utilised by youth development organisations in the training of the young entrepreneurs.
- o To establish whether young entrepreneurs do put into practice the marketing skills they have acquired through training from youth development organisations responsible for their training.

4. Research population and sampling unit

Research population and sampling unit of analysis consisted of young entrepreneurs trained by youth development organisations involved in entrepreneurship training of the youth in Limpopo Province. From four lists of youth entrepreneurs received from the data base of the four youth development organisations a random sampling of 90% of the participants was selected. In total, 65 trainees and four youth development organisations were interviewed.

5. Data collection instruments

Two questionnaires were utilised, one directed to the business developing officers responsible for entrepreneurship development/training attached to or outsourced by the youth development organisations and the other to young entrepreneurs trained by youth development organisations.

Questionnaires directed to the young entrepreneurs trained by youth development organisations contained questions pertaining to demographic, geographic information and performance data.

Questionnaires directed to business development officers (trainers) responsible for entrepreneurship training contained questions on the following aspects:
   o   Personal and demographic information of Youth Development Organisation
   o   Areas of marketing management covered in the entrepreneurship training
   o   Duration of the entire entrepreneurship training
   o   Training methods used in entrepreneurship training
   o   Other categories of trainers used for the purpose of entrepreneurship training?
   o   Frequency in updating database of trained young entrepreneurs
   o   Post training support
   o   Factors limiting young entrepreneurs to succeed in marketing

Field work was conducted through interviews, mostly personal (Capricorn and Waterberg) as respondents were easily accessible to the researcher. A small percentage from Mopani and Vhembe was interviewed telephonically.

6. Main findings and recommendations

The political imperative to implement youth entrepreneurship in Limpopo Province is intensifying, with the Parastatals responsible for youth entrepreneurship beginning to combine efforts with Limpopo Department of Economic Development, Environment and Tourism (LEDET) and the National Youth Development Agency (former Umsobomvu Youth Fund and National Youth Commission).

Sensible policies such as legislation to protect young entrepreneurs against foreign entrepreneurs and on-going support of young entrepreneurs will go a long way to improving marketing success in YIBVs in Limpopo Province.

Within the government business and economic services, a limited capacity still exists to support emerging young entrepreneurs with appropriate advice and input support.
This study was meant to demonstrate the importance of investing in capacity building for youth development organisation, their business development officers (trainers) and young entrepreneurs which could result in positive changes in marketing management.

To ensure excellent marketing management in YIBVs, transformational changes such as supportive Government legislation; post training support by youth development organisations; extension in the duration of marketing training and inclusion of all important aspects of marketing management just to mention a few, will have to be effected.

Finally, it is believed that this study is significant as it focuses on issues which are relevant to economic development of the province. The results of this study should be of interest to youth development organisations; young entrepreneurs trained by youth development organisations; the government; academics and policy makers.

Chapter One

1. INTRODUCTION AND BACKGROUND TO THE STUDY

1.1 Introduction

Youth entrepreneurship development is a relatively new concept in South Africa with little study done on entrepreneurship training particularly on marketing management training offered by the youth development organisations in Limpopo Province.
It is on the basis of this discovery that the researcher has decided to embark on this study entitled:

"MARKETING SKILLS OF YOUNG ENTREPRENEURS TRAINED BY YOUTH DEVELOPMENT ORGANISATIONS IN LIMPOPO PROVINCE"

This study seeks to establish aspects of marketing management that youth development organisations include in entrepreneurship training. Weaknesses in their methods and theory are also visited and attempts are made to establish whether young entrepreneurs put into practice the marketing skills they have acquired from the youth development organisations that trained them.

Although the entrepreneurs that receive training are spread over five districts of Limpopo, most of them are located in the Capricon District with smaller percentages from Waterberg, Sekhukhune, Mopani and Vhembe.

Chapter One will discuss the research proposal which includes the background information and motivation for the study, problem statement, objectives of the study, relevance to economic development and lastly, expected outputs and outcomes of the study. This chapter will lay the foundation for the discussion of literature on youth development organisations and the

marketing management training in Chapter Two and Three consecutively. Chapter Four will present the research methodology used in this study while Chapter Five will attempt to present, analyse and interpret empirical data collected from business developers (trainers) attached to youth development organisations and the young entrepreneurs they trained on marketing management related aspects. Finally, Chapter Six will provide final conclusions and recommendations in an attempt to improve marketing management training offered by youth development organisations as well as the marketing management of young entrepreneurs in their business enterprises.

1.2 Background Information and Motivation

The practice of marketing is very complex. It requires in-depth knowledge of all aspects of marketing, research on customers and on the environment as it relates to marketing, and the discipline of applying sound management principles to marketing problems.
One of the most basic aspects of successful marketing is the management of the marketing function itself. Marketing managers set goals, develop marketing plans, and direct the implementation of those plans to create profitable transactions for the firm. Without skilful marketing it is virtually impossible for a company to survive in today's competitive environment. Good marketing is therefore partly art, partly intuition, and partly genius (Cooper and Madden, 1993:9).

In a play that was a smash hit a number of years ago, one of the characters, a young woman, asked an older and more experienced woman, "How can I become popular with men?" The older woman's answer was "Find out what they like, and how they like it, and give it to them just that way". Though the authors (Baron and Shane, 2008:281) are pleading with readers to forgive them about the sexist nature of this comment and site the reason that they are only quoting and not agreeing with it, they still emphasise that the comment in a sense, is good

advice for entrepreneurs as far as consumers are concerned. Ignoring customer preferences is a recipe for business failure and should be avoided.

South African young entrepreneurs are prone to marketing mistakes of this nature due to the fact that, after short formal entrepreneurship training offered by the youth development organisations or institutions in the private sector engaged in youth entrepreneurship training, they are left alone without mentoring which is necessary for guiding and supporting them during the first few years, or at least months of being in business, hence most of their businesses perish within a short period of time.

Dlamini (2009: 1) states that South Africa has one of the lowest levels of entrepreneurship in the world with entrepreneurs contributing around 35% of GDP compared to 60% in countries like Brazil and India. He adds that for those entrepreneurs who do manage to start their own businesses, fewer than 20% survive past the first two years, hence entrepreneurship development initiatives such as the one by South African Brewery's "KickStart Enterprise Development Programme" for young South African entrepreneurs has been developed with the aim to alleviate this problem by training them and then introducing an intense six month mentoring programme after they have successfully launched their business firms.

On the other hand, competencies required from trainers and organizers of training and development programmes attached to the youth development organisations in South Africa need to be looked into and improved.
Tolentino (undated: 1) argues that the characteristics and features that training and development programmes must have in order for them to be effective require specific competencies from those organising and actually delivering specific sessions and components of the programme. In real situations, the trainer often performs the functions of training organisers, training managers or coordinators, and training delivery by handling and facilitating specific sessions. He lists some of the key competencies that must be developed among trainers

and organizers of training and development programmes of entrepreneur managers as follows:

i) Ability to design appropriate training and development programmes.
ii) Ability to manage the implementation of the training and development programmes.
iii) Ability to use training delivery tools and techniques suitable to the needs of the particular target group.
iv) Ability to assess and evaluate training and development programmes.
v) Ability to undertake continuous self-development.

1.3 Research Problem

Even though youth development organisations in Limpopo Province seem to be giving the best marketing management training when offering entrepreneurship training, a large number of Youth Initiated Business Ventures (YIBVs) are characterised by a very short lifespan, they come and go. Young entrepreneurs seem to have problems in implementing the marketing skills that they have acquired through training from the youth development organisations.

On the other hand, the South African government, youth development organisations as well as institutions in the private sector engaged in youth entrepreneurship development, invest large sums of money in entrepreneurship training but there seems to be no evidence of any comprehensive study to test the effectiveness of the marketing training these institutions provide.

It is on the basis of these reasons that this study was embarked on. The researcher is of the opinion that this field of study, that is, assessing marketing skills of young entrepreneurs trained by youth development organisations in Limpopo Province, would provide useful data for all interest groups and young entrepreneurs themselves, in particular on both the success

and/or failure of marketing management training as well as the success and/or failure of youth initiated business ventures as far as the application of marketing management is concerned.

1.4 Overall Aim

The overall aim of this study was to provide structured data on the nature of marketing management training provided to the youth of Limpopo Province by youth development organisations in the province.

1.5 Objectives of the study

► To establish aspects of marketing management that youth development organisations offer in their entrepreneurship training as well as their gaps.

►To establish gaps as well as weaknesses in the methods of training utilised by youth development organisations in the training of young entrepreneurs.

►To establish whether young entrepreneurs do put into practice the marketing skills they have acquired through training from youth development organisations responsible for their training.

1.6 Relevance to Economic Development

The study is relevant to the economic development of the province and its significance is viewed by the researcher in two-fold. Firstly, this study involves assessment of "marketing skills" in young entrepreneurs, an aspect contributing significantly to the economic development of the province and the country as well.

Marketing efforts are needed for mobilisation of economic resources for additional production of ideas, goods and services resulting in greater employment. Marketing also stimulates the aggregate demand of goods and as such enlarges the size of the market. Marketing in basic industries, agriculture, mining and plantation industries, helps in the distribution of output

without which there is no possibility of mobilization of goods and services which is the key point for economic growth. In export trade and services, like tourism and banking, marketing plays an eminent role in order to grow the economy (Articlesalley, undated:1).

Secondly, the study argues about "entrepreneurship training" of the youth of Limpopo Province who should after acquiring the necessary entrepreneurship skills (marketing skills), launch their own business firms and be economically active, thus, contributing towards the economy of their country.

As the researcher has already mentioned, South Africa has one of the lowest levels of entrepreneurship in the world with entrepreneurs contributing about 35% of GDP compared to 60% in countries like Brazil and India as indicated by (Dlamini: undated: 1).

1.7 Expected Outputs and Outcomes

The expected outcomes will constitute information pertaining to marketing management training offered by youth development organisations in Limpopo Province as well as the information on how the young entrepreneurs, they have trained, market their business firms and products/services that they sell.

The results of this study will be shared with:
- Youth development organisations
- Young entrepreneurs trained by youth development organisations
- Government
- Academics
- Policy makers

This Chapter provided the background of the study and defined the problem. In Chapter Two and Three, a theoretical framework will be provided which will serve as a guideline for the research design to be provided in Chapter Four. Chapter Five will present, analyse and interpret

the empirical data, while the concluding chapter, Chapter Six, will draw conclusions and offer

recommendations.

Chapter Two

2. **YOUTH DEVELOPMENT ORGANISATIONS: A LITERATURE PERSPECTIVE**

2.1 Introduction

This chapter highlights the following important aspects of the study:
 Description of concepts; historical background of Youth Development;
the National Youth Development Policy Framework (2002-2007); challenges faced by the Government and the youth development organisations as partners in youth development; Limpopo Youth Commission; Limpopo Youth Entrepreneurship Faire (2005); and lastly, youth development organisations in Limpopo Province.

2.2 Description of concepts

i)   Youth development organisations:
Non Governmental Organisations as well as institutions in both the public and the private sectors which are actively involved in youth development and in particular youth entrepreneurship training and funding.

ii)   Young entrepreneurs:
 Persons between ages 18 and 35 who own and run businesses.

iii)   Marketing skills
The ability to direct the flow of goods and services from producers to consumers (Encyclopaedia online - School Edition, 2005: 1).

2.3   Historical background of youth development organisations

Youth development, and ideas associated with it, have emerged from the field of youth work, but have extended beyond practice to influence local, state, and national decision makers in the public and private sectors. Recently, youth development has become a focus for research (Hamilton and Hamilton, 2004: ix).

According to National Youth Commission (undated: 1), in South Africa, Youth Development Organisations came into being after the inception of the National Youth Commission (NYC), established in June 1996 with the following objectives:

● to coordinate and develop an integrated National Youth Policy;

● to develop an integrated national plan that utilises available resources and expertise for the development of young women and men to be integrated with the Reconstruction and Development Programme;

● to develop principles and guidelines and make recommendations to Government regarding such principles and guidelines for the implementation of the National Youth Policy;

● to coordinate, direct and monitor the implementation of such principles and guidelines as a matter of priority;

● to implement measures to redress the imbalances of the past relating to various forms of disadvantage suffered by young men and women generally or by specific groups or categories of young people; to promote uniformity of approach by all organs of state, including provincial governments, to matters relating to young women and men;

● to maintain close liaison with institutions, bodies or authorities similar to the National Youth Commission in order to foster common policies and practices and to promote co-operation with the youth;

● to coordinate the activities of the various provincial Government institutions involved in youth matters and to link those activities to the integrated National Youth Policy; and

● to develop recommendations relating to any other matter which may affect young men and women.

2.4 The National Youth Development Policy Framework (2002-2007)

The National Youth Commission (NYC) has given rise to the development of the National Youth Development Policy Framework (2002 – 2007). This important document has been developed

through the participation of young men and women, under the leadership of the NYC and in collaboration with the government departments (National Youth Development Policy Framework, 2002-2007:3).

In his National Youth Development Policy Framework launch speech, Essop Pahad, the Minister in the Presidency, explained the National Youth Development Policy Framework as a critical document that sets out, in a comprehensive form, a plan for youth achievement and development.

He also alluded that this document is representative of an important milestone towards an integrated and holistic approach to youth development for the advantage of the young women and men, specifically, and for South Africa as a whole (The National Youth Development Policy Framework, 2002-2007:3).

2.5 Challenges faced by the Government and the youth development organisations as partners in youth development as according to the National Youth Policy Framework (2002-2007)

> **2.5.1 Background information**

The Department of Trade and Industry found in 1997 that 44% of employment is derived from the small business sector and that this sector has a great potential for growth.
Promotion of the development of Small, Micro and Medium Enterprises (SMMEs) and co-operatives depends on a coherent programme that includes, among others, training, mentorships and a clear articulation of Private Public Partnerships in the interest of the development of successful enterprises and co-operatives of young people (Department of Trade and Industry, 1997:6).

> **2.5.2 Challenges faced by the Government and youth development organisations in ensuring economic participation and empowerment of the youth include the following important aspects:**

2.5.2.1 Policy implications:

The government and youth development organisations should ensure that:

► a comprehensive economic empowerment strategy for young people is developed;

► youth training programmes be accommodated within the institutional framework of learnerships within established Sector Education and Training Authorities (SETAs);

► coordinated internship programmes be developed to address the lack of skills through the involvement of government, communities, parastatals, development finance institutions, Non Governmental Organisations (NBOs) and Community Based Organisations (CBOs).

2.5.2.2 The Government and its partners in youth development must intervene in the following proposed areas:

(i) Establishment of learnership programmes for the youth:

■ SETAs should identify youth-specific leanerships using the same principles of identifying adult learnerships.

■ As part of a National Youth Service Initiative, learnership agreements for long-time unemployed young people should be established with employers.

(ii) Entrepreneurial training of the youth:

■ Ensuring market driven, practical and accredited training for unemployed young people focusing on entrepreneurial and business skills.

■ Ensuring that the process of training provides a platform for the establishment and an increase in the success rate of new SMMEs.

■ Utilising mentorships to advance the establishment and success of SMMEs.

(iii) Establishment of public-private partnerships that will benefit the youth:

■ Ensuring that public and private partners play a role in identifying how

  procurement and outsourcing can be better utilised to create a base for

  SMME and co-operative development for young people.

■ Ensuring that these partnerships assist with a strategy for making

  micro-finance accessible for the establishment of SMMEs and co-operatives for

  young people.

(iv) Youth business development:

    ■ Strengthening the Umsobomvu Fund through sustainable funding streams.

    ■ Broadening possible funding and grant-making avenues in the Umsobomvu

      Fund.

    In his learnership launch speech, Minister Mdladlana articulated that learnership is an

    instrument to ensure that factories, offices and shops, service agencies, and mines

    become not only places of work but also places of structured learning.

    This should increase the chances of finding employment through providing both

    theoretical learning and practical experience. He also indicated that employment of

    young people will hinge on how learnerships can be implemented to address the

    specific needs of young people (The National Youth Development Policy Framework

    (2002-2007:15).

2.6 Limpopo Youth Commission

2.6.1   Background information on the Limpopo Youth Commission

       Limpopo Youth Commission is a statutory body of Government established

       through legislation, the Youth Commission Act no. 7 of 1997, as passed by the

       Limpopo parliament (Limpopo Youth Commission, 2007:1).

2.6.2   Limpopo Youth Commission's vision and mission statements as according

       to the Limpopo Youth Commission, 2007:2

       ● *Vision statement*

To empower all young people to develop to their full potential, as a means of enabling them to contribute to the socio-economic development of the province.

- *Mission statement*

Creation of a conducive environment for the emergence of youth development programmes through:

- development and lobbying for appropriate policies;
- leveraging of funds and resources for youth development;
- initiating programmes in partnership with relevant stakeholders.

2.6.3   The objectives of Limpopo Youth Commission

As could be anticipated, the objectives of the Limpopo Youth Commission are almost similar to those of the National Youth Commission and include the following:

- To develop an integrated Provincial Youth Development Plan.
- To develop principles and guidelines for the implementation of the Youth Policy and make recommendations to the Provincial Legislature on such principles and guidelines.
- To co-ordinate, direct and monitor the implementation of such principles and guidelines as a matter of priority.
- Promote uniformity of approach by all organs of state to matters involving the youth.
- Maintain close liaison with institutions, bodies or authorities similar to the commission to foster common policies and practices and promote co-operation.
- To co-ordinate activities of various government institutions in the province involved in youth matters and to link their activities to the integrated National Youth Policy.
- To develop recommendations relating to other matters which may affect the Youth (Limpopo Youth Commission, 2007:3).

2.6.4   The problem areas of the Limpopo Youth Commission

The problem areas of the Limpopo Youth Commission include, amongst others, the following:

● Skills development for the youth.

● Mainstreaming youth development at all levels of Government.

● Profiling the Youth Commission and other Government programmes that have a
   bearing on the youth.

● Encouraging participation of young people in nation building programs.

● Youth Economic Development and Empowerment (Limpopo Youth
   Commission, 2007:4).

2.7   Limpopo Youth Entrepreneurship Faire (2005)

In his opening speech at the Limpopo Youth Entrepreneurship Fair held on 17 to 19 August 2005, Sello Moloto, the then Premier of Limpopo Province, indicated that over the past years of freedom and democracy, the government had established enabling structures and policy frameworks that promoted youth development and economic participation. He mentioned the fact that it was within this context that structures and programmes like Umsobomvhu Youth Fund (UYF), Youth Commission and the National Youth Service Programme were set up to empower young people economically. He added that the Government was also in the process of setting up local Youth Development Units in each municipality with a view to ensuring that our municipalities prioritised matters of youth development and economic empowerment, initiatives which were also being complemented by measures the government was taking through programmes such as internships, learnerships and academic financial support mechanisms to deserving students across the province.

The premier also said that young people should also have access to such services as business start-up funds and other entrepreneurial advisory services. He emphasised the fact that

entrepreneurship should be regarded as a necessary imperative for every young citizen with skills and potential to contribute to the economy.

He added that days were gone when people used to regard youth entrepreneurship as an option available only to those who were unable to find work. He further stated that the Limpopo Province was abound with opportunities for young people in tourism, agriculture and mining. With the help of organisations such as Trade and Investment Limpopo (TIL) and Limpopo Economic Development Enterprise (LimDev) it should not be difficult for youth to find business opportunities and create work for others (Limpopo Youth Entrepreneurship Faire, 2005:3-5).

In his introductory speech on the purpose of the Limpopo Youth Entrepreneurship Faire, the Limpopo Youth Commission chairperson, Rogers Tshivhase, highlighted the fact that out of the Limpopo Youth Economic Summit held in June 2003, a framework was developed to serve as a basis for conducting an indepth study on the best and relevant model for youth economic empowerment in the province. Various role stakeholders, that is, government, private sector and civil society (NGO's and CBO's) and most importantly, youth activists, workers, and practitioners in the province, participated in the summit and made ground for the development of Limpopo Growth and Development Strategy (LGDS). Specific outcomes of the
 summit included:

● The development of a unique and organic partnership amongst key role-players in
   the province committed to youth development.
● Identified strategic sectors and areas of economic development (Mining, Tourism,
   Agriculture, Manufacturing and Infra Structure development), which will have
   spin-offs for young men and women in Limpopo Province.
● The Youth Commission was also assigned to conduct a study on the
   implementation of Youth Economic Empowerment, a research for an integrated
   and sustainable model (Limpopo Youth Entrepreneurship Faire, 2005:7-8).

2.8 Youth development organisations in Limpopo Province

"United in action – young and old, government and community, business and Youth Development Organisations (YDO's) – we can achieve a lot. We shall redress the legacies of the past, deal with the challenges of the present, and focus on achieving a brighter and fuller future for all" (National Youth Development Policy Framework, 2002-2007:3).
The sentiments above highlight the important role which the YDO's as well as institutions in the private business sector should play in making youth development a success.

2.8.1 Umsobomvhu Youth Fund (UYF)

One of the major role players in youth development in Limpopo Province is the Umsobomvhu Youth Fund (UYF), established in 2001 by the South African Government mainly for the purpose of facilitating and promoting the creation of jobs and skills development and transfer among young South Africans, figurer 2.1 below reflects the activities of UYF as executed through three focus areas (Limpopo Youth Entrepreneurship Faire, 2005: 20).
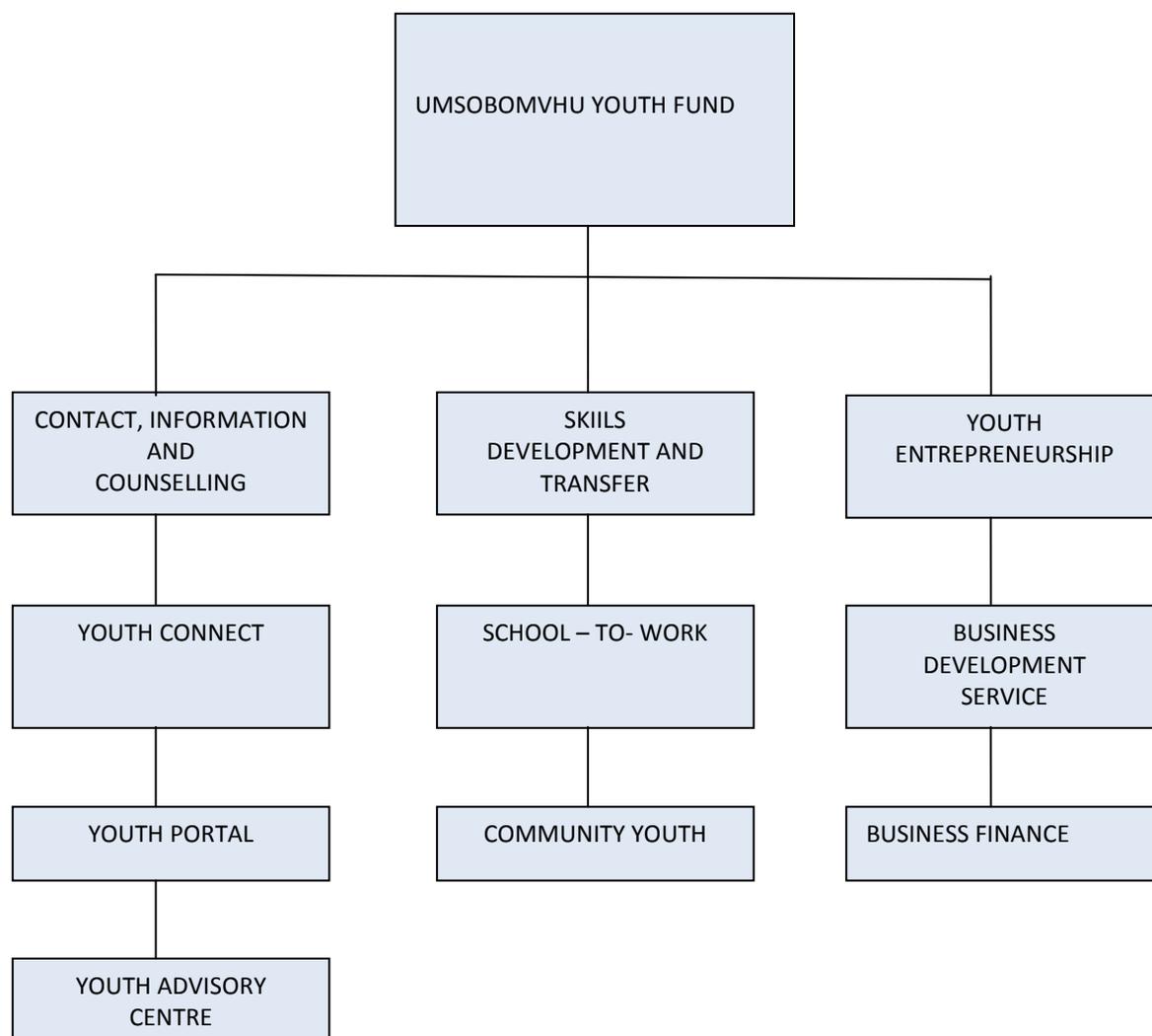
Figure 2.1: The three focus areas of the Umsobomvhu Youth Fund

Source: Limpopo Youth Entrepreneurship Fair (2005: 21)

2.8.2   African Pathways

African Pathways was founded in 1996 by young people who were passionate about the development of youth in the province. It is a provincial youth and rural development organisation that addresses issues of youth affirmation, promotion of sustainable development processes and growth and opportunities within a broad socio-economic framework.African Pathways has been providing services on youth employment, skills development and community development. Pathways also provides training and support services to youth organisations (Umsombomvhu Youth Fund, 2007).

2.8.3   Junior Achievement South Africa(JASA)

JASA was established in 1979 to be a leading contributor towards the attainment of an economically self-sufficient society, through the provision of quality, customised enterprise education and business development programmes to learners (scholars, youth and the unemployed). Its mission is to provide enterprise education and training to learners to encourage a spirit of enterprise and the establishment of sustainable business. Accordingly, JASA is a specialist organisation in business development among young people (Umsombomvhu Youth Fund, 2007: 1).

2.8.4   The Limpopo Business Support Agency (LIBSA)

The Limpopo Business Support Agency (LIBSA) provides non-financial support to Small, Medium and Micro Enterprises (SMMEs) and cooperatives. Programmes to provide capacity endeavour to empower SMMEs and cooperatives with the necessary skills and business mechanisms to play a meaningful role in the economic growth of the Limpopo Province. LIBSA's mandate is to provide non-financial business support to ensure job creation, thus reducing poverty in line with the Limpopo Province Growth and Development Strategy. Among others, products and services offered include:

- General business advisory services(mentoring and counselling).
- Business information through seminars, workshops, forums, etc.
- Business incubation centres (Department of Economic Development, Environment and Tourism, 2006: 5).

2.8.5   The Small Enterprise Development Agency (SEDA)

The Small Enterprise Development Agency (SEDA) was established in December 2004 in terms of the National Small Business Amendment Act (No 29 of 2004). This law merged previous small enterprise development agencies – Ntsika Enterprise Promotion Agency, National Alliance for

Media Arts and Culture Trust (NAMAC Trust) and the Community Public Private Partnerships (CPPP) – into a single small enterprise support agency. SEDA's mandate is to design and implement a standard national delivery network that must uniformly apply throughout the country. Its role includes the support and promotion of cooperative enterprises, particularly those located in the rural areas (Department of Economic Development, Environment and Tourism, 2006: 5).

2.8.6   Trade and Investment Limpopo (TIL)

Trade & Investment Limpopo was established in September 1996 as the official investment and trade promotion and facilitation agency of the Limpopo Provincial Government. With its outward selling missions it seeks to promote Limpopo value-added products and commodities into the international markets whereas its inward buying missions are intended to promote Limpopo value-added products into the international markets (TIL, undated: 1).

2.8.7   Limpopo Economic Development Enterprise (LimDev)

LimDev is a social and economic development enterprise, operating within Limpopo Province. Its mandate is to provide development finance to small, micro and medium enterprises to stimulate the growth and development of the Limpopo economy (LimDev, undated: 1).

2.9 Conclusion

This chapter provided a framework on Youth Entrepreneurship in Limpopo Province and gave evidence to the nature of support that the youth of this province receive in terms of entrepreneurship development. The next chapter will discuss the important aspects (content) of Marketing Management that the youth development organisations should include in their entrepreneurship training as well as effective methods for entrepreneurship training.

Chapter Three

3. **MARKETING MANAGEMENT AND ENTREPRENEURSHIP TRAINING:**
    A LITERATURE PERSPECTIVE

3.1 Introduction

This section deals with entrepreneurship. Firstly, it highlights important aspects of marketing management to be included in entrepreneurship training. Secondly, it outlines training methods used in developing marketing management skills in entrepreneurs.

3.2 Important aspects of marketing management to be included in entrepreneurship training

3.2.1 Introduction

"We often hear about marketing and when we own a business we know it is something we are supposed to do, but what is marketing? There are so many definitions that describe marketing. As small business owners, understanding what it is, can leave us confused. We hear about sales, advertising, public relations and marketing. Is there a difference? There is a difference and when that difference is understood, it is easier to understand what tasks should be handled by specific roles within the company under the specific actions entitled marketing. Good marketing is critical to the success of any business, and understanding what it is will help your small business get started on the right footing" (Lake, undated:1).

For the purpose of this study, information from this section will be utilised to identify gaps or weaknesses in the content offered by youth development organisations in their marketing management training of young entrepreneurs.

3.2.2 What is "Marketing"?

There are many definitions of marketing, and much confusion about what it is. Malcolm (2007: 4) clarifies this confusion by defining marketing as "a process for:

- o Defining markets

- o Quantifying the needs of customer groups (segments) within these markets

- o Determining the value propositions to meet these needs

- o Communicating these propositions to all those people in the organisation responsible for delivering them, and getting their buy-in to their role

- o Playing an appropriate part in delivering these value propositions (usually only communications)

- o Monitoring the value actually delivered"

Another widely used definition of marketing is that by the American Marketing Association (quoted by Blythe, 2005:2) as "a process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchange and satisfy individual and organisational objectives".

A South African marketing scholar, (Strydom, 2009:255), states that "marketing consists of management tasks and decisions directed at successfully meeting opportunities and threats in a dynamic environment, by effectively developing and transferring a need-satisfying market offering to consumers in a way that achieves the objectives of the business, the consumer and society".

3.2.3 A marketing plan

3.2.3.1 What is a marketing plan?

Malcolm (2007: 30) describes a marketing plan as "a logical sequence and a series of activities leading to the setting of marketing objectives and the formulation of plans for achieving them". Jooste, Strydom, Berndt and du Plessis (2009: 169) on the other hand define it as "a detailed and systematic formulation of actions to take place and resources to be used" and emphasise that this plan should include all the assumptions, judgements, strategic options and contingencies developed during the marketing planning process.

A marketing plan serves as a roadmap when it comes to marketing initiatives. It details the success route that needs to be followed to get the small business noticed by potential customers. A detailed marketing plan will show what needs to be done and helps to understand it needs to be done. It also helps to navigate away from the marketing and business mistakes that will cost money, time and future growth potential. A small business owner, equipped with a marketing plan, will feel more organized, have more confidence and a clear vision when it comes to marketing goals. Put in simple terms, a marketing plan increases the chances to achieve business success that is desired.

3.2.3.2 The purpose of a marketing plan

A well structured and comprehensive marketing plan fulfils the following purposes in an organisation:

- o It offers a road map for implementing an organisation's strategies and objectives.
- o It ensures that an organisation is customer focused, and aware of market and competitive movements.
- o It explains both the present and future situation of the organisation.
- o It specifies outcomes that are expected so that the organisation's situation at the end of the planning period may be anticipated.
- o It describes the specific strategies and actions that are to take place.
- o It identifies the resources that will be needed to carry out the strategies and actions.
- o It permits the monitoring of each action and its results so that controls can be implemented (Jooste et al., 2009: 170).

3.2.3.3 An overview of the structure of a marketing plan

Companies generally go through some kind of management process in developing market plans. In small, undiversified companies, this process is usually informal. In larger, more diversified companies, this process is often systematised (Malcolm, 2007: 30).

Pitt and Nel (2001:161) argues that most marketing plans will have the sections outlined in the figure below, but will differ slightly depending on the details required by top management and will be developed in the sequence below:
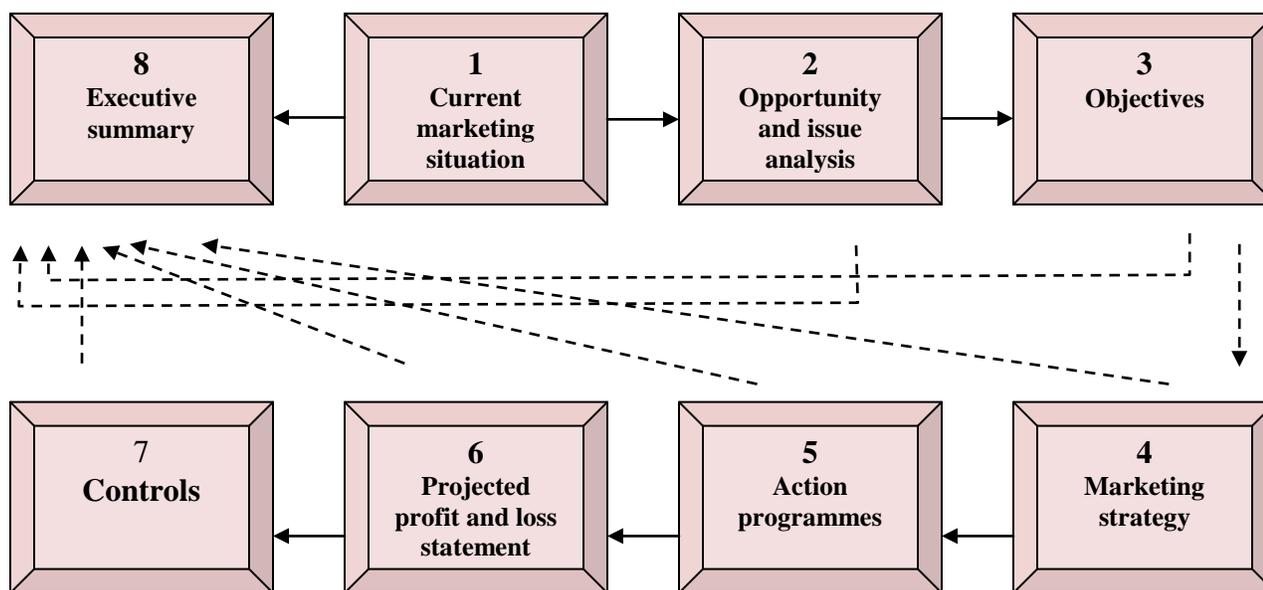
Figure 3.1 The marketing planning process
Source: Pitt and Nel, 2001:162

Elements of the marketing process

3.2.3.4.1. The Executive Summary

The written plan should begin with a short summary of the main thrusts, goals and recommendations to be found in the actual plan. This permits top management to gain insight into the plan without first having to read the whole document. The summary should, of course, include a table of contents (Pitt and Nel, 2001:162).

After completing the marketing executive summary, it should be kept available for decision making. In fact, it should be short enough so that it could be read every day. Doing so, the entrepreneur would be less likely to waste marketing resources (Morton, 2009: 1).

3.2.3.4.2 The Current Marketing Situation

The current marketing situation section requires a situational analysis which considers the current market situation, the product situation, the competitive situation and various other variables (Pitt and Nel, 2001:163).

In the Current Situation section of the marketing plan, information will be provided about the location, target market and competitive environment. More detail is provided in the Competitor and Issue Analysis section of the plan (Zana Business Network, undated: 1),

(i)   The market situation

Cant (2005:21) holds that studying the market situation is very important because of a number of reasons. Firstly, in a consumer oriented organisation such as a retail organisation the focus is very much on the specific needs of present and potential consumers and it is one of the main objectives of the business to ensure that these customers are better served than by the competitors of the organisation. A thorough analysis of the consumers in the marketplace, and the competitors that are also competing for their attention, are of utmost importance. Secondly, the findings of an elaborate market environment analysis will determine to a large extent how the internal infrastructure and actions of the business should be developed.
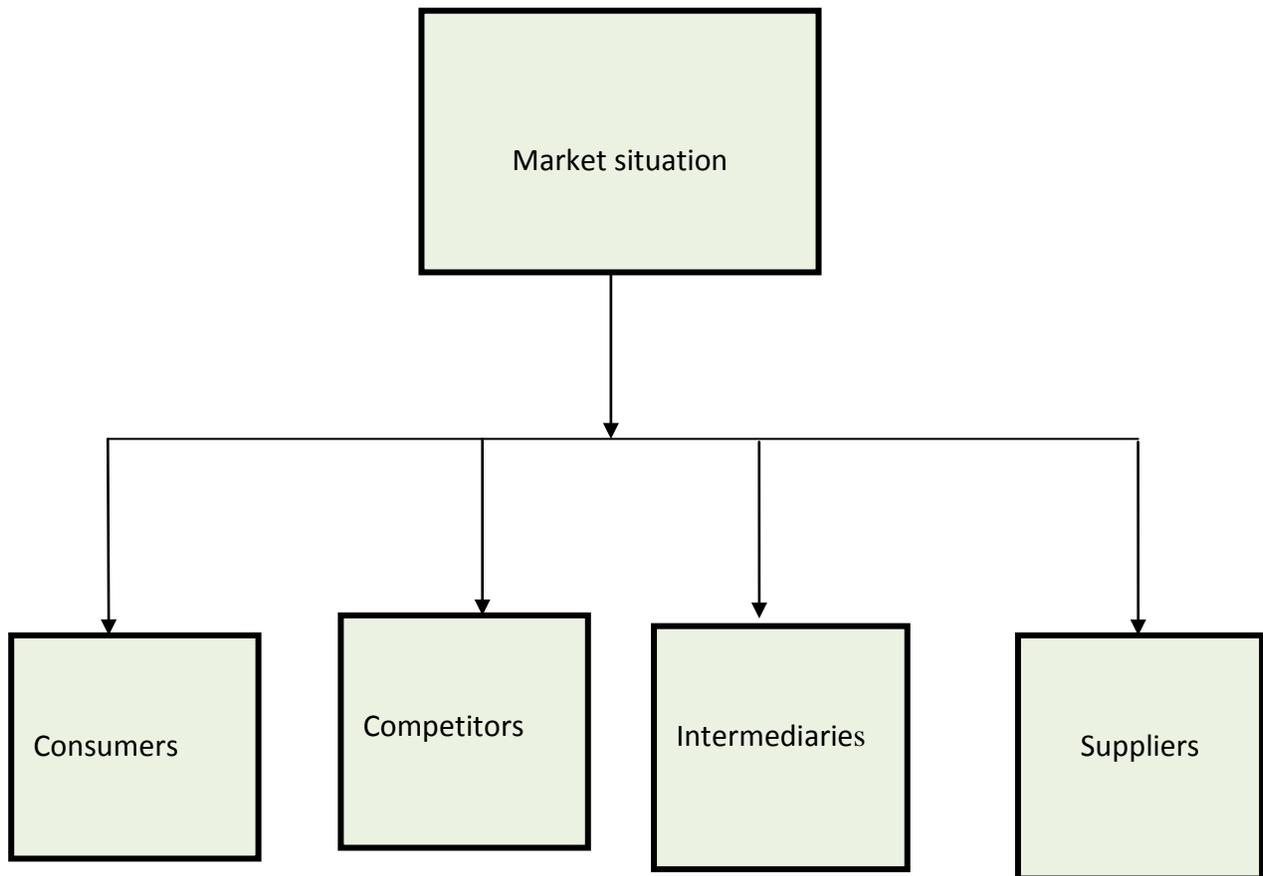
Figure 3.2: The market situation

Source: Cant, 2005:21

1. Consumers

Cant (2005:21) defines consumers as people who identify a need or desire, make a purchase, and then dispose of the product during the consumption process. Consumers are chief components of the market environment. Knowledge of the market's needs and wants are therefore of utmost importance and pivotal to the success of retail market offering.
A good way to understand customer demands (both conscious and unconscious) is to analyse customer-buying habits. The five concepts to help retailers know and understand customers, known as the five customer demands, are as follows:
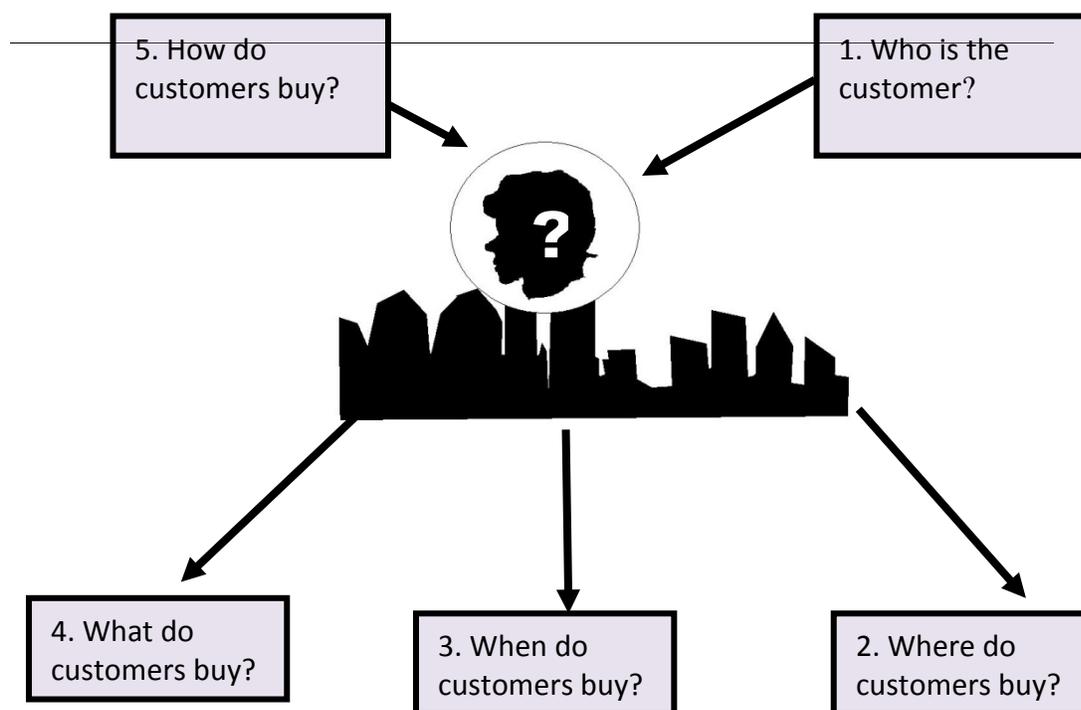
Figure 3.3: Understanding customer demands

Source: Cant, 2005:23

The answers to these concepts or questions become the foundation for defining the customer. The five questions - who, where, when, what and how? – provide the framework for understanding customers. Clarity about these questions become the foundation for defining the customer and provides the framework for understanding your customer (Cant, 2005:21). Cant and Machado (2006:19) support the argument that, since the success of retailing lies in the customer contact, understanding customers' motivations, buying habits and lifestyles are a prerequisite for successful retailing.

  2. Competitors

Why do consumers perceive one supermarket as giving better service than the others and at a lower price? To what extent is the one (say Pick 'n Pay) really different from the others? The answer lies in competitive positioning. Competitive positioning refers to all the steps a business

takes to distinguish itself from its competitors. An organisation's strengths and weaknesses can only be adequately assessed in the light of the findings of an in-depth competitor analysis (Cant, 2005:21-23).

Alex (undated: 1) suggests that the manager should analyse his main competitors and ask himself the questions:

- who are they ?
- what are they up to?
- how do they compare? (feature/ benefit analysis)?
- What are their competitive advantages?

3. Intermediaries

Intermediaries also play a vital role in bridging the gap between the consumer and the manufacturer, and include wholesalers, retailers, commercial agents and brokers. The dynamic and ever-changing nature of intermediaries as new trends in turnover or consumption emerge, are responsible for the development of new types of intermediaries. Examples of contemporary trends in the South African context include extended shopping hours and the increase in the number of spaza shops and franchises (Cant and Machado, 2006:20).

4. Suppliers

Relationship marketing and channel management have become buzz words over the last few years as more and more organisations realised that all the parties in the value chain should work more closely together to ensure a better deal for the final customer. The retailer is in many cases the best situated in the chain to initiate, develop and manage the relationships between channel members (Cant, 2005:21-23).

(ii)   The product situation

In this part of the plan, Alex (undated: 1) suggests that the manager should ask himself the question - what is my current product? She suggests that this definition can also be broken up into parts such as the core product and any secondary or supporting services or products that also make up what the business sells. She adds that it is important to observe this in terms of its different parts in order to be able to relate this back to core client needs.

Pitt and Nel (2001:163) also suggests that, in this part of the plan, sales, prices, contribution margins and net profits for several past years must be shown. The availability of sophisticated user-friendly personal computer spreadsheets such as Lotus 1-2-3 and Excel have greatly facilitated the manager's task in this regard. Not only is the preparation and display of this topical data made much easier, but projections, graphics and sensitivity analysis of the future data can also be achieved.

(iii)   The competitive situation

In this part of the plan, Alex (undated: 1) suggests that the manager should analyze his main competitors and ask himself the questions: who are they; what are they up to; how do they compare (feature/ benefit analysis), what are their competitive advantages?

Pitt and Nel (2001:164) on the other hand argue that in this part of the marketing plan, major competitors must be identified and their postures in terms of size, product quality, market share and strategies be described.

Source	Positional advantage	Strategies outcomes
Superior skills Superior resources	Lowest cost Production differentiation	Customer satisfaction Customer loyalty Profitability Market shares

Investment in resources
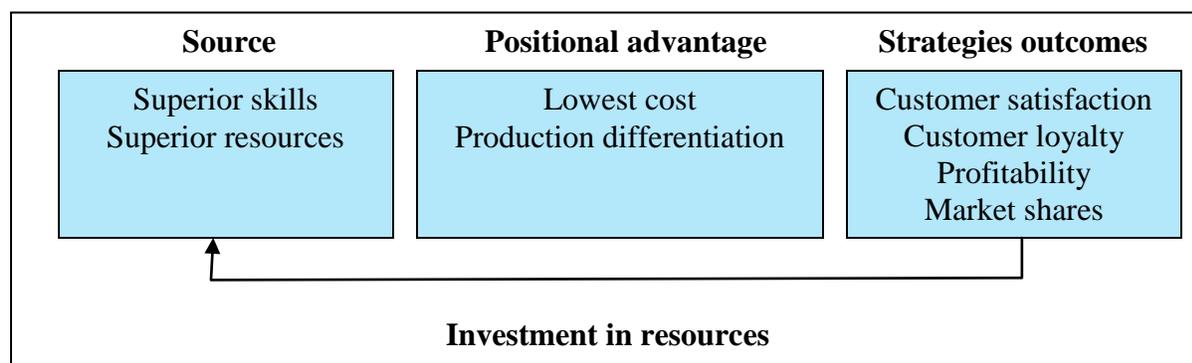
Figure 3.4: The competitive advantage model
Source: Pitt and Nel, 2001:162

Pitt and Nel (2001:164-165) further argue that organisations have only two sources of competitive advantage. They either have superior skills (knowledge, ability, know-how) or they have superior resources (more money, more and better people, better plant, better facilities, better location, better information technology). Only fortunate organisations have them both. These sources of competitive advantage are used to gain a position of advantage. This positional advantage can either be the ability to be the lowest-cost producer, or the ability to offer superior customer value. The ability to be the lowest-cost producer means that the organisation can command a pricing advantage (sell at a lower price than competitors while making similar or higher margins).

If a business does command a positional advantage, a number of things will happen, all of which should be important to management. The company will have customers who are so satisfied that they will support the company loyally. In addition, the company will be profitable, and will maintain and even increase its share of the market. Theoretically, the financial results of competitive advantage are then ploughed back into what created the competitive advantage in the first place: superior skills and/or superior resources.

(iv)   The distribution situation

This section presents data on the volume of products sold through each distribution channel, changes in the distribution situation and the motivation of intermediaries (Pitt and Nel , 2001:162). Nieman (2006: 60) advises that the logical starting point in structuring a distribution system is to observe systems used by competing organisations. A small organisation should consider three important factors – costs, coverage and control.

o Costs

The absence of intermediaries does not make a direct channel inherently less expensive than an indirect one. The least expensive channel may be indirect. Small organisations should look at distribution costs for an investment. They should ask themselves whether, by investing in intermediaries, the job would be done as well as by using direct distribution.

o Coverage

Small organisations can often use indirect channels of distribution to increase market coverage.

o Control

A direct channel of distribution is sometimes preferable because it provides more control. Small organisations must carefully select intermediaries that provide the desired support.

(V)The macro-environment situation

This section of the plan describes broad macro-environmental trends which may have a bearing on the product – trend in political/legal, economic, socio cultural and technological environments (Pitt and Nel, 2001:166).

Cant and Machado (2006:19) argue that the forces in this environment represent the uncontrollable factors with which marketers do not deal directly but which directly or indirectly influence both their organisation and the market environment.

Before exploring a specific set of environmental factors, Venter, Urban and Rwigema (2008: 112) suggest that it is important to consider the basic conditions under which the entrepreneur will be operating the dynamics of the environment. The environmental forces surrounding the entrepreneur can be assessed according to two main measures:

o Changeability: the degree to which the environment is likely to change.

For example, there is low changeability in the baked beans market and high changeability in the various software markets.

o Predictability: the degree with which such changes can be predicted, for example, changes can be predicted with some certainty in the furniture market, but remain largely unknown in biogenetics.

These measures can each be subdivided further.

Changeability comprises:

- Complexity: the degree to which the entrepreneur's environment is affected by factors such as internationalisation and technological, social and political complications.
- Novelty: the degree to which the environment presents the entrepreneur with new situations.

Predictability can further be subdivided into:

- Rate of change of the environment (from slow to fast).
- Visibility of the future in terms of the availability and usefulness of information used to predict the future.

3.2.3.4.3 The Opportunity and Issue Analysis

Strydom (2009: 34) states that to stay competitive and manage the impact of the factors in the environment, a business needs to analyse both the internal environment (the micro environment) and the external (the market- and macro- environments). This is done through a process known as SWOT analysis ('SWOT' stands for 'strengths, weaknesses, opportunity and threats'). The process involves analysing the internal environment's strengths (what the business is good at) and its weaknesses (what needs to be improved within the business). Then the external environment is analysed by identifying its opportunities (prospects that the business could use to grow and make more profits) and its threats (factors that could restrict the business from growing and making profits).

(i) Resource analysis (analysis of strengths and weaknesses)
Winmark Business Solutions (undated: 1) states that internal strengths and weaknesses of the company should be described in a competitive context.

Strengths and weaknesses are the internal factors which the manager should identify. Strengths may be capitalised on; weaknesses point to areas which the plan should correct. The resources audit form below allows one to do this (Pitt and Nel, 2001:166).

Table 3.1: Resource audit form

Resource	High	Medium	Low	Neural	Low	Medium	High
People							
Adequate							
Skilled							
Loyal							
Service-Minded							
Money							
Adequate							
Flexible							
Facilities							
Adequate							
Flexible							
Location							
Systems							
Information							
Planning							
Control							
Market Assets							

Client Base						
General Reputation						

Source: Pitt and Nel, 2001:167

ii) Company resource analysis

The resource audit form (Table 3.1) above, is a very useful tool for a group of planners to use in assessing an organisation's strengths and weaknesses. Obviously the one shown in the example may not be suitable for all organisations, and may need to be modified for use in a   particular enterprise, depending on the specific resources critical to succeed in that business (Pitt and Nel, 2001:166).

iii) Environmental analysis (analysis of opportunities and threats)

Winmark Business Solutions (undated: 1) hold that external opportunities and threats to the company should be described with possible programs to capitalize on the opportunities, and possible solutions for potential threats to the company.

Opportunities and threats refer to outside factors that can affect the future of the business, and over which it has no control. Opportunities are observed trends/possible trends in the environment which are attractive to the firm. Threats are observed/possible trends in the environment which could be detrimental to the firm. Failure to identify opportunities and threats could lead to a position of stagnation (Pitt and Nel, 2001:168).

3.2.3.4.4 Objectives

Pitt and Nel (2001:170) argues that at this point the plan must outline objectives. Having defined where it is, the business unit must specify where it wants to go. An objective must be:

● measurable

● time-related; and

● should allocate responsibility

They also argue that a good plan should include both financial and marketing objectives which will be stated in order of importance and present a reasonable challenge.

The important point to remember about marketing objectives as according to Malcolm (2007: 56) is that they are about products and markets only. He argues that common sense will confirm that it is by selling something to someone that the company's financial goals can be achieved, and that advertising, pricing and service levels are the means (or strategies) employed to succeeds. Thus, pricing objectives, sales promotion objectives, advertising objectives and the like should not be confused with marketing objectives.

Marketing objectives according to Malcolm (2007: 56) are simply about one (or more) of the following:

○ Existing products for existing markets

○ New products for existing markets

○ Existing products for new markets

○ New products for new markets

3.2.3.4.5 Marketing Strategy (The 4ps of the Marketing Mix)

Having stated where the firm is and where it wants to go, the marketing plan should state how it is going to get there. The problem confronting most marketing planners is how to integrate marketing-mix elements into the marketing planning process (Pitt and Nel, 2001:170).

There is no shortage of marketing programs, many with great profit potential. The challenge is to sift through and choose the ones that are right for the situation; the ones that have the greatest potential to grow the business.

One key to knowing which marketing programmes to choose involves thoroughly understanding how to leverage the 4 Ps of marketing, for instance, price, product, promotion, and place. To reach and appeal to the target audience(s). When you have addressed these

strategic issues, you are better able to choose marketing programs with the most potential to increase your business (Kyle, undated: 1).

(i)The product plan – The first "P"

Pitt and Nel (2001:171) maintain that the old product life cycle is still a useful one, for it can be used to assess just where a product is in terms of growth, maturity or decline. This allows for the development of appropriate marketing strategies.

The advantage of the product life cycle concept is that it provides a basic structure that allows you to see where you are, and what lies ahead.

Collins (undated: 1) discusses the four components to the cycle as follows:
- The introductory stage

The first component is fairly self-explanatory; when a new product is introduced, market gain tends to be very slight, and it is almost impossible to spot any kind of emerging patterns in demand.
- The growth stage

This stage exhibits a rapid increase in both sales and profits, and this is the time to try and increase your product's market share. By now you should be seeing where your demand is coming from, and which of your efforts are worth spending time and energy on.
With a little bit of luck, you might even have knocked some of the competition out of the way too.
- The maturity stage

This stage is often seen as the "most common" stage for all products. Competition becomes fiercer and marketing becomes the key to your software's success. During this time, any attempt to increase your market share will probably be expensive; growth at this stage is more likely to be down to external factors beyond your control.
- The declining stage

The final stage in the life cycle is the decline. This does not necessarily mean that it's time to abandon your product altogether, but rather that the introduction of new strategies might be in order. These could include new versions, new distribution methods, price reductions, in short anything that will inject a little life into the cycle.

(ii)The distribution plan (Placing) - The second "P"

Channel of distribution can either be direct or indirect. In a direct distribution channel there are no intermediaries and the product goes directly from the producer to the end user. An indirect channel of distribution has one or more intermediaries between the producer and the end user. There are three degrees of intensity – intensive, selective and exclusive. With intensive distribution a producer sells its product through every available outlet where a consumer might reasonably purchase it. Usually, intensive distribution is used by manufacturers of convenience goods. Selective distribution occurs when a producer sells its products through multiple of, but not all possible, wholesalers and retailers (Nieman, 2006: 60)

(iii) The pricing plan - The third "P"

Price is one more critical component of the marketing mix. It is the valuation of the product mentioned by the seller on the product.

Price mix includes the following variables:

- o Pricing policies.
- o Discounts and other concessions offered for capturing market.
- o Terms of credit sale.
- o Terms of delivery.
- o Pricing strategy selected and used (Akrani, 2010:1).

Nieman (2006: 60) gives the do's and don'ts of pricing as follows:

- o Do put a realistic price on a product or service.
- o Do make sure that you include all the costs in your pricing.

- o Do react quickly to a competitor changing its prices.
- o Do not forget to increase prices in line with inflation.
- o Do not price low just to get the work.
- o Do not discount too much, too often.
- o Do not think that the customer is concerned only with the price

(IV)The communication plan (Promotion) - The 4th P

(a) Advertising as a method of communication

Armstrong and Kotler (2005:399) define advertising as any paid form on non-personal presentation of ideas, goods, or services by an identified sponsor.

1) Types of advertising media

  ❖ Television

Watching television is the most common leisure activity in our country today. It is the medium where the consumer spends the most "attentive" time. A number of surveys report average daily television viewing time as high as five to six hours. No wonder it has grown into a giant advertising medium. While the newspaper may cover the city's general metropolitan area, TV offers the greatest possibility for creative advertising. With a camera, you can take your audience anywhere, and show them almost anything. The power of television is in its ability to simultaneously appeal not only to sight and hearing, but to strengthen interest through the dimensions of movement and the realism of full colour. It is comprised of pictures and words, but of the two, the pictures are infinitely more important.

Some advantages of television advertising include the following:

- Television reaches very large audiences – usually much larger than the audience your local newspaper reaches, and it does so during a short period of time.
- Since there are fewer television stations than radio stations in a given area, each TV audience is divided into much larger segments, which enables you to reach a larger, yet, more diverse audience.

- It has the ability to convey your message with sight, sound and motion, and can give a product or service instant validity and prominence.

- You can easily reach targeted audiences. Children can be reached during cartoon programming, housewives during the afternoon soap operas, and insomniacs after midnight (Brassel, undated: 1).

❖ Radio

Everybody listens to the radio, some like me wake up to it, others have it on at home all day and the others use it while driving. Whatever its use, the point is, everybody listens to the radio. This is why people consider radio advertising so powerful, it is because it reaches the masses. More and more companies are choosing radio advertising because of this and also because it is cost-effective and you have the choice of advertising locally or nationwide.
No one is saying the world of the radio is perfect. Like all things, it also has its advantages and disadvantages. The radio is perfect for small business operations, but most people will realize that. Here are the advantages of radio advertising:

Cheap – radio advertisements are cheaper to produce and can reach millions of people at the same time. The relative-cost effectiveness is as compared to television advertisements, which are so much more expensive than any other form of advertising.
Impact – the impact made by a radio advertisement is greater than the impact made by any other medium of advertising. This is because radio advertisements are played at a time that can target a particular section of society or the masses. And also because they are repeated every hour or half an hour, so the impact is maximum.
Entertaining – leaving television advertisements aside, radio advertisements are the most entertaining way of advertising. The print media can get dull and boring, whereas the radio allows for creativity in advertisements.
Cost-effective – for those on a budget, radio advertising is very cost-effective. It is cheaper than television advertisements and more attractive than print. It is the most preferred medium of advertising for local small businesses (Irani, undated: 1).

❖ Print media

Print advertising includes printed advertisements in newspapers, magazines, brochures, and on other printed surfaces such as posters and outdoor boards. Readers find that reading a publication is more flexible than watching or listening to a broadcast because they can stop and reread (Wells, Moriarty and Burnett , 2006: 213)

• Newspapers

Newspapers are used by advertisers trying to reach a local market because they are identified by the city or region they serve.

Their readership has been declining for recent years but remains a fairly healthy advertising medium (Wells at al.:2006: 214)

• Magazines

Magazines today are used to narrow target markets as there are magazines for every hobby, every sport, every age group, every business category, and every profession (Wells at al., 2006: 220)

❖ Out-of-home (off-premise) advertising

Though out-of-home (OOH) advertising pales in significance compared to media such as television and is regarded as a supplementary, rather than primary, advertising medium, OOH is nonetheless a very important form of marketing communication (Shimp, 2007 :214).

OOH advertising includes everything from billboards to hot-air balloons. That means ads on buses, posters on walls, telephone booths and shopping kiosks, painted semi-trucks, taxi signs, transit and rail platforms, airport and bus terminal displays, shopping mall displays, in-store merchandising signs, grocery store carts, shopping bags, public restroom walls, skywriting, in-store clocks, and aisle displays (Wells at al., 2006: 227)

❖ Internet advertising

New technologies, such as the internet, digital television, mobile telephones and intelligent home appliances, have all reached critical mass at the same time and are poised to revolutionise businesses in a way not seen since the Industrial Revolution. Many people have

named this the E-Business (electronic business) Revolution, an idea that has caught the imagination of many businesses, Government and individuals around the world (Chen, 2005: 1). Traditionally advertising media such as television, radio, magazines and newspaper have served advertisers' needs for generations. In recent years, however, there have been increased efforts on the part of advertisers and their agencies to locate new media that are less costly, less cluttered, and potentially more effective than the established media.

The internet is claimed to be a better communications medium due to its versatility and superiority at targeting customers. Individualisation and interactivity (the Internet's two i's) are key features of Internet and of advertising in that medium. Individualisation refers to the fact that the Internet user has control over the flow of information. This feature leads, in turn, to the ability to target advertisements and promotions that are relevant to the consumer. Interactivity, which is intertwined with individualisation, allow for users to select the information they perceive as relevant and for brand managers to build relationships with customers via two-way communication. Internet advertisers use a variety of formats; figure 3.5 lists various forms of Internet advertising.

It is important to appreciate, however, that any sweeping and definitive claims would be misleading, because Internet advertising is so new, with a history dating back slightly more than a decade (Shimp, 2007:442).

- o Web Sites

- o Display or Banner Ads

- o Rich Media Formats

  - Pop-Ups

  - Interstitials

  - Superstitials

  - Video Ads

- o Web Logs

  - Blogs

  - Podcasts

- o E-mail

  - Opt-in Versus Spam

  - E-zines

  - Wireless E-mail Advertising

  - Mobile Phones and Text Messaging

- o Search Engine Advertising

- o Keyword –Matching Advertising

  - Content-Target Advertising

- o Advertising via Behavioural Targeting

Figure 3.5: Internet Advertising Formats

Source: Shimp (2007:442).

❖ Yellow Pages

The Yellow Pages can be very effective advertising if your ads are well-placed in the directory's categories of services, and the name of your business is descriptive of your services and/or your ad stands out (for example, is bolded, in a large box on the page, etc.). The phone company will offer free advice about placing your ad in the Yellow Pages. They usually have special packages where you get a business phone line along with a certain number of ads (McNamara, undated: 1).

❖ Brochures or flyers

McNamara (undated: 1) also suggests that many desk-top publishing and word-processing software packages can produce highly attractive tri-fold (an 8.5 inch by 11-inch sheet folded in thirds) brochures. Brochures can contain a great deal of information if designed well, and are becoming a common method of advertising.

❖ Packaging

In today's marketing environment, a package is both a container and a communication vehicle. In particular, it is the last ad a customer sees before making the decision to buy a product and once on the shelf at home or in the office it is a constant brand reminder. An article in Advertising Age explained the importance of the package as a communication medium: "Even if you can't afford a big advertising budget, you've got a fighting chance if your product projects a compelling image from the shelf (Wells at al., 2006: 226-227)

(b) Sales promotion as a method of communication

The term Sales Promotion broadly refers to all those promotional activities which are undertaken to stimulate interest, trial or purchase of a product by the end user or other intermediaries in between. Besides advertising and personal selling, all other activities undertaken to promote a product can be classified under sales promotion! (Akanksha, 2011: 1). Sales promotions can be directed at the customer, your sales staff, or distribution channel members (such as retailers). Sales promotions targeted at the consumer are called consumer sales promotions. Sales promotions targeted at retailers and wholesalers are called trade sales promotions.

Consumer Sales Promotion Techniques include:

- Price deal: A temporary reduction in the price
- cents-off deal: offers a brand at a lower price. Price reduction may be a percentage marked on the package

- price-pack deal: The packaging offers a consumer a certain percentage more of the product for the same price (e.g.: 25% more free)

- Coupons: coupons have become a standard mechanism for sales promotions.

- Free Standing Insert (FSI). A coupon booklet is inserted into the local newspaper for delivery

- on-shelf couponing: Coupons are present at the shelf where the product is available.

- checkout dispensers: On checkout the customer is given a coupon based on products purchased

- on-line couponing: Coupons are available on line. Consumers print them out and take them to the store.

- Rebates: Consumers are offered money back if the receipt and packaging is mailed to the producer.

- Contests/sweepstakes/games: The consumer is automatically entered into the event by purchasing the product.

- Point-of-Sales displays:

  o Aisle interrupter: A sign that juts into the aisle from the shelf

  o Dangler: A sign that sways when a consumer walks by it

  o Dump Bin: A bin full of products dumped inside

  o Glorifier: A small stage that elevates a product above other products

  o Wobbler: A sign that jiggles

  o Lipstick Board: A board on which messages are written in crayon

  o Necker: A coupon placed on the 'neck' of a bottle

  o Y.E.S unit: Your Extra Salesperson is a pull out fact sheet (Neohumanism, undated: 1).

c) The communication plan: Sales (Personal selling)

Tutor2u (undated: 1) defines it as an oral communication with potential buyers of a product with the intention of making a sale. The personal selling may focus initially on developing a

relationship with the potential buyer, but will always ultimately end with an attempt to "close the sale"

Marketingteacher.com. (undated) argues that comparison to other marketing communication tools such as advertising, personal selling tends to:

- Use fewer resources, pricing is often negotiated.
- Products tend to be fairly complex (e.g. financial services or new cars).
- There is some contact between buyer and seller after the sale so that an ongoing relationship is built.
- Client/prospects need specific information.
- The purchase tends to involve large sums of money.

According to Tutor2u (undated: 1), Kotler describes six main activities of a sales force as follows:

(1) Prospecting - trying to find new customers

(2) Communicating - with existing and potential customers about the product range

(3) Selling - contact with the customer, answering questions and trying to close the sale

(4) Servicing - providing support and service to the customer in the period up to delivery and also post-sale

(5) Information gathering - obtaining information about the market to feedback into the marketing planning process

(6) Allocating - in times of product shortage, the sales force may have the power to decide how available stocks are allocated

Advantages of using personal selling as a means of promotion are the following as stated by Tutor2u (undated: 1):

• Personal selling is a face-to-face activity; customers therefore obtain a relatively high degree of personal attention

• The sales message can be customised to meet the needs of the customer

• The two-way nature of the sales process allows the sales team to respond directly and promptly to customer questions and concerns

• Personal selling is a good way of getting across large amounts of technical or other complex product information

d) Lauterborn's 4Cs

According to Mindtools.com (undated: 1), another marketing mix approach is Lauterborn's 4Cs, which presents the elements of the marketing mix from the buyer's, rather than the seller's, perspective. It is made up of Customer needs and wants (the equivalent of product), Cost (price), Convenience (place) and Communication (promotion)

e) Boom and Bitner's 7Ps

Amongst the other marketing mix models that have been developed over the years is Boom and Bitner's 7Ps, sometimes called the extended marketing mix, which include the first 4 Ps as discussed by the researcher above, plus people, processes and physical layout decisions (Mindtools.com, undated :1).

Behera (undated: 1) argues that while the concept of 4Ps has been long used for the product industry, the latter has emerged as a successful proposition for the services industry.

   o   People

People refer to the customers, employees, management and everybody else involved in it. It is essential for everyone to realise that the reputation of the brand that you are involved with is in the people's hands.

   o   Process

Process - It refers to the methods and process of providing a service and is hence essential to have a thorough knowledge on whether the services are helpful to the customers, if they are provided in time, if the customers are informed in hand about the services and many such things.

o   Physical evidence

This refers to the experience of using a product or service. When a service goes out to the customer, it is essential that you help him see what he is buying, for example- brochures, pamphlets and other similar marketing devices can serve this purpose (Behera, undated: 1).

f) Public relations and publicity

News stories and feature articles are more authentic and credible than advertisements to readers. The articles act as testimonials. The message gets through to the potential buyers as news and they may not turn away from it as they turn away from the advertisements (Rao, undated: 1).

Public relations involves the cultivation of favourable relations for organisations and products with its key publics through the use of a variety of communication channels and tools. Traditionally, this meant public relations professionals would work with members of the news media to build a favourable image by publicizing the organisation or product through stories in print and broadcast media. But today the role of public relations is much broader and includes:

- building awareness and a favourable image for a company or client within stories and articles found in relevant media outlets
- closely monitoring numerous media channels for public comment about a company and its products
- managing crises that threaten company or product image
- building goodwill among an organisation's target market through community, philanthropic and special programs and events (know.com, undated: 1)

3.2.3.4.6 Action programmes

While the strategy statement represents the broad thrust that the marketing manager will use to achieve his objectives, Pitt and Nel (2001:170), recommends that each element of the

strategy must answer the following questions:

- o What will be done?

- o When will it be done?

- o Who will do it?

- o How much will it cost?

In the Action Plan section of your marketing plan, you're basically developing a very detailed promotions "to do" list. It's a task list that describes what will be done, when it will begin or be completed, who will accomplish the tasks, and so on. The Action Plan picks up where the promotion plan leaves off. Whereas the Promotion Plan might state that your company will participate in industry trade shows, the Action Program lists the trade shows and their dates, your objectives for attending each one, which company representatives will be sent, the results you expect, the marketing tactics you will employ, and so on (Zana Business Network, undated: 1).

3.2.3.4.7 Projected Profit And Loss Statement

The action plans should allow the manager to assemble supporting budget that is actually a projected profit and loss statement. On the revenue side, it shows forecast sales, both in units and in rands, at an average price. The expense side shows production costs, physical distribution and marketing costs, and these can be broken down into further categories. The difference is the projected profit. Modern-day spreadsheet software can be utilised for this.

3.2.3.4.8 Controls

The budget, in fact, sets standards which should be achieved. A comparison of these standards with the actual results achieved and corrective action are the essential parts of the control

process. This section of the plan outlines the control procedures to be applied to monitor the plan's progress.

The possibility of contingency plans should be considered. A contingency plan outlines how the main plan will change if certain major, or even unexpected, events occur, such as major competitor price changes. The purpose of contingency planning is to encourage managers to give prior thought to some difficulties that might be ahead (Pitt and Nel, 2001:177-178).

3.2.4 Marketing mistakes and their solutions

Lake (undated: 1) holds that a properly developed marketing campaign cannot only connect you with the right prospects, but it gets everyone talking about your company, your product, or your service. However, marketing mistakes can just as easily cost your business thousands of dollars. She gives a checklist of five mistakes commonly made in marketing and their solutions as follows:

3.2.4.1 Lack of Research and Testing

Research and testing should be done to determine the performance of every marketing effort. This takes the guesswork out of what your potential customer or client wants. Always make sure you have done your due diligence when it comes to testing different offers, prices, and packages. Get the input of your customers.

3.2.4.2 Improper Focus and Positioning

Do not market to build up the company, but approach marketing to demand an immediate response from the recipient. Improper focus and positioning can be avoided by following the proper solution positioning of marketing.

3.2.4.3 Marketing without a USP

Your USP is your unique selling proposition. It is a single statement that will single you out amongst the competition. It should be used in every piece of marketing material. Think of your USP as the philosophical foundation of your business. Do not market without it!

3.2.4.4 Failing to Capture Repeat Customers

Keep in mind that when marketing 80% of your business comes from existing customers and 20% comes from new customers. Failing to resell to your current customer base could have a detrimental effect on your profits. It will cost you five times the expense to sell to a new customer than to sell to an existing customer.

3.2.4.5 Lack of Focus on Potential Customer Needs

Do you really know what your potential customers need and want? If so you are ahead of the ballgame and probably don't need to be reading this article. The truth is, very few businesses have a good grasp of what it is that their customer needs from them. The secret to avoiding this common error is to find a need you can fill, and then fill that need better than anyone else.

3.3   TRAINING METHODS USED IN DEVELOPING MARKETING MANAGEMENT SKILLS IN ENTREPRENEURS

3.3.1 Introduction

A competent entrepreneur-manager is one - if not the most - important requirement for the success of a small enterprise. The total performance of the business is mainly determined by the attitudes, decisions and actions of the entrepreneur-manager (Tolentino, undated: 1). Research has also proved the long-held perception that entrepreneurs are born and not made, wrong. Therefore, if the benefits of entrepreneurship are to be realised in the public sector, entrepreneurs need to be trained and developed. This calls for formulating, implementing and

continuously adapting training programmes and strategies. The best approach would appear to be the establishment of a sound system by which behaviour can be changed. It would start with formal lectures and continue with more interactive learning methods. Training and development must also be grounded in practice (Fox and Maas, 1997:4).

This section will explore training methods used in the development of marketing management skills in entrepreneurs. For the purpose of this study, the researcher will utilise information from this section to identify gaps or weaknesses in the training methods utilised by youth development organisations in their entrepreneurship development.

3.3.2 Training methods used in developing marketing management skills in entrepreneurs

The training literature is replete with methods, tools, and techniques to help individuals learn better. Many of the newer tools are refinements that are designed to reduce training time or increase learning content. However, not all techniques work equally well in all situations. It is also important to note that not everyone responds equally well to the same types of techniques.

According to the literature, different people have different styles of learning. Kolb's theory of experiential learning posits that people vary along two dimensions in their learning: the first dimension is information input (abstract conception vs. concrete experience), and the second dimension is information processing (reflective observation vs. active experimentation). Highly efficient learners use all four aspects of learning (abstract conception, concrete experience, reflective observation, and active experimentation); however, most people develop a preferred style of input and processing (Hysong, Galarza and Holland, 2007: 5).

The researcher will discuss the most widely used training methods for entrepreneurship development as follows:

3.3.2.1 Information-based methods of training

Information-based methods are the most widely used in training; their goal is simply to convey information or impart knowledge, whether it refers to steps involved in a procedure, factual knowledge, or background information (Hysong et al, 2007: 6).

3.3.2.1.1 Standard Lecture

The most traditional, most old-fashioned and most didactic teaching technique is the lecture method, a presentation that may be interrupted by questions and perhaps even some discussions, but is usually intended to be a one-way delivery. The lecture, even if delivered only in short bursts, is the corner stone of most courses, and a powerful technique for getting across large amounts of hermitical information, which is especially useful where large numbers of managers (would-be managers) are learning together (Kenneth, 2001:40).

3.3.2.1.2 Case studies

The case study method uses a detailed written description of a real or imaginary situation that can be analyzed and discussed by the learners. Presenting a case study enables the learners to develop skills by responding to various situations. It stimulates discussion and participation and gives learners an opportunity to apply new knowledge. Case studies are particularly useful in helping learners explore different ways to deal with typical problems in the workplace. This method is appropriate in achieving higher-level performance objectives in the affective and cognitive domains (Cantor, undated: 1).

3.3.2.1.3 Projects

The project is one of the standard teaching methods. It is generally considered a means by which students can (a) develop independence and responsibility, and (b) practice social and democratic modes of behaviour (Knoll, undated: 1).

3.3.2.1.4 Action maze

This is a very detailed group assignment, requiring considerable advance preparation by the tutor (although it may be possible to buy prepared packs). The assignment is to consider a given situation and select at various points from a number of alternative actions, effectively working through a "maze", hence the name. This can be very helpful where the development content mirrors the technique, such as in decision making and decision trees. (Kenneth, 2001: 44).

3.3.2.1.5 Storytelling

There is an increasing awareness of the value of storytelling as a technique. The theory is that people absorb information better in the form of an anecdote or tale. The gist of the technique, therefore, is to find ways to incorporate storytelling into coursework, either by the trainer telling stories or by eliciting stories from participating managers. (Kenneth, 2001: 55).

3.3.2.1 6 Guided Discussion

This method is an instructor-controlled, interactive process of meeting performance objectives by sharing information and learner experiences in the classroom. In a guided discussion the instructor asks focused questions and periodically summarises concepts and principles covered, but asked to explore a subject by actively offering knowledge, ideas, opinions, and experiences. This method is appropriate in achieving performance objectives that are in the mid to upper range in the affective and cognitive learning domains (Cantor, undated: 1).

3.3.2.2 Demonstration-based methods of training

3.3.2.2.1 Audio or video recording

It is an entertaining way of teaching content and raising issues. It keeps group's attention; looks professional and stimulates discussion. This method is effective only if the facilitator prepares questions to discuss after the show (McCarthy, 1992: 2).

3.3.2.3 Practice-based methods

3.3.2.3.1 Role-play and role-reversal

In role-playing the learners act out a situation based on real life. Learners role-play the attitudes and behaviours involved in carrying out a task or job responsibility. This method is especially useful when training is focused on how to work with people. Role-playing provides a more valid experience than merely talking about a problem (Cantor, undated: 1).

3.3.2.3.2 Behaviour modeling

Behavior modeling has its roots in social cognitive theory, which posits that social behaviour is learned via observation, imitation, and reinforcement. Behaviour modeling proposes that "new behaviours can be learned by systematically exposing a trainee to a target behaviour. The trainee rehearses the target behaviour, receives positive reinforcement for successful performance, and repeats the sequence until learning is successful".

This particular technique has been well studied, and many researchers see it as an effective technique. Because of its social learning theory roots, this technique is particularly useful for interpersonal skills, and is praised for its ability to directly affect behavioural change.

3.3.2.3.3 Business games

A business game is a contrived situation which imbeds players in a simulated business environment where they must make management-type decisions from time to time, and their choices at one time generally affect the environmental conditions under which subsequent decisions must be made. Further, the interaction between decisions and environment is determined by a refereeing process which is not open to argument from the players.

Early business games were designed to teach basic business skills, such as resource allocation and competitive advantage. However, more modern games teach interpersonal skills, such as

communication and conflict management. Business games are also the foundation from which assessment centers are derived. Business games (discussed below) provide excellent opportunities to practise decision-making, problem-solving, and interpersonal interaction skills. In addition, because of the highly controlled environment, situations that would normally take a very long time on the job can be practised and developed in a much shorter time frame in the business game. Furthermore, business games provide opportunities for individualized, immediate, and detailed performance feedback.

3.3.2.3.4 Simulations

Simulations are controlled environments used for training purposes. Although the best-known simulations consist of machine simulators (e.g., airplane or driving simulators), simulations need not limit themselves to such devices. One of the best-known nonmachine simulations in the business world is the Looking Glass Experience, in which participants spend five days in a fictitious corporate scenario learning leadership skills.

3.3.2.3.5 Programmed Instruction

Programmed instruction refers to any device or material that uses reinforcement principles to systematically present information to the learner. Although this can be accomplished in a variety of ways; the overarching concept is the same regardless of execution. This method dates back to the 1950s , where a series of specially designed pamphlets were used; material was presented, the trainee was quizzed for knowledge/understanding, and, depending on his/her answers, was either moved on to the next section of the pamphlet or referred to the appropriate section for review. This technique, which is known as branching, is the foundation for most computer-aided instruction. The paper-and-pencil method allowed for a limited number of branches. However, with the advent of computers, a much larger number of branches became possible, allowing for a more customised learning experience.

3.3.2.3.6 Computer-aided Instruction(CAI)

CAI refers to any training, tutorial, or programmed instruction that is delivered by means of a computer. CAI is not so much a technique as it is a method of delivery, for example a lecture can be delivered via video-conferencing technology or digital video disc through a computer. Similarly, one could attach a limited control set that would transform the computer into an aircraft simulator. Programmed instruction, as discussed above, takes on new life when delivered via computer. It is therefore important to recognize CAI as a delivery method, not as an instructional technique. However, most CAI is associated with one of two types of instructional systems: drill and practice programmes, and tutorials. In the drill and practice system, an instructor presents material to the entire class, and then uses individual computer terminals to present problems or opportunities for practice. The teacher can present individualised material on the terminals and provide individual or group-level feedback, as well as keep track of class performance. In contrast, all of the material is presented through the computer in a tutorial style program. The tutorial may use multimedia to present the material more effectively, and it provides opportunities for practice and immediate feedback for the trainee (Hysong et al., 2007: 7).

3.4 Conclusion

Chapter Two provided a framework on Entrepreneurship Development in Limpopo Province. This chapter dealt with important aspects which the youth development organisations in Limpopo Province should include in marketing management training as well as training methods they should utilise for entrepreneurship training. These two chapters therefore, provided the foundation on which this study will be based. The next chapter discusses the research design.

Chapter Four

4. RESEARCH METHODOLOGY

4.1 Introduction

This study has been conducted due to the concern that, even though youth development organisations in Limpopo Province seem to be giving the best marketing management training in their entrepreneurship development, as could be expected, a large number of Youth Initiated Business Ventures (YIBVs) are characterised by a very short life-span. They come and go. Young entrepreneurs seem to have problems in implementing the marketing skills that they have acquired through training from the youth development organisations.

On the other hand, there seems to be no evidence of any comprehensive study to test the effectiveness of the marketing training these institutions provide. It is on the basis of these reasons that this study was conducted.

4.2 Aim of the Research Project

The aim of this research project is to:

- o   Explore the effectiveness of marketing management training offered by youth development organisations in Limpopo Province.

4.3 Objectives and Research Questions

The research objectives are:

- o   To establish aspects of marketing management that youth development organisations offer in their entrepreneurship training as well as their gaps.
- o   To establish gaps as well as weaknesses in the methods of training utilised by

youth development organisations in the training of young entrepreneurs.

o   To establish whether young entrepreneurs do put into practice the marketing skills they have acquired through training from youth development organisations.

The Research Question is:

Mason (2001:15) holds that a research question is a question which the researcher is designed to address and emphasises that it should express the essence of the enquiry. The researcher stated his research question as follows:

How can young entrepreneurs in Limpopo Province be supported to become effective in the marketing management of their business firms?

Research sub-questions:

The following research sub-questions were examined:

o   What challenges (i.e general training challenges as well as marketing management related challenges) do the young entrepreneurs encounter during entrepreneurship development (training)?

o   What marketing management related challenges do they encounter when they are already in business (after training)?

o   If ever there are initiatives by youth development organisations to support young entrepreneurs after training, what aspects are not covered by the support programmes?

o   If ever there are support initiatives, how do youth development organisations succeed in helping young entrepreneurs to be on their own and sustain or grow their business firms?

o   If ever there are support initiatives, what is the duration of the support and the success rate in helping young entrepreneurs to be on their own sustaining or growing their business firms?

4.4 Research Design

Research design is a plan or strategy of shaping the research (Henn, Weinstein and Foard, 2006: 46). For the purpose of this study, the researcher used a cross-sectional survey described by Bynner (2006: undated) as a method of collecting data from a sample of individuals (or groups) at a particular point in time as a basis for inferring the characteristics of the population from which the sample comes.

Two separate questionnaires, one for the youth development organisations and the other directed to the young entrepreneurs they trained, were prepared to collect primary data from both the youth development organisations and young entrepreneurs they have trained and literature review utilised to collect the secondary data.

4.5 Research Population

A research population is a well-defined collection of individuals or objects known to have similar characteristics. All individuals or objects within a certain population usually have a common, binding characteristic or trait (Calastillo, 2009:1).

Though youth development organisations responsible for entrepreneurship training of the youth of Limpopo Province are generally concentrated in the city of Polokwane in the Capricorn District, they cater for the youth from all regions in this province. This study focuses on young entrepreneurs who received entrepreneurship training from these institutions, but operating their businesses in all four districts of this province, with a larger percentage of respondents from the Capricorn District and smaller percentages from Waterberg, Sekhukhune, Mopani and Vhembe Districts in an attempt to make the results obtained, representative of the whole province. Therefore, the unit of analysis consisted of:

- o Young entrepreneurs trained by youth development organisations in Limpopo Province.
- o Youth development organisations involved in entrepreneurship training of the youth in Limpopo Province.

4.6 Sampling Methodology

Lists of young entrepreneurs were obtained from the data base of youth development organisations, for instance, Umsombomvhu Youth Fund (UYF), which utilise Junior Achievement South Africa (JASA) as its service provider, Limpopo Business Support Agency (LIBSA), Small Enterprise Development Agency (SEDA) and Tlhavhama Training Initiative.

Though entrepreneurship service providers like LIBSA, SEDA, and Tlhavhama Training Initiative do not specifically deal with youth entrepreneurship, their clients consist mostly of youth entrepreneurs falling between the ages category of 18 to 35 years, which makes them relevant to the study. The researcher, therefore, deemed it necessary to include these institutions in the study as he believes that they also qualify to be categorised as youth development organisations. Only those young entrepreneurs belonging to the age category of 18 to 35 years formed part of this research. When capturing their clients' personal details, service providers offering entrepreneurship training also capture identity numbers which makes the process of identifying ages of potential participants very easy.

4.6.1   Sampling procedure

The researcher used Stratified Random Sampling. Like Tashakkori and Teddlie (2003:278), Easton and McColl (undated: 1) explain a stratified sample as a sampling procedure that is obtained by separating the population elements into groups, or strata, such that each element belongs to a single stratum. The researcher then independently selects a random sample from each stratum obtained by taking samples from each stratum or sub-group of a population.

- o   From the four lists of young entrepreneurs received from the data base of the five youth development organisations, the researcher developed five strata, each with its own unique number of respondents as given by the youth development organisations.
- o   To ensure proportional representation, the researcher drew from each stratum a random sample of 90% of participants (as he did not receive lists with large numbers)

to form his sample population.

o The reason why the researcher used only 2 respondents for SEDA is explained in item 4.7 on research limitations.

4.6.2 Sampling Size

Table 4.1: Sampling composition

No	Youth Development Organisations included in the study	Total no. of respondents received from the Youth Development Organisations	No Interviewed (90% of the no. of respondents) received from the Youth Development Organisations	% Interviewed
1	UYF (Utilised JASA for training)	26	23	35.4
2	LIBSA	27	24	36.9
3	Tlhavhama Training Initiative	18	16	24.6
4	SEDA	2	2	3.1
	TOTAL	73	65	100

Out of the 73 potential respondents (trainees) obtained from the database of the youth development organisations, the researcher only managed to interview 65 successfully. The researcher stays in the Waterberg District. Proximity, which became an advantage to the researcher, was utilised as he could conduct personal interviews with most of the respondents, either running business in the Waterberg and Capricorn Districts of Limpopo Province or

residing there. Due to lack of funds, the respondents from Mopani and Vhembe Districts were interviewed telephonically.

The reasons for the failure to interview other potential respondents were due to the following:

- o Some respondents were very reluctant to participate in the study and gave all sorts of reasons to avoid being interviewed.
- o Some relocated their business firms to other places and gave only their business addresses without contact numbers to youth development organisations that trained them.
- o Some were just not traceable because at the time of training, their business names were not in operation and their cell numbers are no longer in use.

4.7 Data Collection

4.7.1 Data Collection Instrument

For the purpose of this study, the researcher deemed it necessary to design two questionnaires, one directed to the young entrepreneurs and the other one to the youth development organisations business developers that provided entrepreneurship training (see Annexure A and B).

The questionnaires consists of closed-ended questions, which Strydom et al., 2005:179) hold that they offer the respondent the opportunity of selecting (according to instructions) one or more response from a number provided to him. They argue that this type of questions are used when a substantial amount of information about a subject exists and the response options are relatively well known. Kalof et al., 2008:120) add that closed-ended questions are easy to quantify.

The questionnaire to the business development officer (trainers) attached to youth development organisations covered the following aspects:

- o **Personal and demographic data** - Name of Institution, Age of institution, and giving assurance of the confidentiality and anonymity of the subjects involved;
- o **Marketing management training:**
  - ❖ **Areas covered**: The aim was to ascertain whether the youth development organisations included important aspects of marketing management in their entrepreneurship training.
  - ❖ **Duration of training session**: With the inclusion of this aspect, the researcher wanted to find out whether the time allocated for marketing management training was sufficient to cover at least the most important aspects of marketing as this area of business management is very wide.
- o **Methods of training utilised**: With this aspect, the researcher wanted to establish whether the youth development organisations stick to formal lectures only in their entrepreneurship training or make use of interactive learning methods as well.
- o **Other categories of trainers used for the purpose of entrepreneurship training:** With exception of trainers attached to the youth development organisations, this aspect was included in order to find out whether the youth development organisations were making use of people who were knowledgeable in marketing or business management, for instance, experienced marketers and businessmen.
- o **Frequency in updating database of trained young entrepreneur follow-up:** With the inclusion of this aspect, the researcher wanted to establish whether the youth development organisation terminated their relationship with the young entrepreneurs they trained as soon as the training session ends and do not make follow-up to evaluate the success of their training just a few years or at least months after training.
- o **Post training support (mentoring):** This aspect explored whether youth development organisations conducted on-the-job training support to ensure that their trainees do not struggle in implementing new skills they have acquired through entrepreneurship training.
- o **Opinion of youth development organisations on factors that limit young entrepreneurs to succeed in the marketing:** As youth development organisations are

expected to make impact analysis on entrepreneurship training they offer, the researcher included this aspect in order to get an idea from them on possible factors that make it impossible for young entrepreneurs to market their business ventures successfully.

The questionnaire to the young entrepreneurs (trainees) was divided into the following:

- o **Personal and demographic data of the respondents**, i.e name of youth development organisations that offered training, the type of business owned, the region where the respondent comes from, the level of education, gender and age of the respondent.
- o **Biographical data on youth development organisations that trained the young entrepreneur**: This information, which also formed part of the questionnaire to the trainers, was included in order to confirm answers given by the business developers (trainers) when completing their questionnaires and they include: areas of marketing management training covered by the youth development organizations, duration of the training session for entrepreneurship and marketing management in particular, methods of training utilised, as well as after training support (mentoring) offered.

- o **Performance data on entrepreneurship training offered by the youth development organisations in Limpopo Province**

    - ❖ **Aspects of marketing management covered in entrepreneurship training.** The question, "Which aspects of marketing management did youth development organisations cover in their entrepreneurship training?", formed the basis of the researcher's study and it is therefore imperative that it should be included in the questionnaire.
    - ❖ **Competencies of business developers (trainers) offering entrepreneurship training:** The researcher included this aspect as he believes that the effectiveness and success of entrepreneurship development depends entirely on

competencies from those delivering the actual entrepreneurship training and as such, argues that those who receive training can rate the competency of trainers better.

❖ **Language and level of instruction utilised in training.** These aspects were included to establish whether the business developers were accommodating different educational backgrounds of trainees as the researcher believes that these two aspects, language and level of instruction to be used by the trainer, depend on the level of sophistication of the participants.

❖ **Convenience of the venue for training purpose.** The researcher wanted to find out whether the venue used by the business developers provided an environment conducive to learning, and makes possible the use of practical learning projects and exercises.

❖ **Provision of learning material**. This aspect considered establishing whether the business developers provided adequate material for participants to take away to serve as memory aid and future reference materials for solving business problems.

o **Performance data on youth initiated business ventures concerning marketing management:** These aspects were included in the questionnaire directed to the young entrepreneurs to establish their success in implementation of the theory they have learned through entrepreneurship training and they include**:**

  ❖ Availability and usage of a marketing plan
  ❖ The usage of the 4Ps
  ❖ The usage of market research
  ❖ The usage of SWOT analysis
  ❖ Consumer orientation

- ❖ Promotion of the product/services offered as well as the methods of promotion utilised
- ❖ Channels of distribution utilised
- ❖ Method utilised to deal with competition
- ❖ Competitive advantage
- ❖ Social responsibility

4.7.2   Data collection method

For the purpose of this study, the researcher utilised interview, described by
Monette et al., 2008:158) as a data collection method which involves an interviewer reading
questions to a respondent and then recording his or her answers. Researchers can conduct
interview either in person or over the telephone. Compared to other methods, Silverman
(2006:113) argues that Interviews are relatively economical in terms of time and resources.
As stated in the item on sampling size above , out of the 73 potential respondents (trainees)
obtained from the data base of the youth development organisations, i.e Umsobomvhu, SEDA,
LIBSA and Tlhavhama Training Initiative, the researcher managed to interview 65 of them
successfully after drawing 90% of the participants from each stratum.
Proximity became an advantage for the researcher as he could conduct personal interviews
with most of his subjects in the Waterberg and Capricorn Districts of Limpopo Province but due
to lack of funds, he interviewed respondents from Sekhukhune, Mopani and Vhembe Districts
telephonically as they stayed far away from him.
Business development officers (trainers) from the youth development organisations above
were also interviewed to establish the following aspects:

- o Areas of marketing management covered
- o Methods of training that they utilised
- o Duration of training session

- o Methods of training utilised
- o After training support (mentoring)

4.8 Research Limitations

According to Kemper (2010:277), It is important to note that research is constrained by a variety of limitations, described by Ayahlong (undated: 1) as conditions that restrict the scope of the study or may affect the outcome of the research and unfortunately, cannot be controlled by the researcher.

As explained in item 6.2 on sampling size, the researcher included only 2 respondents from SEDA whose details were released by the SEDA official on the first day of formal request. When a follow-up was made for a list with more respondents as promised, the researcher was told that the head office had declined the application for additional respondents. This happened even after the researcher and the university represented by the study leader were made to sign the company's confidentiality and non-disclosure agreement. The reason stated was that the institution was currently not giving out details of its trainees to anyone or any institution. SEDA is one of the most important youth development organisations in the province and excluding it in this study would not give a correct reflection of youth entrepreneurship in the province.

4.9 Data Analysis

Information from the questionnaires completed by both the youth development organisations and the young entrepreneurs they have trained was coded, cleaned and then analysed. The next chapter (chapter 5), will present the analysis and results of empirical data.

Chapter Five

5. PRESENTATION, ANALYSIS AND INTERPRETATION OF EMPIRICAL DATA

5.1 Introduction

In this chapter, the researcher will analyse and interpret empirical data he collected through interviews to explore the nature of marketing management training offered by the youth development organisations in Limpopo Province as well as how the trained young entrepreneurs market their business ventures.

The study was based on the hypothesis that there is lack of effective marketing by young entrepreneurs trained by youth development organisations in Limpopo Province which is shown by their business firms' short life span. This chapter describes and analyses the aspects of marketing management that youth development organisations offer in their entrepreneurship development, methods of training utilised by the youth development organisations in the training of young entrepreneurs, as well as how young entrepreneurs put into practice the marketing management skills they have acquired through entrepreneurship training from youth development organisations that trained them.

As already mentioned on the data collection instrument, in chapter four, the researcher deemed it necessary to design two questionnaires, one directed to young entrepreneurs trained by youth development organisations and the other one to business development officers offering entrepreneurship training for the youth development organisations in Limpopo Province(see Annexure A and B). The questionnaires used mostly closed-ended questions but provided respondents with the opportunity to give their own opinions if they differed from alternative answers on the questionnaire.

In order to facilitate the process of analysis and interpretation, the researcher categorised empirical data into two sections, i.e data collected from business development officers

responsible for entrepreneurship training in each youth development organisation as well as data collected from young entrepreneurs trained by youth development organisations.

5.2 Data Collected from Business Development Officers attached to youth development organisations

The researcher categorised the empirical data collected from youth development organisations as follows:

- Personal and demographic information of youth development organisations
  - Names of youth development organisations included in the study.
  - Geographical situation of Limpopo Province.
  - The age of the Entrepreneurship Development Project of the youth development organisations under study
- Areas of marketing management covered in the entrepreneurship training
- Duration of the entire entrepreneurship training
- Training Methods Used in Entrepreneurship Training
- Other categories of trainers used for the purpose of entrepreneurship training?
- Frequency in Updating Data Base of Trained Young Entrepreneurs
- Post training support
- Factors limiting young entrepreneurs to succeed in the marketing.

5.2.1 Personal and demographic information of youth development organisations

5.2.1.1 Names of youth development organisations included in the study are:

o Umsobomvhu Youth Fund (UYF) which uses Junior Achievement South Africa (JASA) as a service provider for entrepreneurship development

o Limpopo Business Support Agency (LIBSA)

o Small Enterprise Development Agency (SEDA)

o Dhlavhama Tlhavhama Training Initiative

The youth development organisations above offer entrepreneurship development to young entrepreneurs from all five districts of Limpopo Province as indicated on the map (figure 5.1). Naturally, due to the fact that most of these organisations are concentrated in the city of Polokwane, a larger percentage of their clients is from the Capricorn District and smaller percentages from Waterberg, Sekhukhune, Mopani and Vhembe Districts.

5.2.1.2 Geographical situation of Limpopo province

Limpopo Province is South Africa's most northern province, lying within the great curve of the Limpopo River. It is the gateway to the rest of Africa, with its shared borders making it favourably situated for economic cooperation with other parts of southern Africa. The capital is Polokwane, lying in the centre of the province.
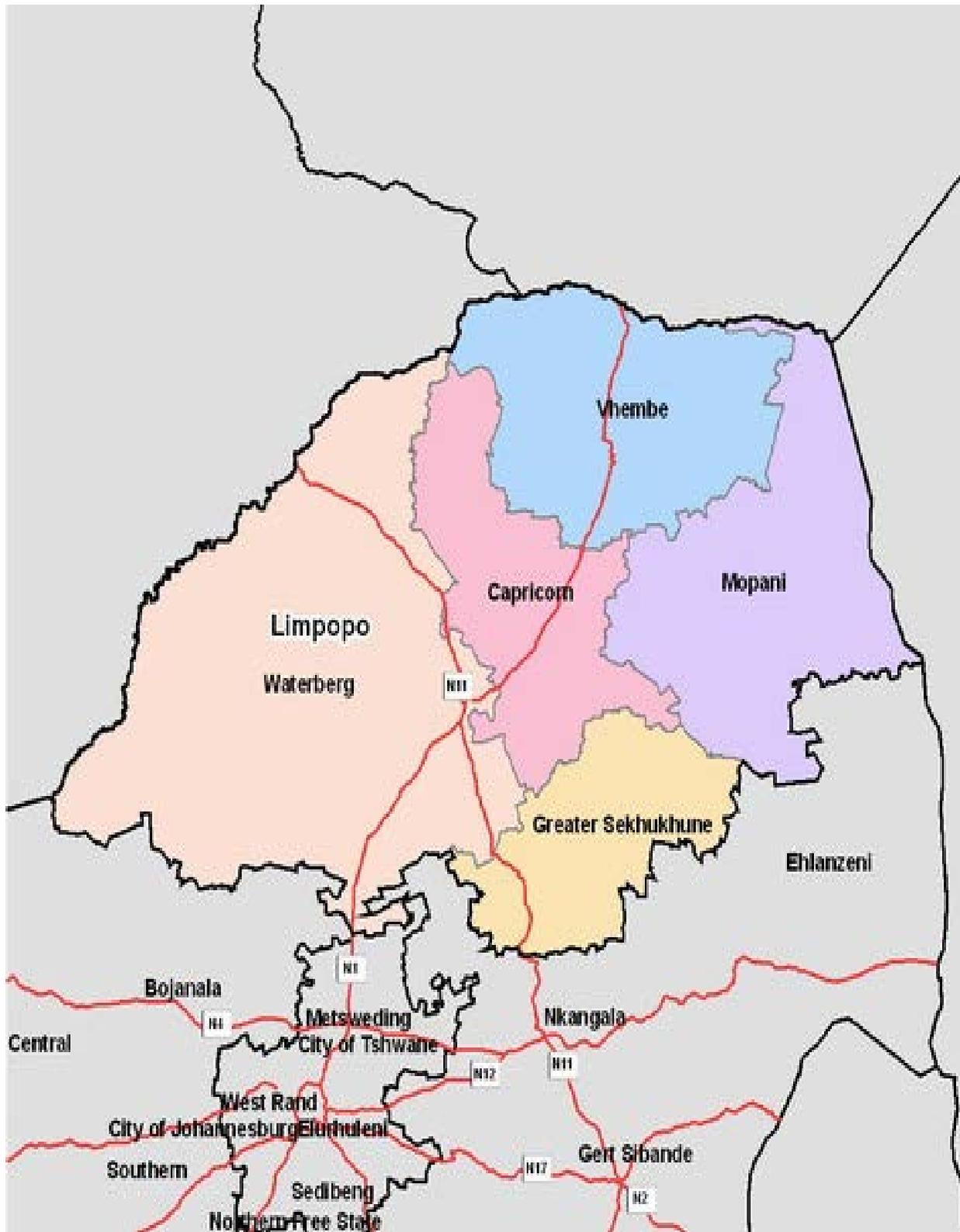
Figure 5.1: Map of Limpopo Province

Source: Demarcation Board (www.demarcation.org.za)

5.2.1.3 The age of entrepreneurship development project of the youth development
organisations under study

On the question: How old is your entrepreneurship project? It is clear from figure 5.2 that all four youth development organisations under study have elaborated experience in entrepreneurship training. Their entrepreneurship training projects are all
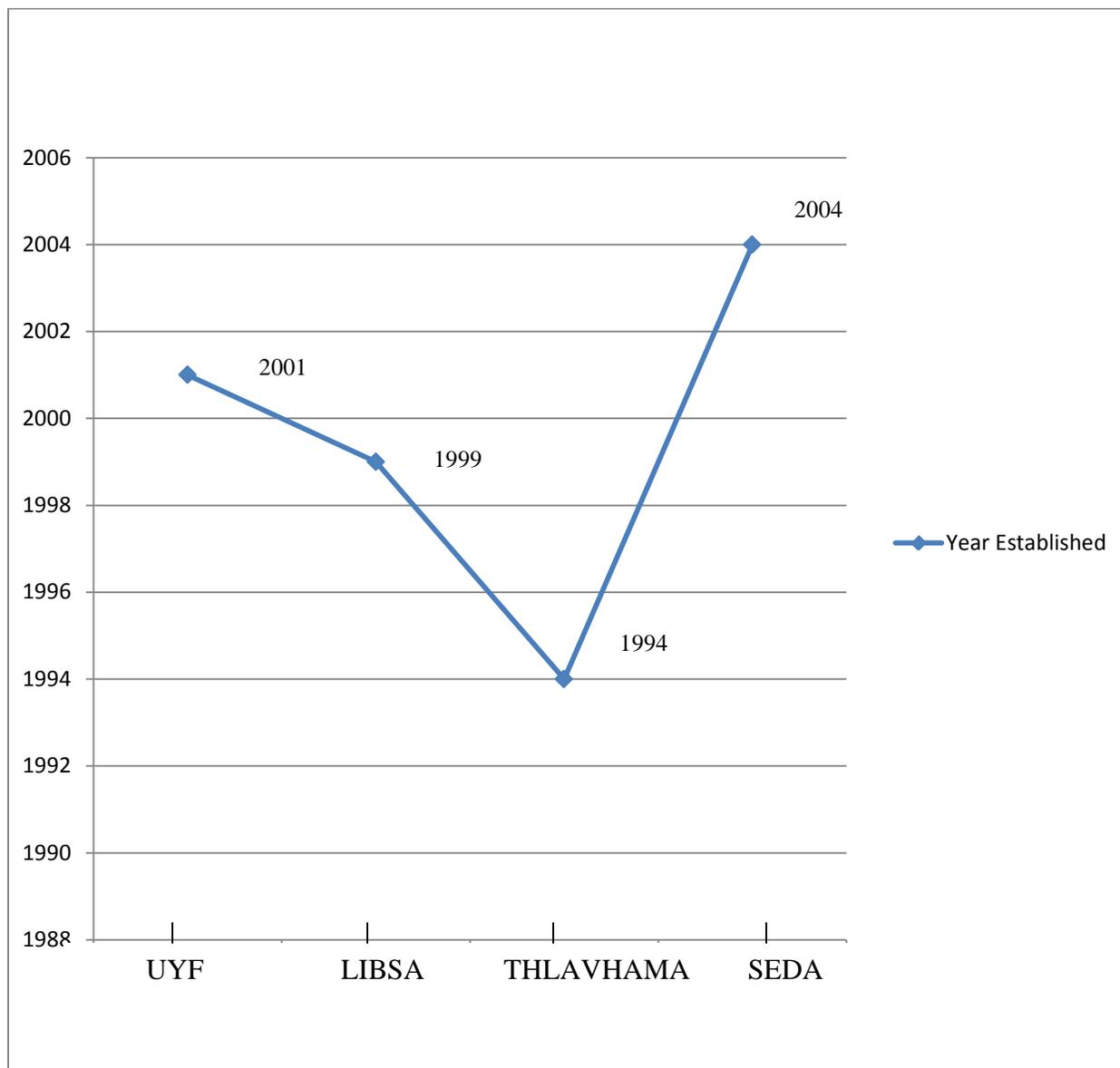
Figure 5.2: Age of Entrepreneurship Development Project of the Youth Development
Organisations under Study

seven years or older with Thlavhama Training Initiative, the oldest, with seventeen years of experience, established in 1994, followed by LIBSA with twelve years experience, established in 1999, UYF with 10 years, established in 2001, and finally, SEDA with seven years experience, established in 2004.

5.2.2 Areas of Marketing Management covered in the entrepreneurship training

As can be seen from figure 5.3, the marketing plan, product development, pricing, promotion, placement and market targeting dominates the content of marketing management training with 100% which implies these areas are covered by all four youth development organisations included in the study, followed by consumer orientation and market research which are covered by three youth development organisations (75%), while competitive advantage is done by only one youth development organisation (25%).

All youth development organisations indicated that they did not include social responsibility in their training. Three (75%) claimed that there were other areas of marketing that they include in their training. Further probing revealed they include idea generation, SWOT analysis and innovative sales techniques.

Exclusion of important aspects of marketing such as, consumer orientation, marketing research, and competitive advantage by some of the youth development organisations, is a cause for concern.

Further probing revealed that the reason why some youth development organisations do not include certain aspects of marketing management in their training is that youth initiated business ventures are at different stages of development, and as such, if a large percentage of trainees are knowledgeable with regard to a particular aspect, due to time constraints, they will then leave it out and concentrate on those aspects that give most of the trainees problems. This argument is supported by the observation made in figure 5.5 on the duration of

marketing management training which clearly shows that the duration of training is too short to cover all the important areas of marketing.
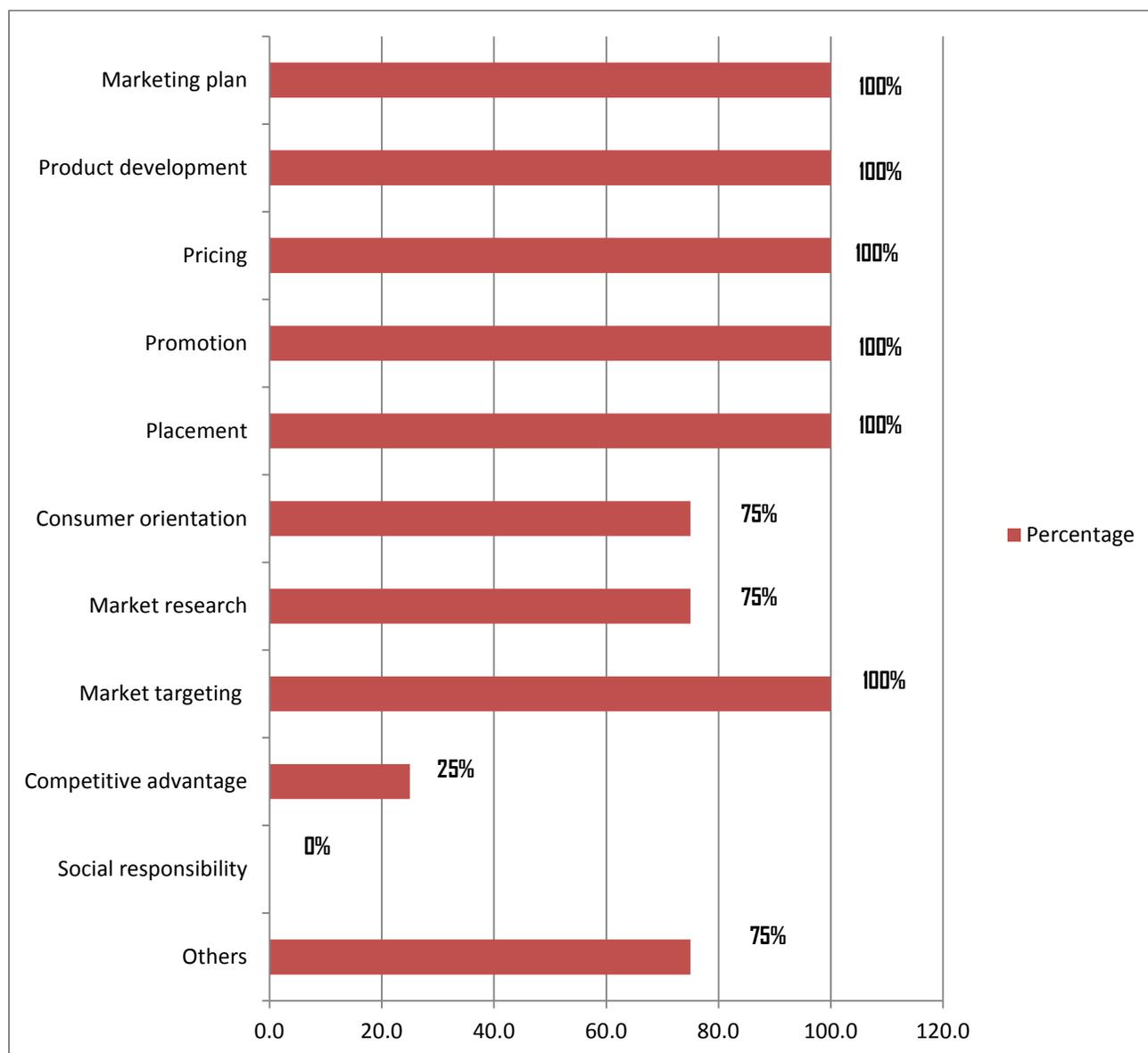
Figure 5.3: Areas of Marketing Management Covered in the Entrepreneurship Training

5.2.3 Duration of the entire entrepreneurship training

Figure 5.4, illustrates the duration of the entire entrepreneurship training of the four (100%) youth development organisations under study. It is evident from this graph that there is only

one (25%) out of the four youth development organisations which offers entrepreneurship training for the duration of up to three months. The duration of the courses of the other three (75%) of youth development organisations lasts for a maximum of seven days.
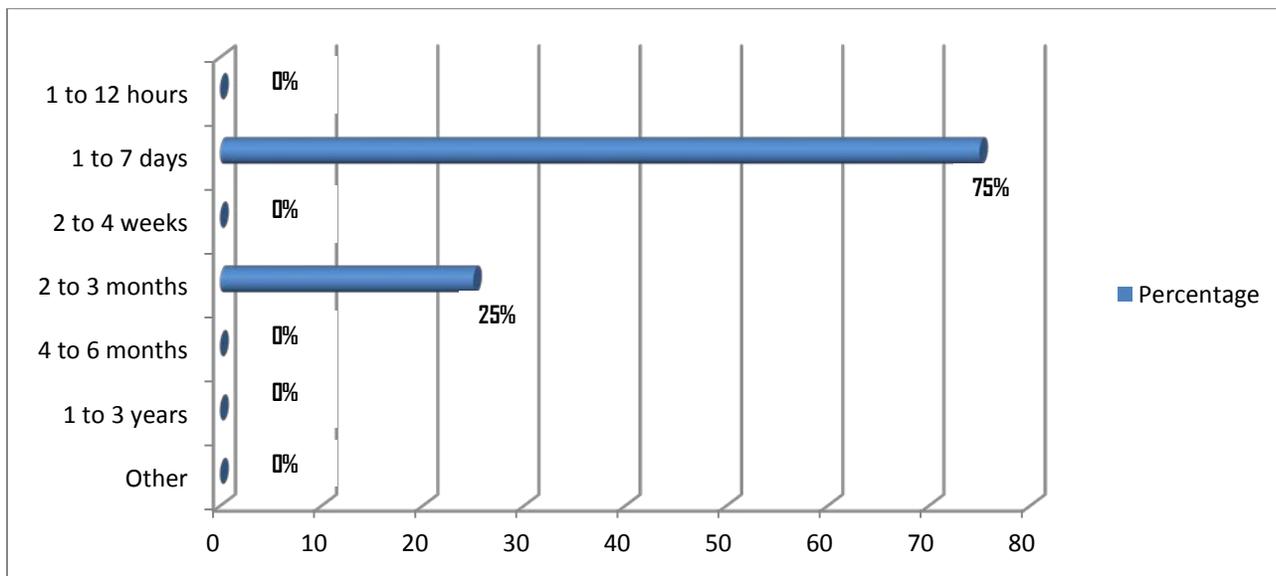
Figure 5.4: Duration of the Entire Entrepreneurship Training
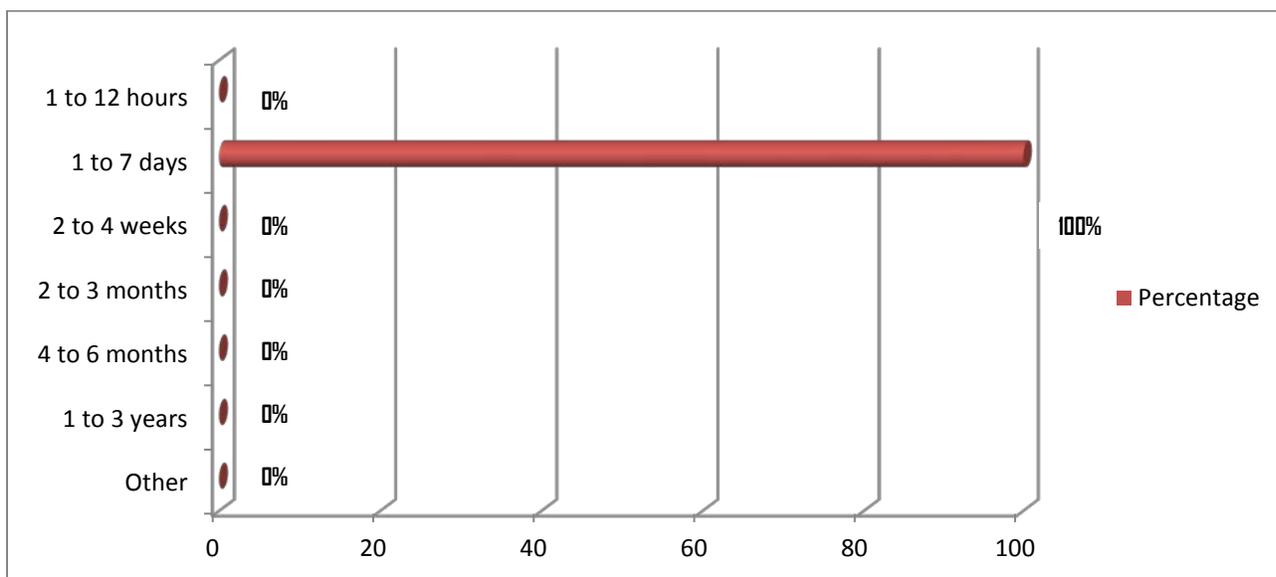
Figure 5.5: Duration of Marketing Management Training Only

As can be observed from figure 5.5, all the four (100%) youth development organisations offer their marketing training for the duration of up to seven days. Further probing clarified this confusion when the business development officers of the three (75%) youth development organisations that offer the entire entrepreneurship training for the duration of up to seven days as on figure 5.4 indicated that, out of the seven days allocated for the entire entrepreneurship training, marketing management training alone gets a share of an average of two days. Only one (25%) youth development organisation offers marketing management training for the duration of up to seven days, that is the youth development organisation that offers its entire entrepreneurship training for up to three months as indicated in figure 5.4.

After analysing the information provided in these two graphs, one would wonder how these three (75%) youth development organisations manage to deal with the most important aspects of the entire management of a small business firm in just seven days and in particular, deal satisfactorily and effectively with important aspects of marketing management in an average of just two days.

5.2.4 Training Methods Used in Entrepreneurship Training

Taking a closer look at the training methods utilised in entrepreneurship training, it is evident from figure 5.6 that the leading or dominant training methods are the lecture and group discussion methods. They are used by all four (100%) youth development organisations, followed by the case study method, utilized by only two (50%) of them with simulations being the least popular and used by only one (25%) of them. One would wonder why important methods in the training of business owners such as simulations and videos are receiving little attention. It would seem that limited duration of training is a major cause why these methods are not utilised.
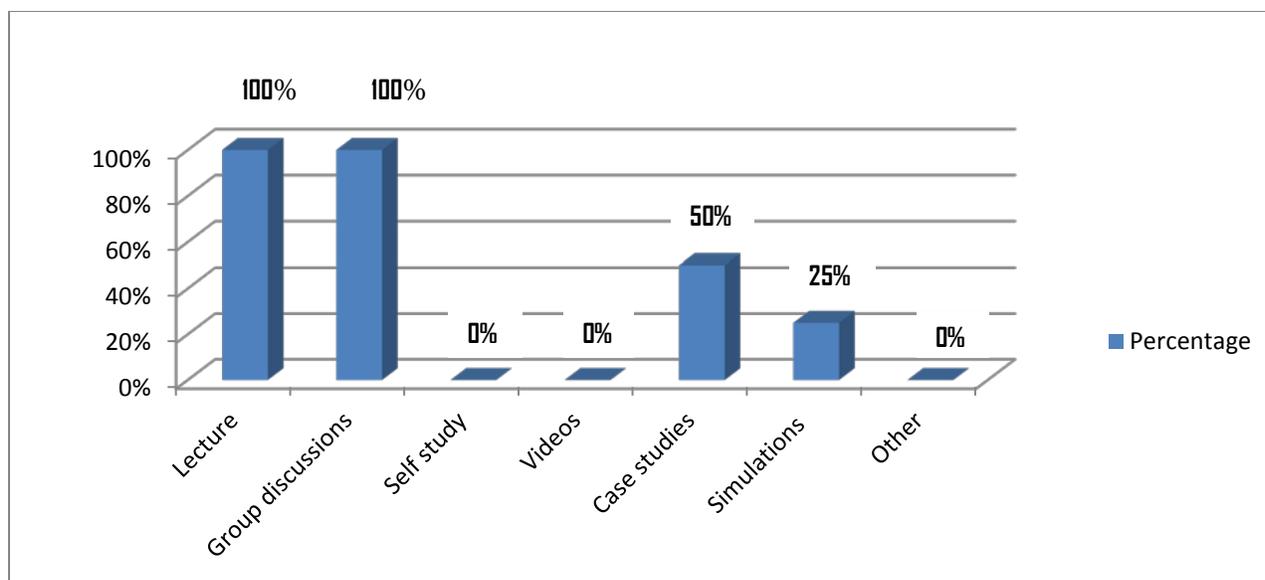
Figure 5.6: Training Methods Used in Entrepreneurship Training

5.2.5 Other categories of trainers used for the purpose of entrepreneurship training

In their many years of operation, all these youth development organisations produced a large number of marketers and entrepreneurs. It would therefore be considered disappointing to learn that they do not utilise their former trainees currently with vast experience in business and marketing to make presentations to the young entrepreneurs they train. The graph (figure 5.7) clearly shows that only 1 (25%) of them uses successful entrepreneurs and the other (25%) uses unsuccessful ones.

However, one would consider it promising to note that 2 (50%) of them use business consultants and the other 2 (50%) use other categories of trainers as indicated in figure 5.7. Probing revealed that these other categories of trainers included representatives from the Department of Labour as well as those from the marketing desk of the SABC. Presentations by academics also leave much to be desired as they are only utilised by a single (25%) youth development organisations.
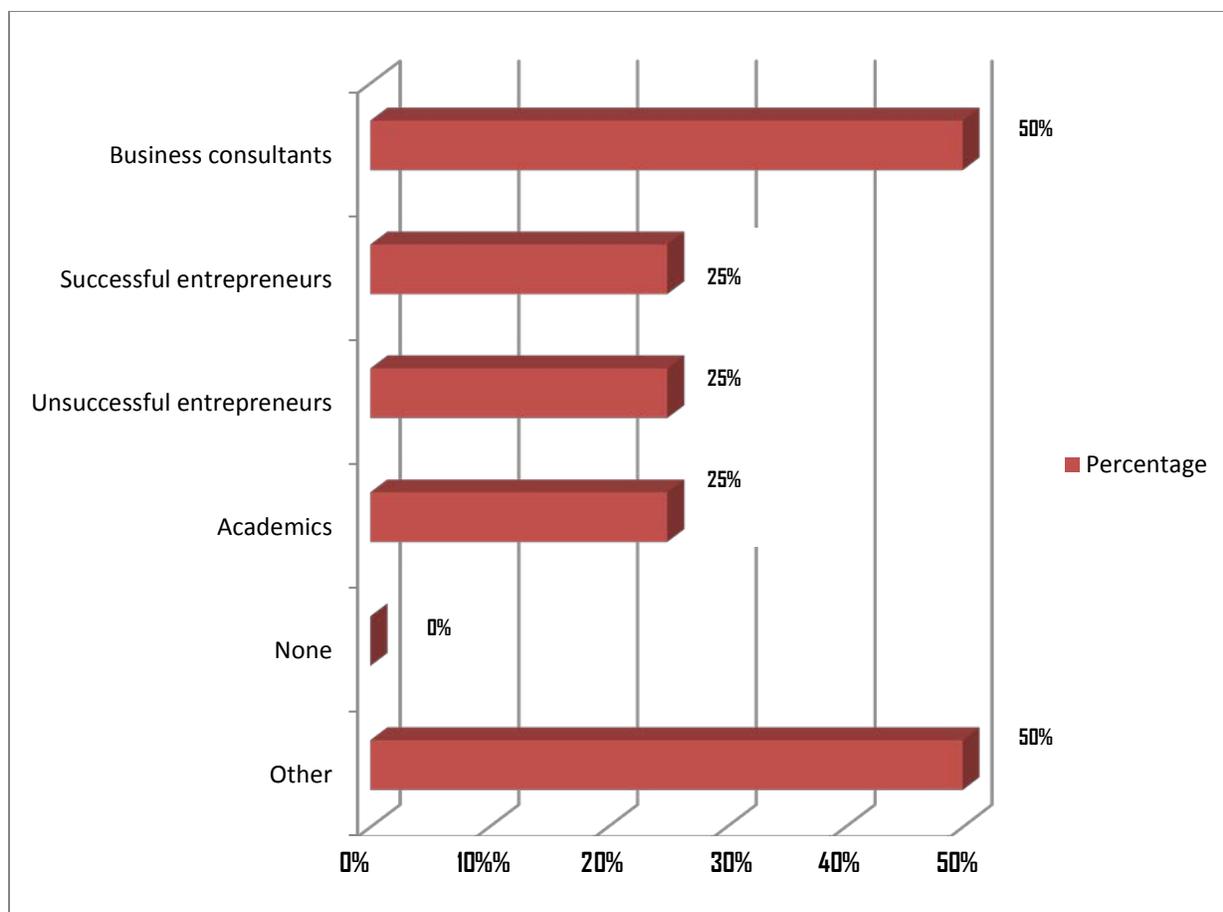
Figure 5.7: Other Categories of Trainers Used for the Purpose of Entrepreneurship Training

5.2.6 Frequency in Updating Data Base of Trained Young Entrepreneurs

It is evident from figure 5.8 that only 1 (25%) of the four youth development organisations under study updates the data base on young entrepreneurs they trained annually. The other three (75%) do keep a data base of their young entrepreneurs but do not update it at all. They indicated that they only update it if their former trainees need additional services, independent from the initial entrepreneurship training. Lack to update a data base will make it difficult for the youth development organisation to track their former trainees in order to do impact analysis to test the success of their entrepreneurship training or to network new trainees with the former ones for the purpose of mentoring which can be used as a form of post training support for young entrepreneurs.
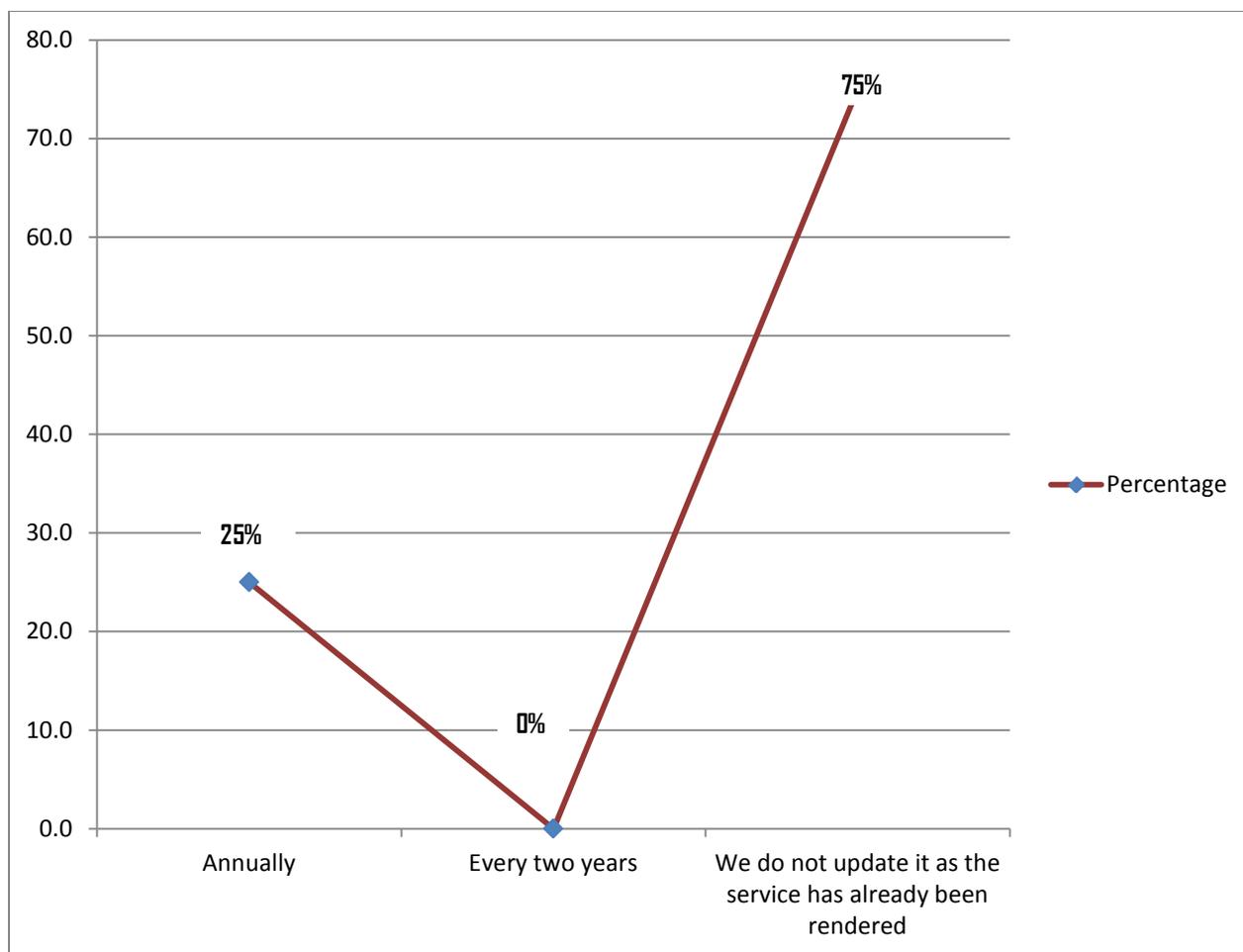
Figure 5.8: Frequency in Updating Data Base of Trained Young Entrepreneurs

5.2.7 Post training support

On the question whether youth development organisations offer post training support, it would be considered gratifying to note from figure 5.9 that two (50%) of the youth development organisations are running what they refer to as business incubation programmes. However, the problem with these programmes is that they are not meant for all trained young entrepreneurs but only support and nurture those who were selected to be in entrepreneurship start-up competitions. One (25%) out of two (50%) youth development organisations that did not offer post support was honest enough to indicate that their services do not offer that yet, whereas the other one (25%) managed to avoid answering the question; the conclusion made was that his organisation did not offer this service at all.
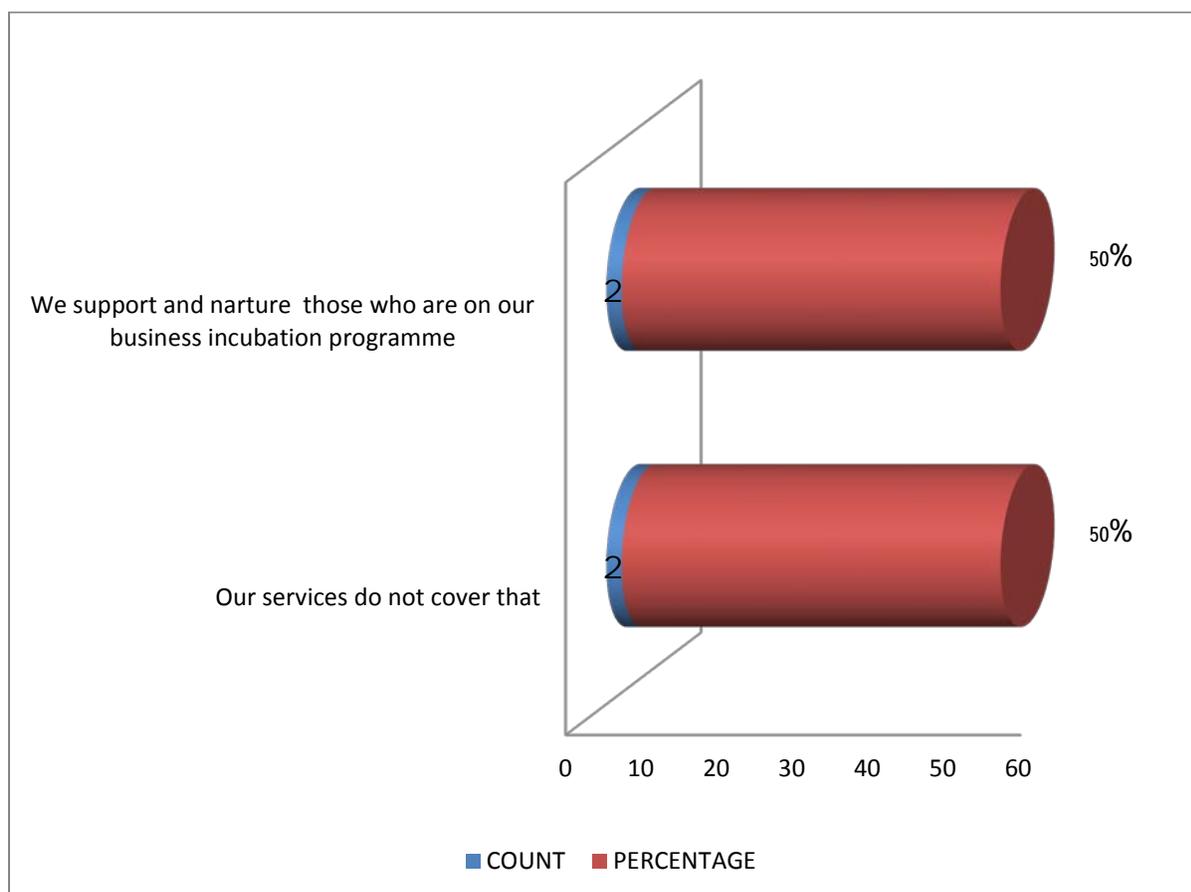
Figure 5.9: Post Training Support Offered By Youth Development Organisations

5.2.8 Factors limiting young entrepreneurs to succeed in marketing

As can be seen in figure 5.10, all four youth development organisations were asked to give their opinions on the possible factors that could be limiting the young entrepreneurs to succeed in marketing. The responses are all the same, none (0%) of them agreed with the reasons/factors given by the researcher in his questionnaire.

They all (100%) had other reasons/factors. Further probing gave different results as reflected in figure 5.11. One would consider it disturbing to note that all three (75%) of the youth development organisations agree to the opinion that the majority of the young entrepreneurs fail to market their business due to mismanagement of funds. They explain this problem by acknowledging that young entrepreneurs do struggle a great deal to get funds but as soon as
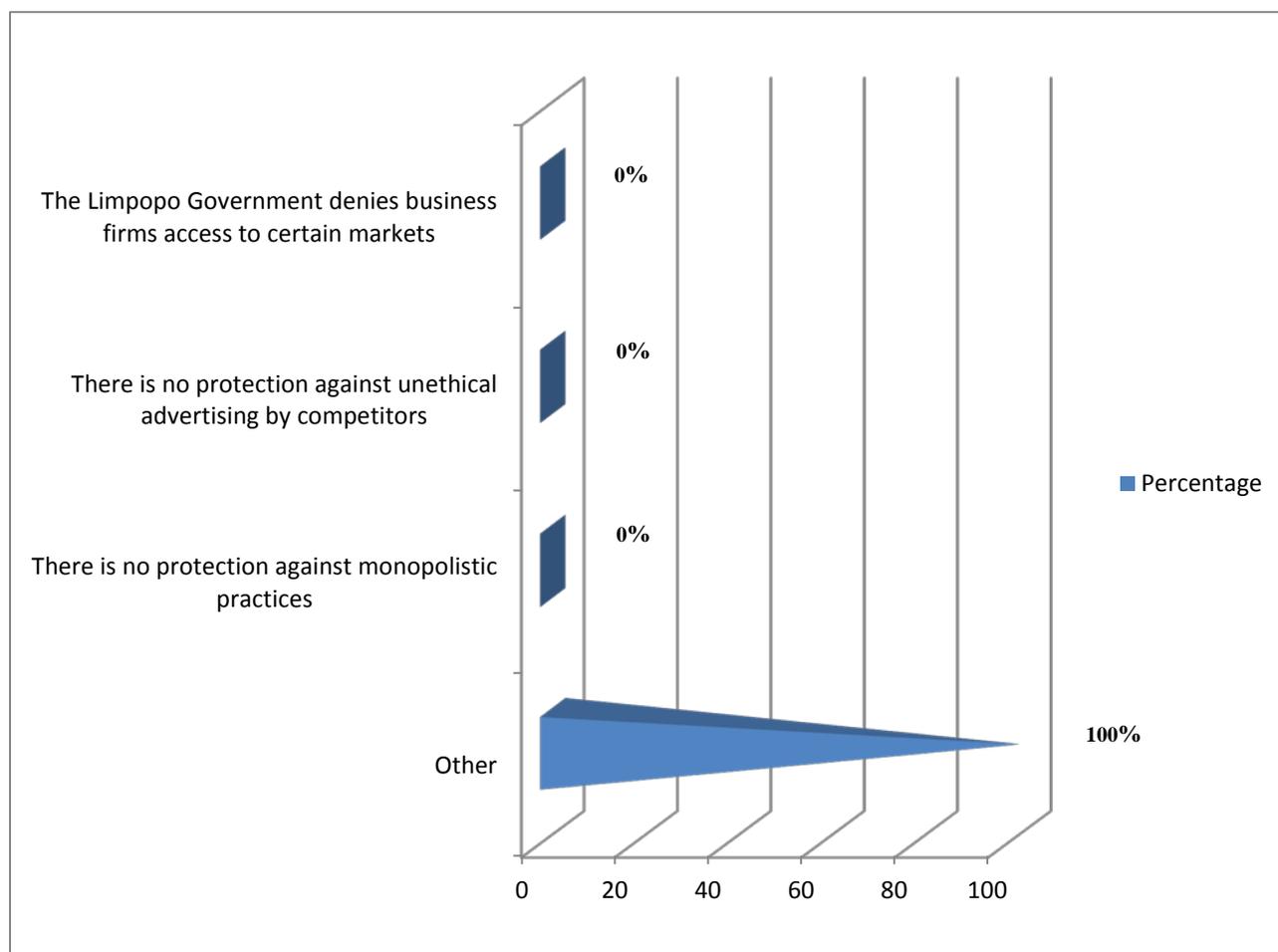
Figure 5.10: Opinions of Youth Development Organisations on Factors Limiting Young
Entrepreneurs to Succeed In Marketing

they succeed in getting funding, most of them do not invest these funds in profitable business projects like promotion and market expansion but spend it on personal things ranging from clothes to cars.

The other (25%) youth development organisation explained that the main cause of failure of young entrepreneurs to succeed in marketing was due to the fact that the general culture of entrepreneurship in the province is just very low, especially in respect of young entrepreneurs. Most young business owners are just not hardworking as they focus solely on getting tenders to sustain their business ventures and ignore the most important pillars of business success such as marketing management, financial management and others.
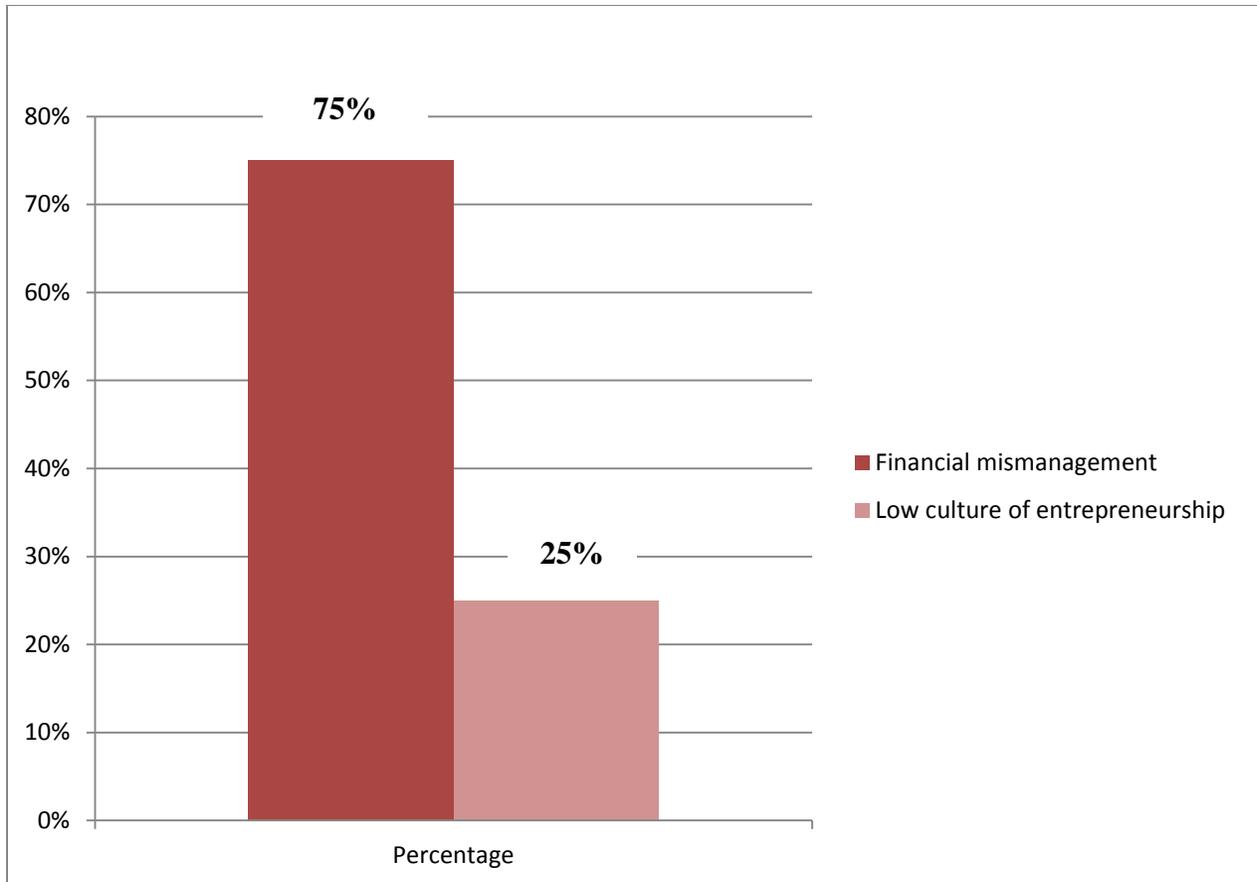
Figure 5.11: Opinions of Youth Development Organisations on Factors Limiting Young

Entrepreneurs to Succeed in Marketing

5.3 Data Collected from young entrepreneurs trained by youth development organisations

The researcher categorised the empirical data collected from young entrepreneurs trained by youth development organisations as follows:

5.3.1 Personal and demographic information of young entrepreneurs:

- Youth development organisations that provided marketing training.
- Gender of respondents.
- Age of respondents.
- Districts of respondents.
- Education level of respondents.

- Types of business of respondents.

- Motivating factors for choice of type of business.

5.3.2 Performance data on the training offered by youth development organisations

- Convenience of the training venue for the purpose of training.

- Language and level of instruction utilised by business development officer.

- Provision of learning material during training sessions.

- Post-training visits by business development officers for support or guidance purpose.

5.3.3 Performance data on marketing management by young entrepreneurs trained by youth development organizations:

- Marketing plan and promotion of products/service sold by respondents.

- Methods of promotion utilised.

- Methods of Advertising utilised.

- Channels of distribution utilised.

- Consideration of the needs of customers/clients in marketing decisions making (Market orientation).

- Usage of market research.

- Availability of competition in your area of business operation.

- Utilisation of SWOT analysis.

- Method/s utilised to deal with competition and other elements of SWOT analysis.

- Competitive advantage.

- Social responsibility.

- Consideration of consumers in marketing decisions (consumer orientation).

5.3.1.1 Youth development organisations that provided marketing training

Table 5.1 reflects the results of the responses of 65 young entrepreneurs who responded to the question "What is the name of the youth development organisation responsible for your

Table 5.1: Youth Development Organizations That Provided Marketing Training To Young
                Entrepreneurs Included In the Study

	Trainees	Percentage
Umsobomvhu Youth Fund (UYF)	23	35.4%
Limpopo Business Support Agency (LIBSA)	24	36.9%
Small Enterprise Development Agency (SEDA)	2	3.1%
Tlhavhama Training Initiative	16	24.6%
	65	100.0%

entrepreneurship training?". Demographic information on all the youth development organisations above was explained in detail in item 5.2 , i.e data collected from business development officers attached to youth development organisations and as such, will not be repeated.

5.3.1.2 Gender of respondents

Figure 5.12 represents the gender of respondents included in the study. The number of young female entrepreneurs seems to have exceeded expectations; out of a total of 65 respondents received from the database of youth development organisations, one would consider it
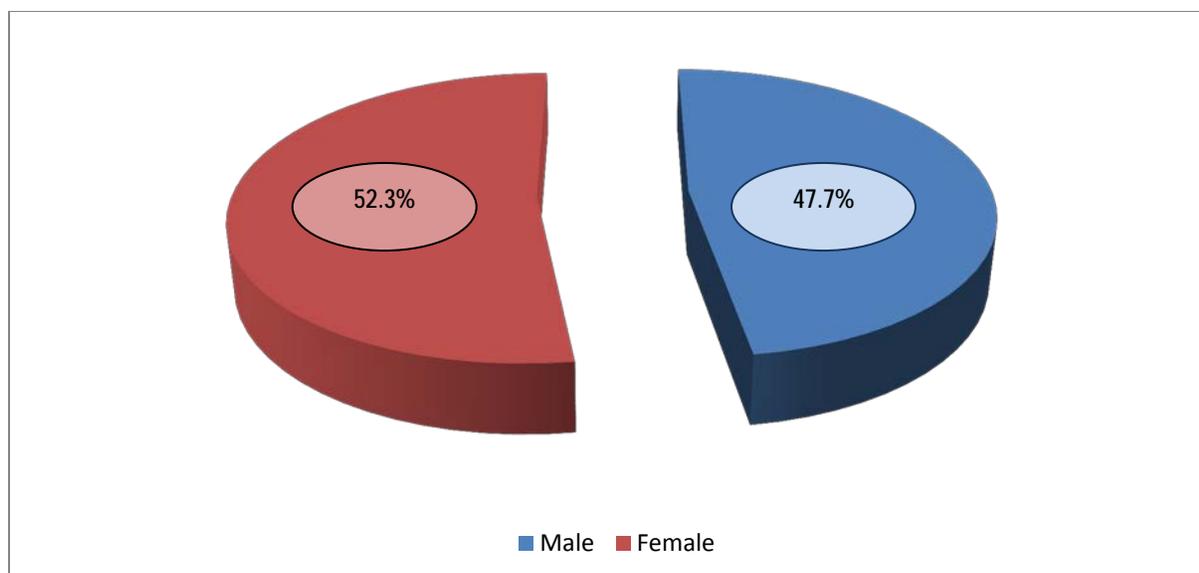
Figure 5.12: Gender of the Respondents

interesting to note that 52.3% were females whereas males accounted for only 47.7%. This situation would be considered promising as it implies that young women in Limpopo Province are emerging as trained and knowledgeable entrepreneurs who will be able to make excellent business decisions, especially marketing decisions, due to entrepreneurship training they are subjected to.

5.3.1.3 Age of respondents

Examining the age of respondents included in the study, figure 5.13 clearly shows that the majority of them belonged to the age category 30-35 years (63.1%), followed by those in the 24-29 age category (32.3%) and lastly the age category 18-23, only 4.6%. The reason for a small percentage of young entrepreneurs in the category 18-23 may be attributed to the fact that most of them are still at school, while the reason for a high percentage in the age category 30-35 may be attributed to unemployment, as indicated by some of the respondents when they responded to the request to give motivation factors for their choice of the type of business they were running.
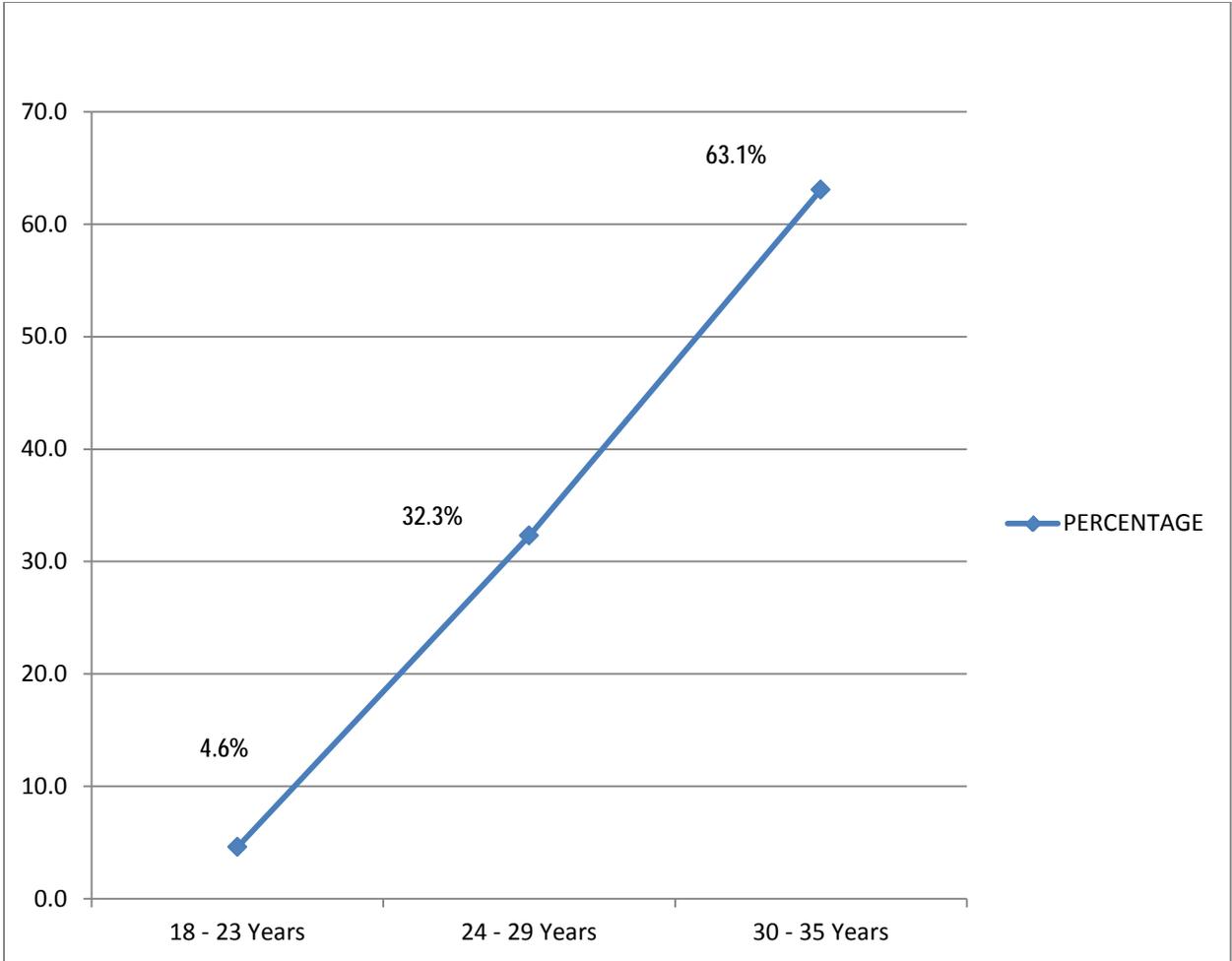
Figure 5.13: Age of the Respondents

5.3.1.4 Districts of respondents

In order to establish the districts where the respondents come from, the respondents were requested to respond to the question: Which district in Limpopo Province do you come from? Figure 5.14 reflects the responses to this question. It confirms what has already been indicated in 5.2.1 on personal and demographic data of youth development organisations; the Capricorn District has the highest number of respondents at 72.3%, followed by Waterberg District, 16.9%, then Mopani, 4.6% and lastly Vhembe and Sekhukhune at both 3.1%.
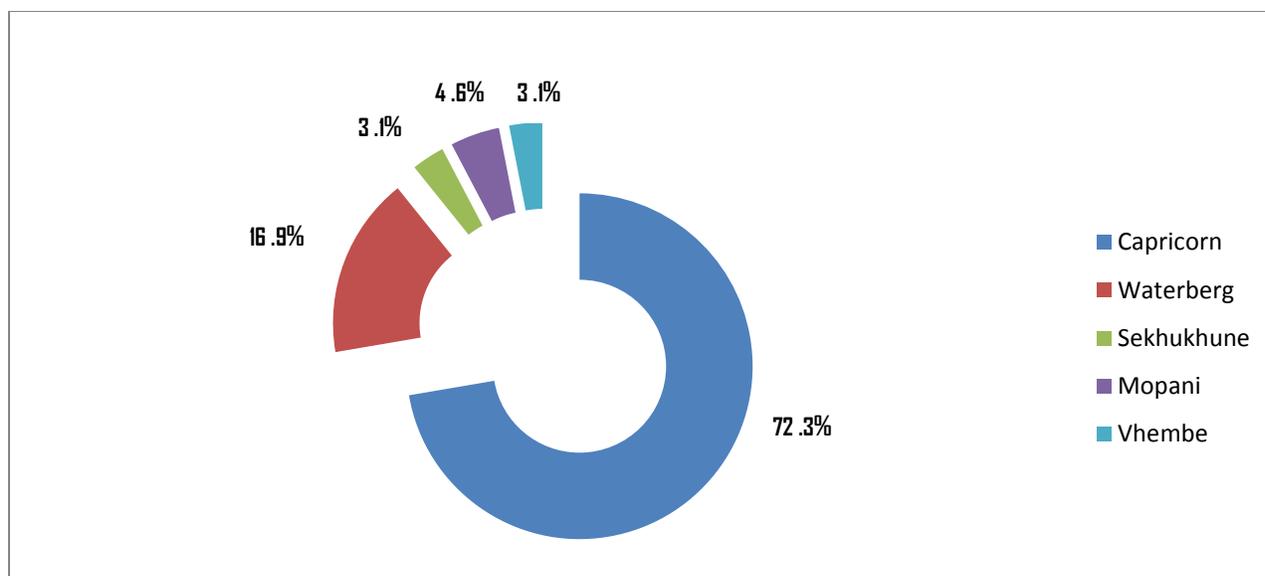
Figure 5.14: District of Respondents

5.3.1.5 Education level of respondents

To ascertain whether the respondents had the basic ability to be trainable and to understand the content taught in entrepreneurship training, respondents were requested to indicate both their highest formal qualifications under general as well as their highest formal qualifications pertaining to marketing in particular. Tables 5.2 and 5.3 reflect the responses to these requests.

Table 5.2: Highest Formal Qualification

	COUNT	PERCENTAGE
Matric	10	15.4%
Tertiary Institution Certificate	8	12.3%
Diploma	34	52.3%
Degree	9	13.8%
Senior degree	4	6.2%
	65	100.0%

One would consider it gratifying to note in table 5.2 that 6.2% of the respondents hold senior degrees, 13.8% junior degrees, and a vast majority 52.3% tertiary diploma qualifications. It would be considered disappointing to note that 12.3% hold tertiary level certificates, however,

Table 5.3: Highest Formal Qualification in Marketing

	COUNT	PERCENTAGE
Certificate in Marketing	3	75.0%
Diploma in marketing	1	25.0%
	4	100.0%

15.4% have a matric qualification only. Some of the respondents in the latter category may find it difficult to comprehend some of the modules included in entrepreneurship training.

As can be seen from table 5.3, 75% of the four respondents who, besides the general formal qualifications reflected in table 5.2 also hold a certificate in marketing while 25% have a marketing diploma. This category of trainers are expected to cope well in marketing management training and also to do well in terms of marketing management in their own business ventures.

5.3.1.6 Types of business of respondents

Tables 5.4 and 5.5 reflect the responses of 65 young entrepreneurs who responded to the question "What type of business are you involved in? To facilitate analysis, the researcher grouped similar business firms together in terms of the type of business held.
The table clearly shows that the majority of young respondents are in catering, events and decorations (24.6%), followed by NGOs (health, safety, home-based and rural development services) and manufacturer/producer (12.3%), then skills training services (7.7%), IT business

Table 5.4: Types of Business Run by the Young Entrepreneurs Included in the Study

Business Sector	Type of business	Percentage
Manufacturers	Manufacturer/producer	12.3%
Services	Catering, Events & Decorations	24.6%
	NGOs: Health, Safety, Home-based & Rural Development Services	12.3%
	Skills Training Services	7.7%
	IT: Connections & Communication	4.6%
	Waste Management	4.6%
	Hair salon	4.6%
	Consulting engineers	3.7%
	Electrical services	1.5%
	Environment Services	1.5%
	Estate agency	1.5%
	Laundry	1.5%
	Plant & Tool Hire	1.5%
	Press & Events	1.5%
	Security products	1.5%
	Service workshop	1.5%
	Toilet Services	1.5%
	Day care Center	1.5%
	Car wash	1.5%
Retail & Distributors	Fast food outlet	1.5%
	Spaza shop	4.6%
	Cleaning products distributor	3.0%
		100.0%

firms(connections & communication), waste management, hair salon and spaza shops (4.6%), consulting engineers (3.7%), cleaning products distributor (3.0%) , and finally, electrical services, environment services, estate agency, laundry, plant and tool hire, press and events, security products;, service workshop, toilet services, day care center, car wash and fast food outlet all equally at 1.5% each. Reasons why certain types of business firms are popular will be indicated in item 5.3.1.7 on the item on motivating factors for the choice of type of business.

Table 5.5: Producing/ Manufacturing Business Firms Run By Young Entrepreneurs Included In
        The Study

	Count	Percentage
Cement brick Manufacturers	2	25%
Poultry	2	25%
Bakery	2	25%
Confectionery	1	12.5%
Construction (Building)	1	12.5%
	8	100%

Observing the eight businesses involved in production/manufacturing , one   would note that 25% are involved in cement brick manufacturing; 25% in poultry and 25% in bakery. Confectionery and construction are the least popular and account for 12.5% each.

5.3.1.7 Motivating factors for choice of type of business

Respondents were requested to mention factors that motivated their choice of the type of business firms they were involved in. Figure 5.15 displays their responses. One would consider it gratifying to note that 70.7% of the respondents are involved in a type of business due to a need that existed in their areas and that 16.9% based their choice of businesses on the fact that they were unemployment. It would be considered disturbing to note that 6.2% of respondents
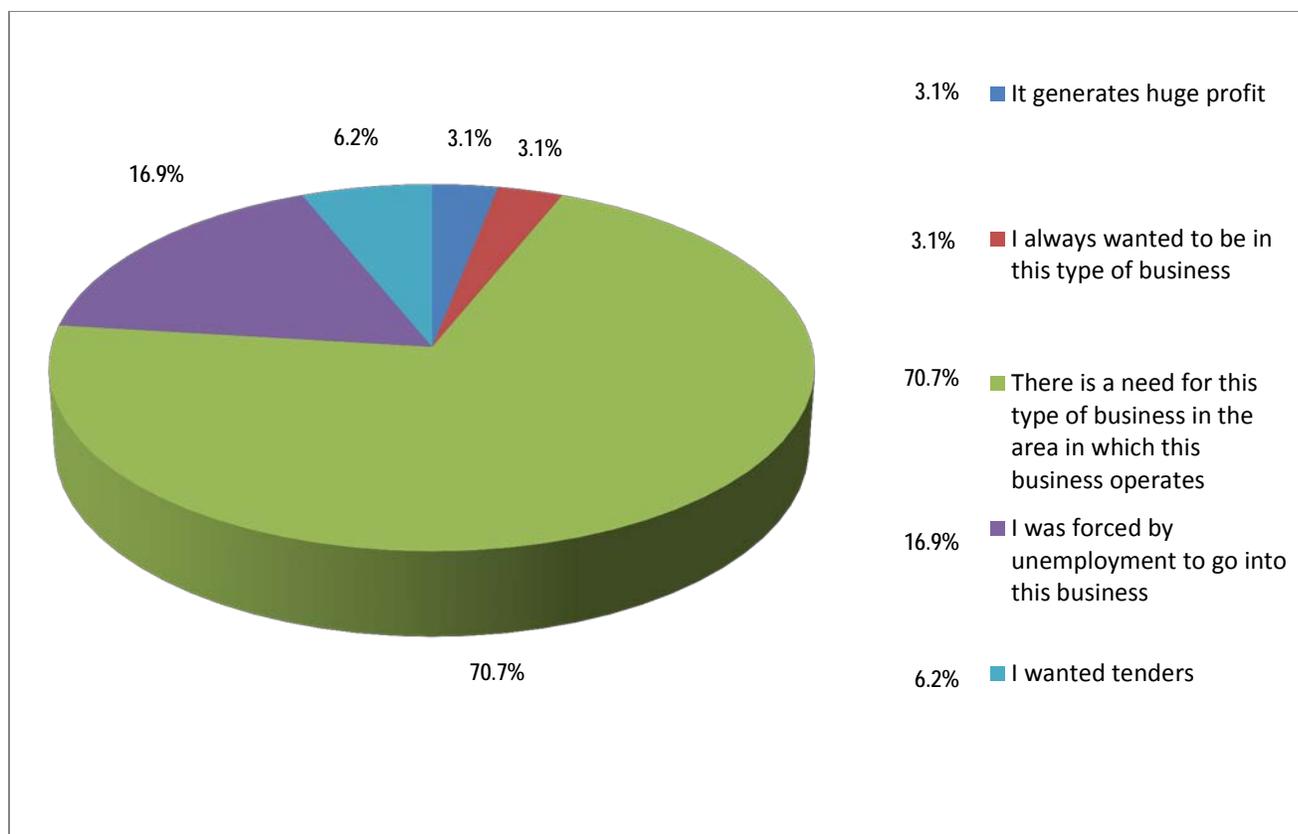
Figure 5.15: Motivating Factors for the Choice of Type of Business

are into the type of business they are in due to their craving for tenders and very surprising that 3.1% of them due to the fact that the type of businesses they are into makes huge profits while on the other hand, 3.1% started the type of business they are in due to passion only; they have always wanted to be in the type of business they are in.

5.3.2 Performance data on the training offered by youth development organisations.

In this section, data about youth development organisations, received from the trained young entrepreneurs, are presented and analysed. This data covers the following areas: convenience of the training venue; the language and level of instruction used by business development officers; provision of learning material during training sessions as well as post training support offered by youth development organisations.

5.3.2.1 Convenience of the training venue for the purpose of training
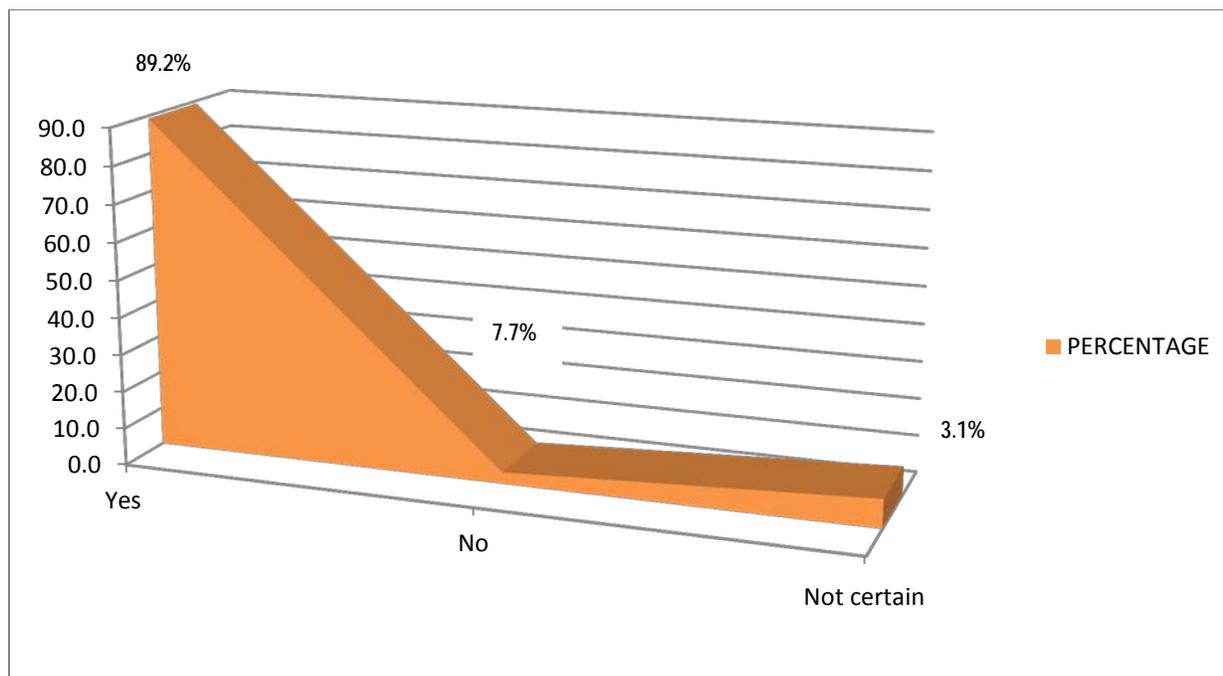
Figure 5.16: Convenience of the Training Venue

It is an expected phenomenon that the training venue should be convenient for training purposes. Figure 5.16 displays the responses of young entrepreneurs when requested to indicate whether the training venue was convenient for the purpose of training. One would consider it encouraging to note that only 7.7% of the responded answered no, while a small percentage (3.1%) was not sure (uncertain) as to whether to answer yes or no to the question. It would be considered beating expectations to note that 89.2% of the respondents felt that the venue utilised was convenient for the purpose of training.

5.3.2.2 Language and level of instruction utilised by business development officer

In order to establish how the respondents under study coped during their entrepreneurship training sessions, they were requested to respond to the question: How did you cope with the

language and level of instruction utilised by your trainer? Figure 5.17 reflects the response to this question.
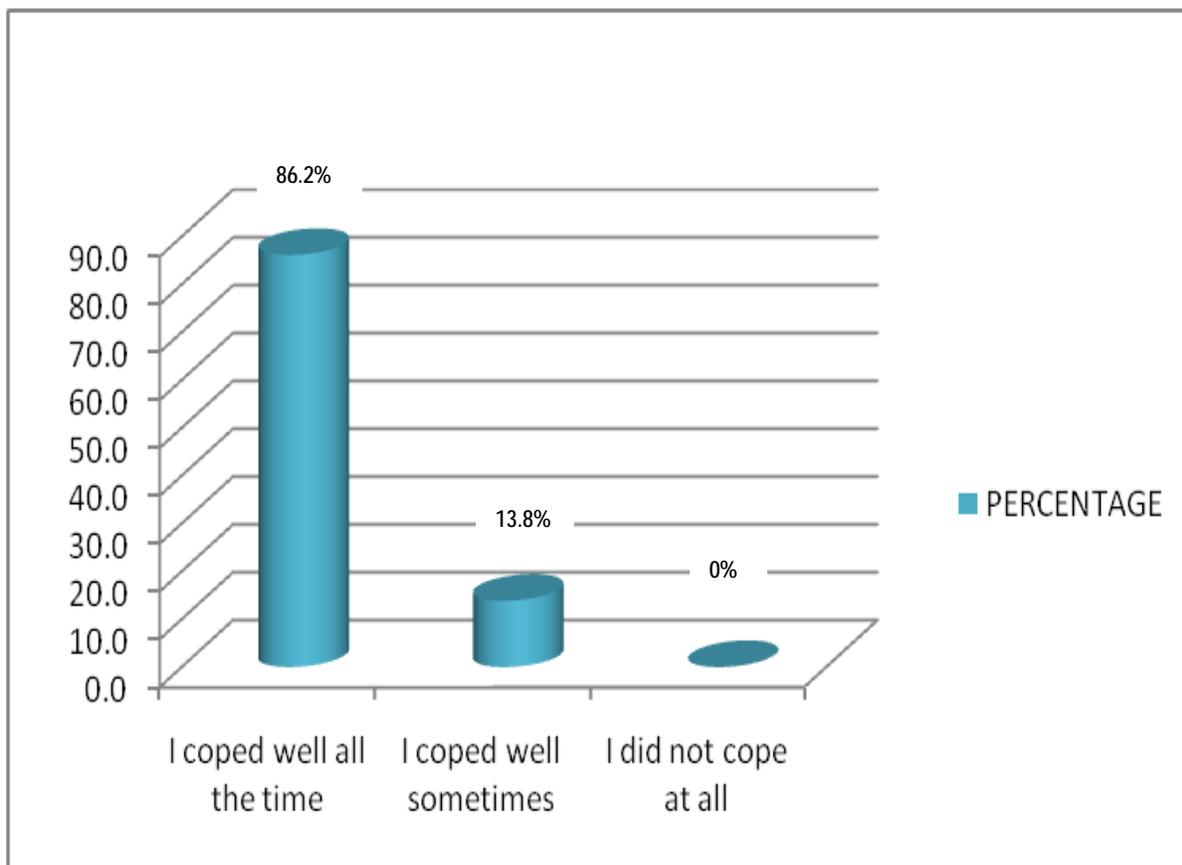
Figure 5.17: Language and Level of Instruction Utilised by Business Development Officers
(Trainers)

One would consider it gratifying to note that the majority of young respondents (86.2%) coped well during training. However, though it seems not pleasing at all to discover that 13.8% of the respondents did not cope well at certain times during training, a larger percentage of these respondents account for the 15.4% of respondents who have matric (grade 12) as their only formal qualification as indicated in table 5.2.

It is significant that each and every trainee should be taken on board and made to understand each and every entrepreneurship aspect being dealt with or else some will fail to apply the knowledge and skills they acquired during training.

5.3.2.3 Provision of learning material during training session

Figure 5.18 reflects the response to the question: Were you provided with learning material during your training sessions? This significant feature of entrepreneurship training, as in the previous two above, i.e language and level of instruction utilised by business development
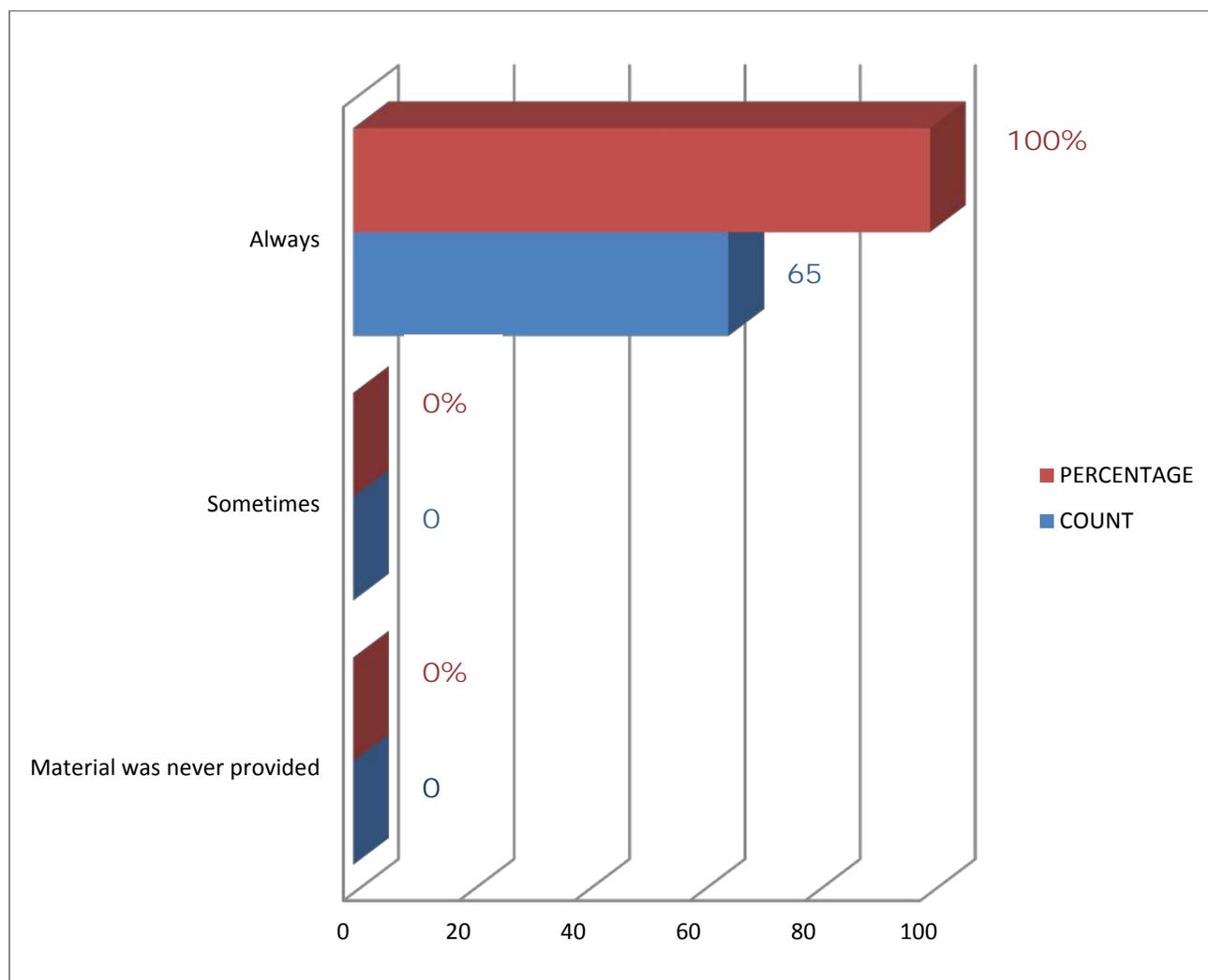
Figure 5.18: Provision of Learning Material during Training Session

officers, as well as provision of learning material during training session, exceeded expectations as this graph clearly indicates that all respondents were provided with learning material all the time during their training sessions.

5.3.2.4 Post-training visits by business development officers for support or guidance
purposes.

On the question: How often do you get post-training visits from your business development
officers or consultants for support or guidance purposes? One would consider it not pleasing at
all to note from figure 5.19 that all of the 65 (100%) respondents included in the study, did not
receive any visits from the youth development organisations that provided their
entrepreneurship training.
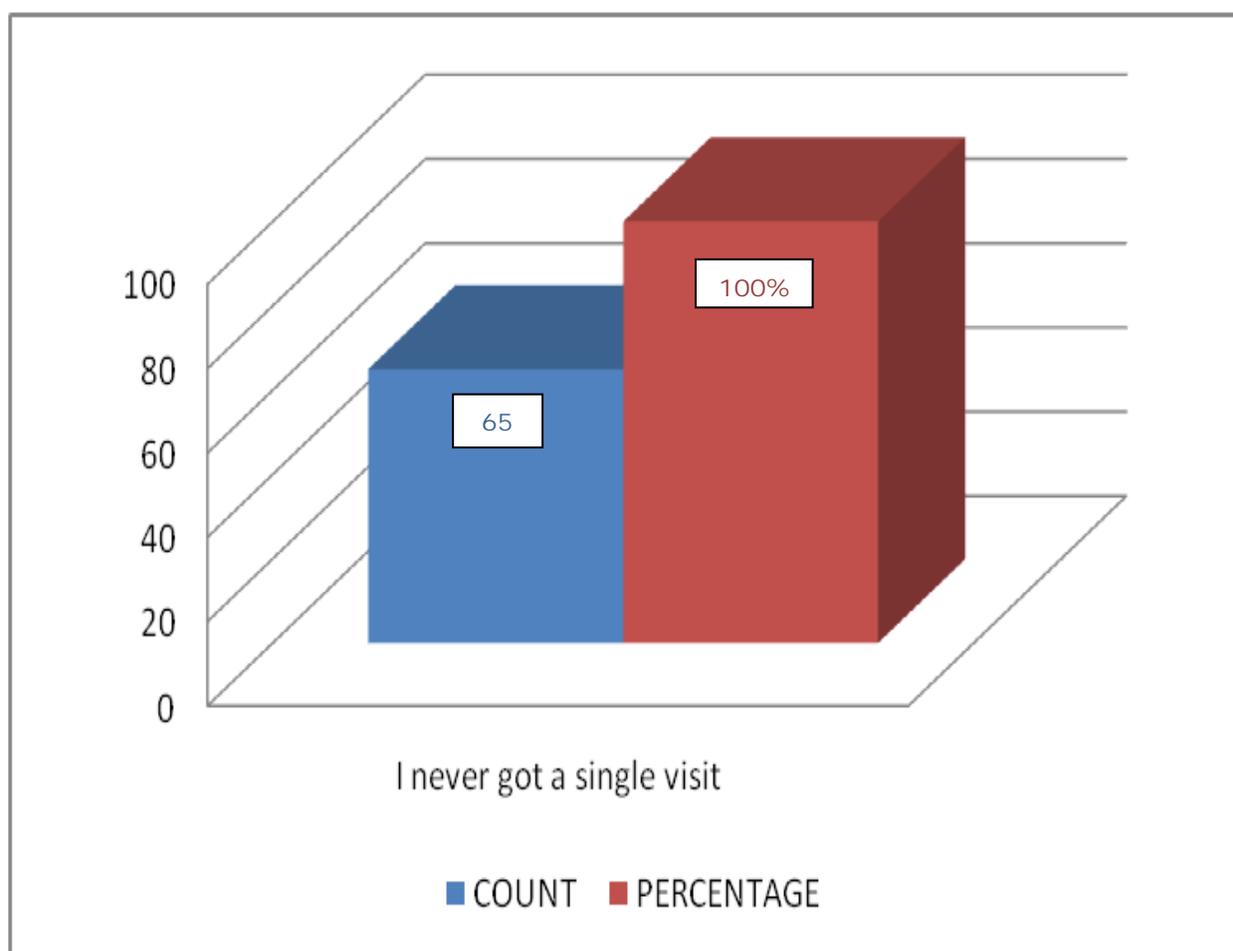
Figure 5.19: Post-Training Visits By Business Development Officers

The reason why none of them got access to post-training support was well explained in item
5.2.7 (data collected from business development officers on post-training support offered by

youth development organisations) that for a young entrepreneur to receive post-training support or to be included in a business incubation programme , his/her business must first be operating in a particular industry and second, the young entrepreneur must also have won the preliminary stages of entrepreneurship competitions run by the youth development organisations on certain criteria.

5.3.3 Performance data on marketing management by young entrepreneurs trained by youth development organisations

5.3.3.1 Marketing plan and promotion of products/service sold by respondents

On the questions whether respondents have their marketing plan in place as well as whether they promote goods/services they sell as indicated in table 5.6, It would be considered

Table 5.6: Marketing Plan and Promotion Of Products/Services Sold By Respondents

	YES		NO	
	COUNT	PERCENTAGE	COUNT	PERCENTAGE
Do you have a marketing plan in place?	65	100%	00	0%
Do you promote the product/s or service/s that you sell?	65	100%	00	0%

pleasing to note that all 65 (100%) respondents do put into practise what they have learned from youth development organisations. They all have their marketing plans in place and promote goods/services that they sell.

The chart shows a horizontal bar/cylinder graph with the vertical axis labelled "PERCENTAGE" and the horizontal axis marked 0.0, 20.0, 40.0, 60.0, 80.0.

- Green bar: 72.3% — When I was starting business and applying for a loan, it formed part of my business plan
- Red bar: 15.4% — When I applied for an additional business loan, it formed part of my business plan
- Blue bar: 12.3% — Other
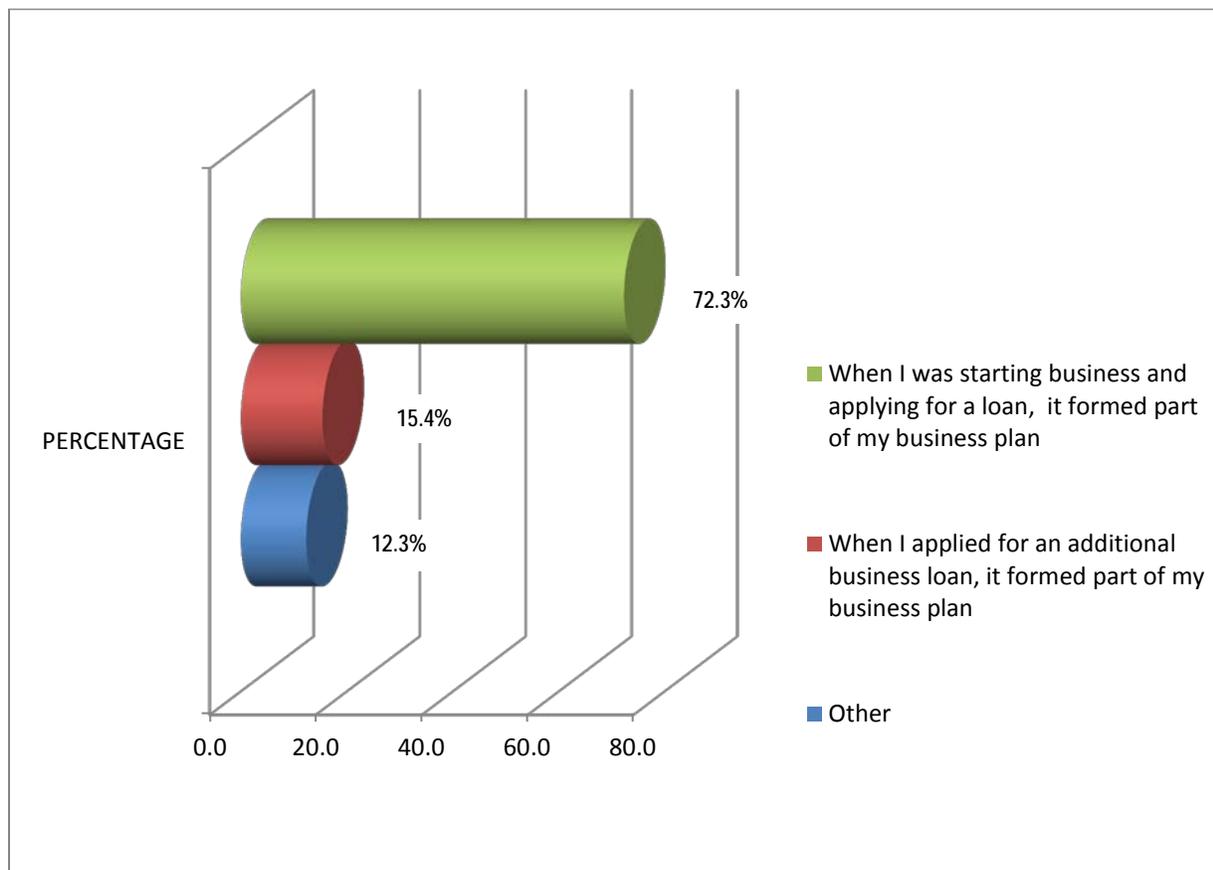
Figure 5.20: Instances And Frequency Wherein Respondents Made Use Of Their Marketing
	Plans

Figure 5.20 reflects the results on the question: When last did you use your marketing plan? One would consider it disturbing to note that a large percentage (72.3%) of young entrepreneurs believes that the sole purpose of a marketing plan is to apply for funding, they do not refer to it when planning their marketing activities, they also do not update it as and when their businesses grow. All the same, 15.4% used it when they applied for additional loans for their business firms. As in the latter, they also associated marketing plan with funding and it ends there. On the other hand, through probing, it was promising to realise that the remaining

12.3% of the respondents who belonged to the answer category "Other" as reflected in figure 5.20 argued that they utilise it every time they are engaged in marketing related decisions.

5.3.3.2 Methods of promotion utilised

Figure 5.21 displays the results of the request by respondents to indicate the method/s of promotion they utilise in communicating with the market. As can be noticed, the majority (57.7%) of young entrepreneurs utilize advertising as a method of promotion, followed by
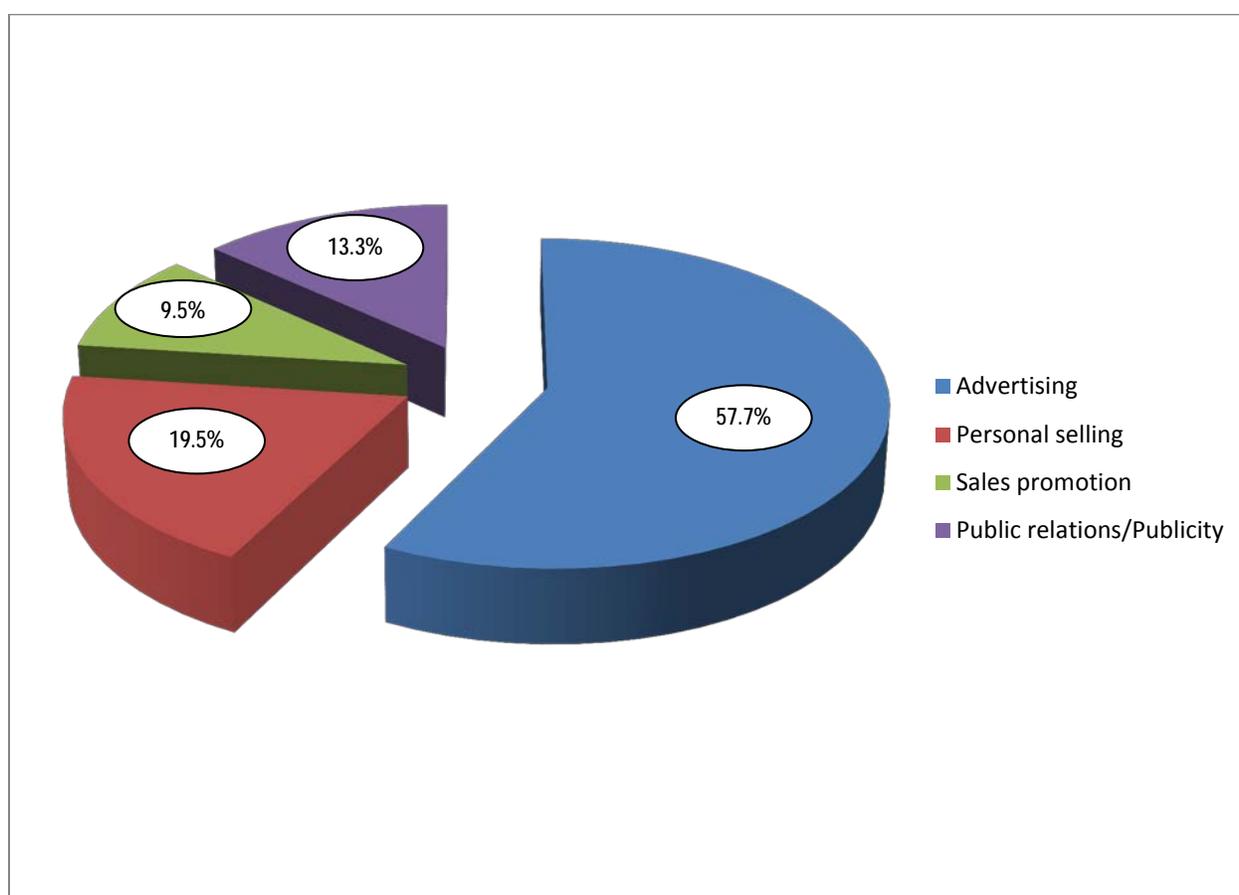
Figure 5.21: Method/s of Promotion Utilised in Communicating With the Market

personal selling at 19.5% and then public relations/publicity at 13.3%. Sales promotion, which was most popular amongst NGOs in health; social and rural development services, accounted to only 9.5% of all the respondents included in the study.

5.3.3.3 Methods of Advertising Utilised

Figure 5.22 shows the results when the respondents were requested to specify the method/s of advertising they utilised when advertising is included in their methods of promotion. As is
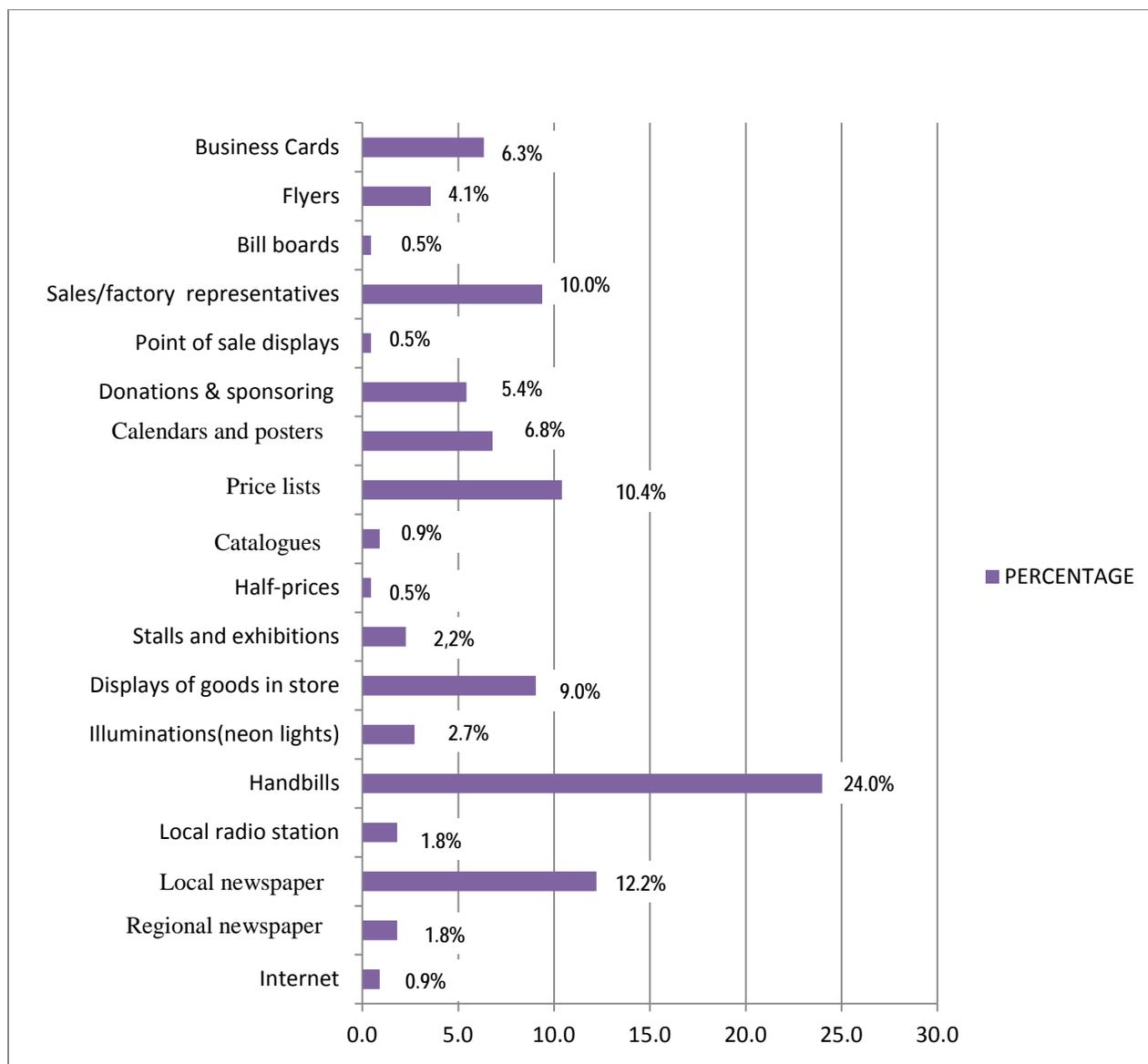
Figure 5.22: Method Of Advertising That Were Utilised

evident from the graph, the leading or dominant method of advertising is handbills (24.0%), followed by local news papers (12.2%); then price lists (10.4%); sales/factory representatives

(10.0%); displays of goods in store (9.0%); calendars and posters (6.8%); business cards (6.3%); donations and sponsoring (5.4%); flyers(4.1%); illuminations/neon lights (2.7%); stalls and exhibitions (2.2%); regional news paper(1.8%); local radio station(1.8%); internet (0.9%); catalogues (0.9%); half prices (0.5%); point of sale displays (0.5%) and lastly, bill boards at 0.5%.

Capricorn newspaper is the regional newspaper for the Capricorn District and is utilised by 1.8% of the respondents as shown in figure 5.22 in the item "regional newspaper". This newspaper is released once a week and covers the whole of Limpopo Province. The rest of the following newspapers mentioned below are categorized under local newspapers and are utilised by 12.2% of the respondents as reflected in figure 5.22. Northern Review and Limpopo Informant are distributed weekly in Polokwane. Letaba Herald, Palabora/Hoedspruit Herald and Bosvelder are distributed once a week in Tzaneen, Phalaborwa, Hoedspruit and Mokopane respectively. Polokwane Express, Vhembe Herald and Mopani News are distributed free of charge to households in the Greater Polokwane Municipal area, Louis Trichardt and the Greater Tzaneen area. As already indicated above, the 1.8% of respondents who utilised a local radio station for advertising, make use of Capricorn FM.

5.3.3.4 Channels of distribution utilised

On the question: "Which distribution channel do you make use of?" It is clear from figure 5.23 that only a fraction of the respondents (7.7%) makes use of both the direct and indirect distribution methods. These respondents are mostly into manufacturing/production and the nature of goods that they produce requires assistance of distributors. On the other hand, 92.3% of the respondents utilise only the direct distribution channel. They are all into distribution/retailing and services. All the respondents included in the study seem to be utilising the right channels for the kind of goods/services they offer.
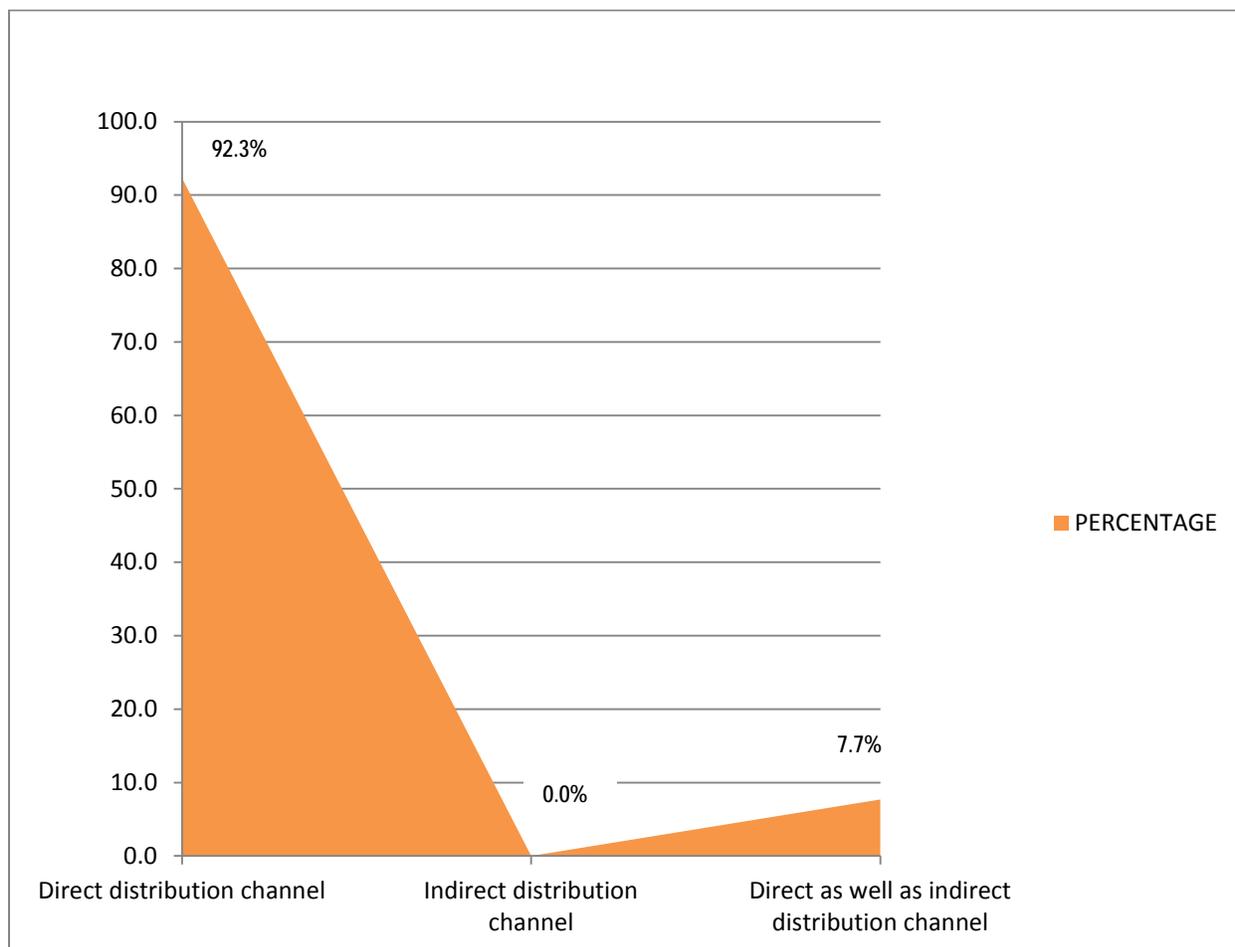
Figure 5.23: Channels of Distribution Utilised

5.3.3.5 Consideration of the needs of customers/clients in marketing decision-making (Market orientation)

Responding to the request to indicate whether the respondents do consider the needs of their customers/clients in their marketing decisions, it was exciting to note in figure 5.24 that the majority (73.8%) of the respondents do consider the needs of their customers/clients in their marketing decisions. However, 26.2% of them only consider their customers' needs, sometimes.
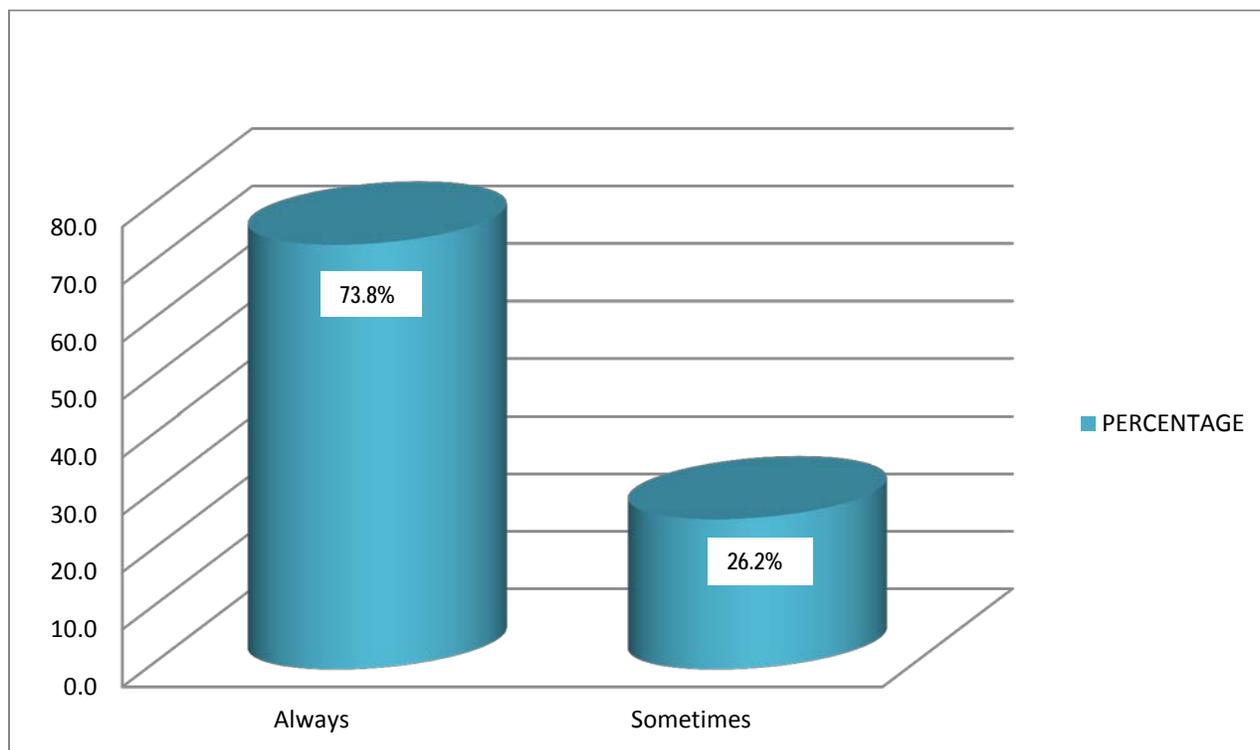
Figure 5.24: Consideration Of The Needs Of Customers/Clients In Marketing Decisions Making

5.3.3.6 Usage of market research

Table 5.7 displays the results of the request for respondents to indicate whether they conduct market research or not. One would consider it encouraging to note that the majority (72.3%) of the respondents conduct market research. Of the 72.3% that conduct market research, some did it formally and others informally. However, 27.7% of respondents did not find a need for conducting market research.

Table 5.7: Usage of Marketing Research

	COUNT	PERCENTAGE
Yes - I do	47	72.3%
No - I don't	18	27.7%
	65	100.0%

Of the 47 respondents who answered "YES" to the previous question that requested them to state whether they were practicing market research or not, one would consider it exciting to note in figure 5.25 that 21.3% of them stated that they conduct market research informally, and promising to learn, that 4.3% and 36.0% of them were conducting it quarterly and half yearly, respectively. It would be considered disappointing though, to learn that, 36.3% and 2.1% were conducting it yearly and once every two years, respectively.
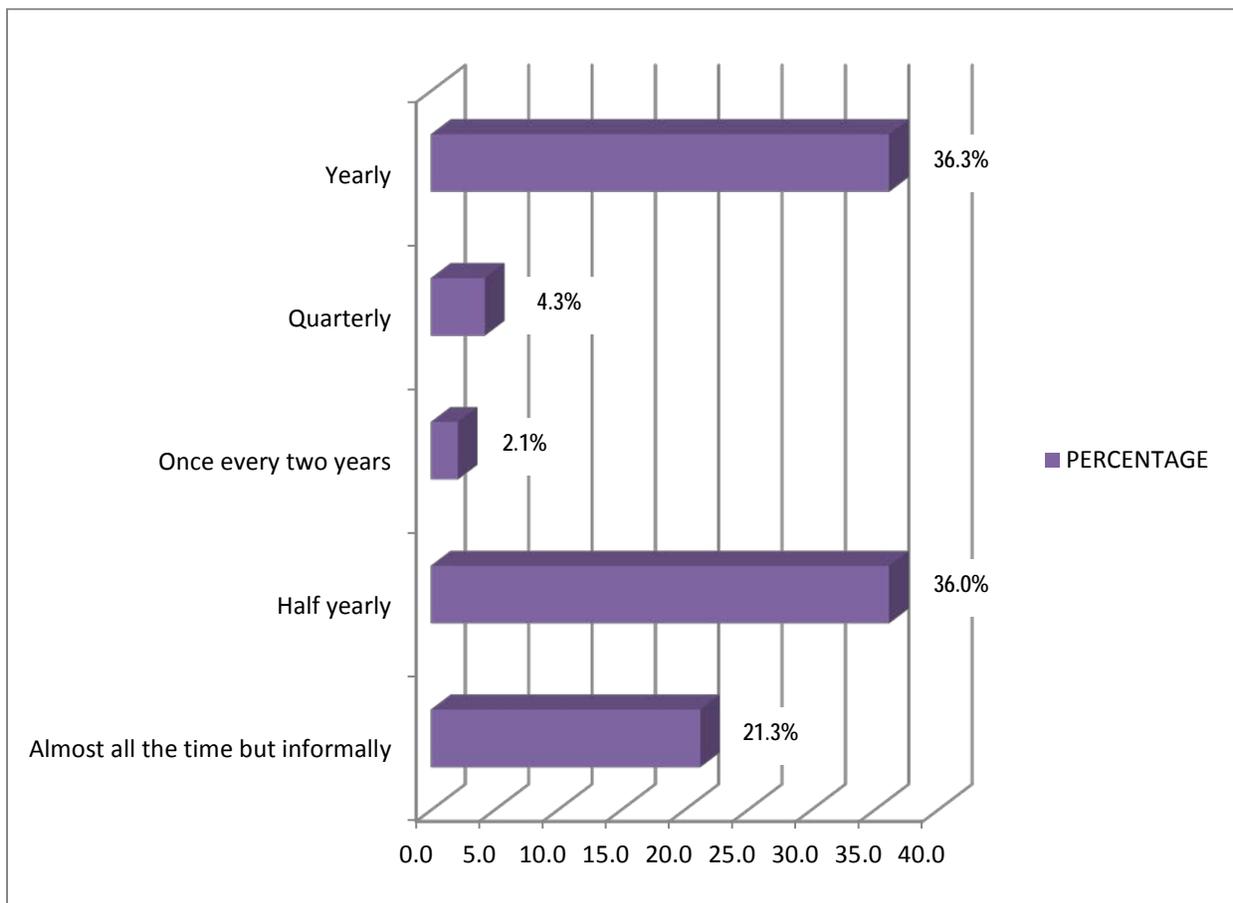
Figure 5.25: Frequency In Conducting Market Research

Of the 18 respondents who answered "NO" to the question that requested them to state whether they were conducting market research or not, most of them cited lack of finance as the main impeding factor.

5.3.3.7 Availability of competition in the area of business operation

Table 5.8 reflects the responses to questions that requested respondents to indicate whether they were faced with competition in their area of business. As can be noticed, 62 (95.4%) out of a total of 65 (100%) respondents stated that they have competition in their area.

Table 5.8: Availability of Competition in the Area of Business Operation

	COUNT	PERCENTAGE
Yes - I do	62	95.4%
No - I don't	3	4.6%
	65	100.0%

Only three (4.6%) stated that they did not have competition in their area. One of the respondents runs a poultry farm and the other two are running non-profit organisations (NGOs), one in rural development services and the other in health and social development services.

5.3.3.8 Utilisation of SWOT analysis

Again, a similar trend can be noticed in table 5.9 as in the previous table.
On the question that requested respondents to indicate whether they perform SWOT analysis, it can be noted in table 5.9 that 62 (95.4%) of the respondents stated that they do perform it, while only 3 (4.6%) indicated that they did not conduct it at all. These two respondents form part of the three respondents who stated that they do not face competition in their area of operation. Both of them run non-profit organisations as NGOs, one in rural development services and the other, in health and social development services.

Table 5.9: Utilisation of SWOT Analysis

	COUNT	PERCENTAGE
Yes - I do	62	95.4%
No - I don't	3	4.6%
	65	100.0%

5.3.3.9 Method/s utilised to deal with competition and other elements of SWOT analysis

Table 5.10 displays the results of 62 respondents who either indicated that they do face competition or do perform SWOT analysis. This table shows methods utilised by these respondents to deal with competition and/or other elements of SWOT analysis.

One would consider it pleasing to note from table 5.10 that 100% of the 62 respondent stated that if they identify weaknesses in their business, they try by all means to eliminate them. It would be considered gratifying to note that 95.2% of the respondents stated that if they identify particular strengths in their business, they try to transform them into a competitive advantage. It seems interesting to note that 79.0% of the respondents stated that if they identify threats, they immediately devise plans to eliminate them before they become unmanageable. It is also promising to note that 64.5% of the respondents stated that if they identify opportunities, they act immediately and use them to the best advantage of their business.

Table 5.10: Method/s Utilised in Competition and Other Elements of SWOT analysis

	TOTAL NO OF RESPONDENTS WHO EITHER HAVE COMPETITIONS OR DO PERFORM SWOT ANALYSIS	COUNT	PERCE-NTAGE
If I identify competition in my area, I simply just ignore it.	62	3	4.8%
If I identify a weakness in my business, I try by all means to eliminate it.	62	62	100%
If I identify a particular strength in my business, I try by all means to transform it into my competitive advantage	62	59	95.2%
If I identify an opportunity, I act on it immediately and use it to the best advantage of my business	62	40	64.5%
If I identify a threat, I immediately device plans to eliminate it before it becomes unmanageable	62	49	79.0%

5.3.3.10 Competitive advantage

In order to establish competitive advantages of the respondents under study, they were requested to respond to the question: What is your competitive advantage? Table 5.11 reflects

Table 5.11: Competitive Advantages Of Respondents

	TOTAL NUMBER OF RESPONDENTS WHO PARTICIPATED IN THE STUDY	COUNT	PERCENTAGE
Unique product/service	65	33	50.8%
Lower prices	65	58	89.2%
Other	65	25	38.5%

the responses to this question. It would be considered promising to note that 33 (50.8%) of the respondents use unique products or services to gain a competitive advantage and 58 (89.2%) of them use lower prices to gain competitive advantage. Further probing revealed that a larger proportion of the 25 (38.5%) respondents who belong to the answer category "Other" as shown in the table, depending on the type of business run, use quality goods, quality services, unique ingredients; after-sales services (such as delivery; installation; demonstrations) as well as guarantee as their competitive advantages.

5.3.3.11 Social responsibility

Table 5.12 reflects responses to the request for respondents to indicate whether they practise social responsibility in their immediate communities. It would not be considered a surprise to note that 81.5% of the youth initiated business ventures do not practise social responsibility. The reason for this being dual, first, their businesses were still small and could not afford it.

Second, because of their size, they were not legally bound by legislation in South Africa to practise social responsibility.

Table 5.12: Social Responsibility in Youth Initiated Business Ventures

	TOTAL NUMBER OF RESPONDENTS WHO PARTICIPATED IN THE STUDY	COUNT	PERCENTAGE
Yes – I do	65	12	18.5%
No – I don't	65	53	81.5%
		65	100.0%

Amongst the 12 (18.5%) respondents who answered "Yes" as indicated in the table, there are some youth initiated business ventures which, by default, are engaged in social responsibility programmes and they include the NGOs in health and social development services, community training services, home-based care services, safety homes and other related services.

Figure 5.26 displays results to the request for respondents who practice social responsibility to indicate the methods that they utilise in practicing social responsibility. As can be noticed, the
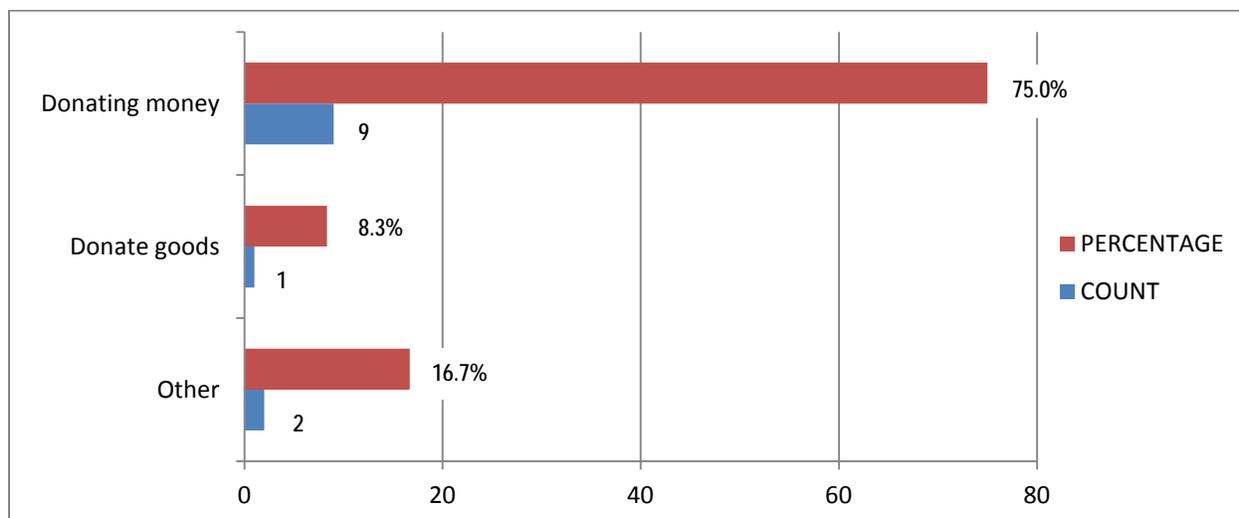
Figure 5.26: Methods of Social Responsibility Practised

majority 9 (75%) out of the 12 respondents who practice social responsibility donate money to their communities, 1 (8.3%) gives donations in the form of goods and the remaining 2 (16.7%) respondents belonging to the "Other" answer category as indicated on the graph, offered services for free as they were service firms in nature. Respondents that practice social responsibility use it as a way of promoting their businesses.
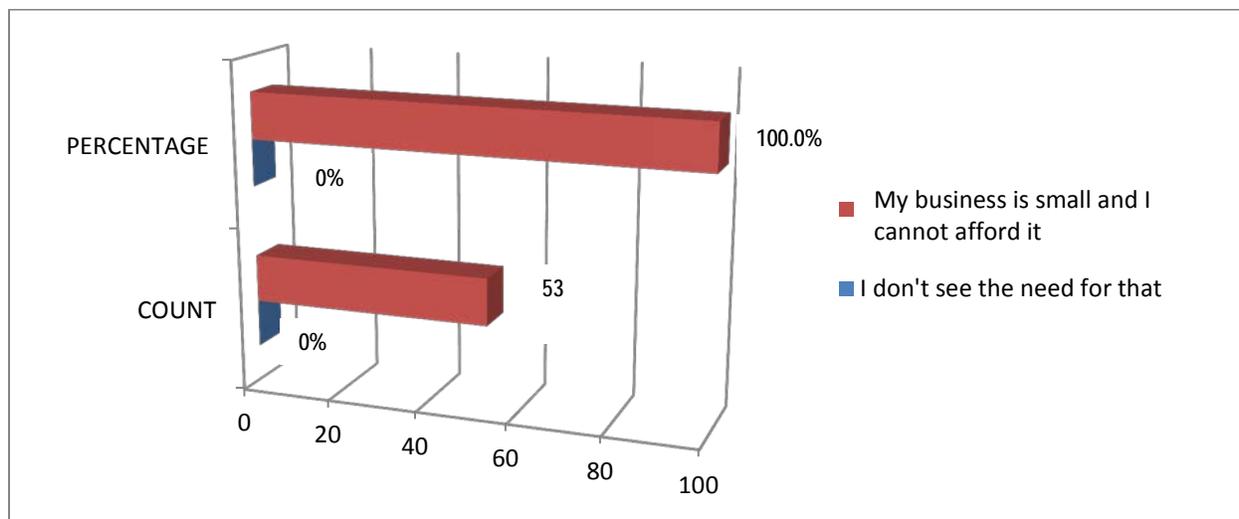
Figure 5.27: Reasons for not Practicing Social Responsibility

Table 5.12 indicated that 53 (81.5%) respondents out of a total of 65 who stated that they did not practice social responsibility gave their reason as displayed in figure 5.26.
As can be seen in figure 5.27, all the respondents who indicated that they did not practice social responsibility gave the same reason, they argued that their business ventures were small and thus, cannot afford practising social responsibility.

5.3.3.12 Consideration of consumers in marketing decisions (consumer orientation)

In order to establish whether respondents under study do consider the needs of their customers in marketing decisions, they were subjected to the question: "Do you consider the needs of customers/clients in your marketing decisions?" Taking a look at the responses to this question in figure 5.28, one would consider it exciting to realize that the majority of the
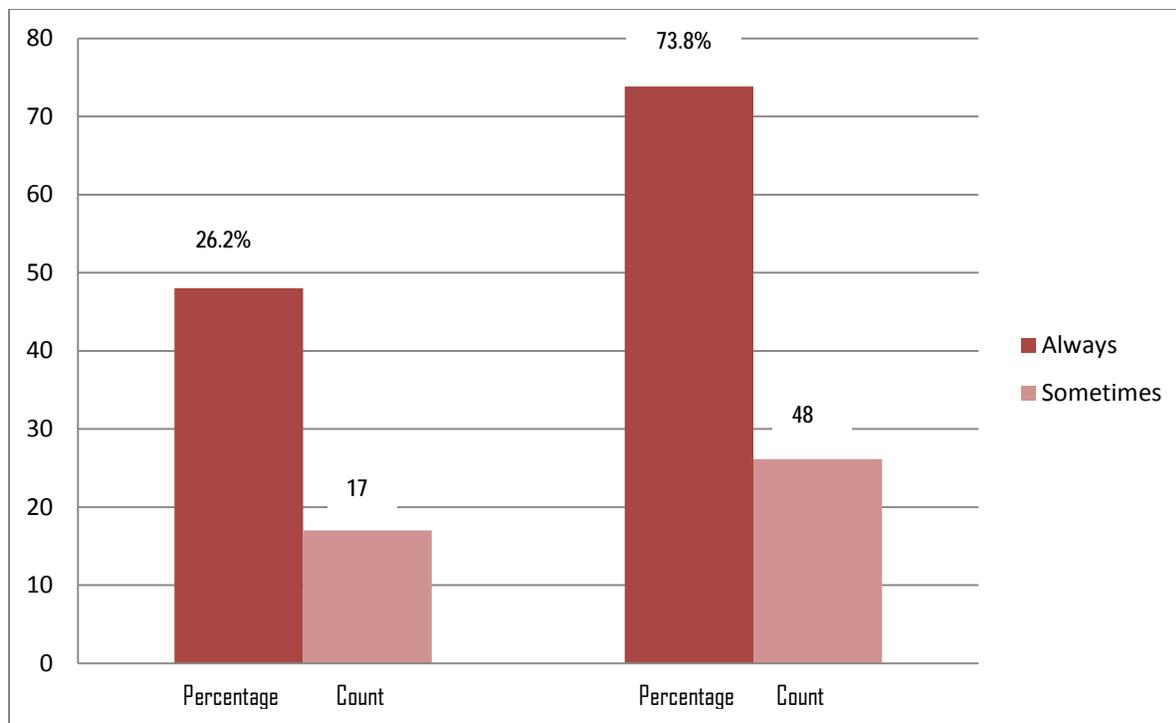
Figure 5.28: Consideration of Consumers In Marketing Decisions

respondents, 48 (73.8%), are consumer orientated, thus, considering the needs of their consumers/clients in marketing decisions. It would however, be considered upsetting to discover that 17 (26.2%) does not consider this very important aspect of marketing management.

The next chapter (Chapter Six) will summarise and interpret the research findings and suggest a number of recommendations to deal with the challenges identified.

Chapter Six

6. FINAL CONCLUSIONS AND RECOMMENDATIONS

6.1 Introduction

Chapter 5 described two situations, namely, the nature of youth entrepreneurship training offered by YDOs in Limpopo Province to the youth of this Province as well as how the trained young entrepreneurs themselves put into practice what they have learned through marketing management training from the YDOs.

In Chapter 4 (Research Methodology), two questionnaires were designed, one directed to the youth development organisations offering entrepreneurship training to the youth of Limpopo Province and another one directed to the young entrepreneurs trained by these youth development organisations. In order to facilitate the process of presentation, analysis and interpretation of imperial data, Chapter 5 (Presentation, analysis and interpretation of imperial data) also used the same approach. The empirical data was categorised into two sections, first, the youth development organisations and second, the young entrepreneurs.

In this chapter, the same approach is utilised. The research first starts with the youth development organisations and thereafter deals with the young entrepreneurs focusing on the following aspects: Summarising and interpretation of research findings as well as offering recommendations for development on challenges identified.

6.2 Data collected from business development officers attached to youth development organisations

6.2.1 Areas of marketing management covered in entrepreneurship training

An analysis of empirical data on areas of marketing management, covered in the entrepreneurship training, indicated that all the youth development organisations under study,

include different aspects of marketing in their entrepreneurship training. Exclusion of important aspects of marketing such as consumer orientation, marketing research, and competitive advantage by some of the youth development organisations, is a course for concern

Recommendation 1

To ensure excellent development of marketing skills in young entrepreneurs, youth development organisations should consider including all important aspects of marketing management in their entrepreneurship development programmes. Recommendation 2 (duration of training) should accomplish this objective.

6.2.2 Duration of the entire entrepreneurship training

Out of the four youth development organisations included in the study, only one (25%) of them offers entrepreneurship training to young entrepreneurs for the duration of up to three months. The duration of entrepreneurship training courses of the rest, the other three (75%) youth development organisations, lasts for a maximum of seven days.

One would wonder how a business development organisation can manage to deal with the entire spectrum of small business management in seven days and in particular, deal satisfactorily and effectively with important aspects of marketing management in an average of just two days**.**

This explains the situation why some youth development organisations leave out important aspects of marketing management and focus on only those that can be dealt with within an average of two days. The duration of marketing management training is inadequate and renders the entire entrepreneurship courses offered by youth development organisations, ineffective.

Recommendation 2

The average duration of the entire entrepreneurship training programme, which is currently restricted to seven days, as according to findings in Chapter 5, should be extended to at least 14 days so that marketing management training can receive a larger share of the total management programme.

6.2.3 Training methods used in entrepreneurship training

As would be expected, the leading or dominant training methods which were utilised by the youth development organisations belonged to just one category of training methods, namely, Information-based methods, which embrace the popular lecture and group discussion methods. With the exception of two of the youth development organisations who also utilised the case study method and the simulation method respectively, other training methods were not utilised.

Recommendations 3

Although some of the training techniques consist of training methods that are expensive to utilise as they require expensive equipment like simulations, it is important for youth development organisations to utilise them. Demonstration-based methods, such as recordings, films and slides, as well as practice-based methods such as behaviour modeling and role-playing, should be considered in entrepreneurship training, especially in marketing management training, in order to compliment the traditional information-based methods, such as the lecture and group discussion methods.

6.2.4 Frequency in updating data base of trained young entrepreneurs

Only one of the four youth development organisations under study confirmed that they

update their data base on young entrepreneurs they trained annually. The rest, do not bother to update their data bases at all.

Recommendations 4

Youth development organisations should consider keeping an updated data base for the benefit of everyone, including themselves. An updated data base will help young entrepreneurs to get easy access to former trainees for the purpose of mentoring; youth development organisations themselves will be able to track down the young entrepreneurs they trained in order to make an impact analysis on their business ventures to test the success of their entrepreneurship training, and institutions of higher learning and students will be able to get information on trainees for the purpose of research.

6.2.5: Post training support

Only two (50%) of the youth development organisations were running what they referred to as business incubation programmes. This is a positive development in youth development training which actually exceeded expectations. However, the problem with these programmes is that they only support and nurtures those who were selected to be in entrepreneurship start-up competitions. They benefit a very small fraction of the young entrepreneurs they train, for instance, none of the 65 respondents included in the study benefited from these programmes.

Recommendation 5

Post training support should receive serious attention from the youth development organisations as trainees need immediate support during the implementation stage for clarification of uncertainties. Due to lack of man power and financial constraints, youth development organisations may not be able to physically go to the young entrepreneurs they

trained but could at least consider inviting them for short consultative meetings a few months after training.   Networking and mentoring with former trainees, currently with huge experience in business and marketing would also play a vital role in this regard. The necessity of updating the data base on trained young entrepreneurs will serve this end and other purposes as already explained

6.2.6 Factors limiting young entrepreneurs to succeed in marketing

From the analysis made in Chapter 5, two conclusions could be drawn regarding factors that limit most of the young entrepreneurs to succeed in marketing. First, their reason for failure to market their business is due to mismanagement of funds. They struggle a great deal to get funds but as soon as they succeed in getting funds, most of them do not invest these funds in profitable business projects like promotion and market expansion but spend it on personal things ranging from clothes to cars. Second, they are just not hardworking as they focus solely on getting tenders to sustain their business.

Recommendation 6

As all youth development organisations offer some form of counseling to their trainees, they should consider including these two aspects in their package, namely, "mismanagement of business funds" as well as "relying solely on tenders to do business". Inclusion of these two important aspects should have a positive influence on their quest to succeed in business.

6.3 Data collected from young entrepreneurs trained by youth development organisations
In this section of the study, research findings on young entrepreneurs trained by youth development organisations are summarised and interpreted. Recommendations are offered for gaps identified.

As already mentioned, most of the respondents included in the study were from the Capricorn District of Limpopo Province, as such, analysis on a number of factors was conducted in order to establish whether there were noticeable differences between the respondents from Capricorn District and those from the other districts in an attempt to generalise the results for the whole of the Limpopo Province.
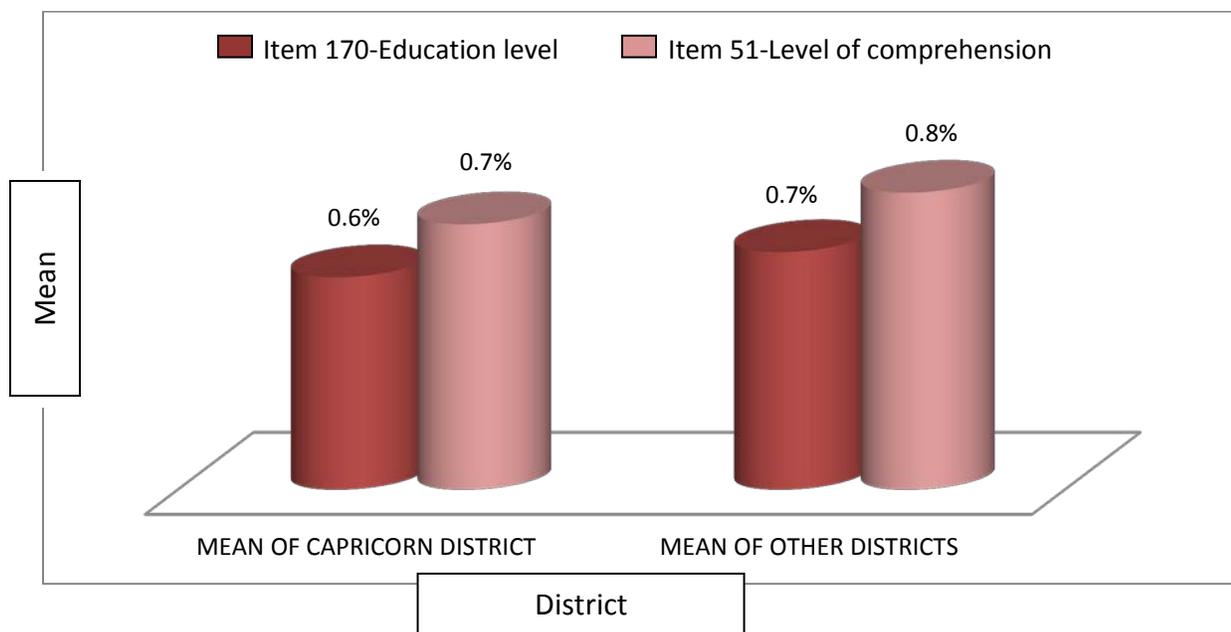
Figure 6.1: Biographical Data from Respondents in the Capricorn District Compared To Other Districts

Figure 6.1 shows the results of the analysis conducted. As can be observed, there is no significant difference between the mean of the Capricorn District and that of the other districts on the two aspects analysed, namely, the level of education and the level of comprehension represented by items 170 and 51, respectively and as reflected in Annexure B. Education level represents basic knowledge required to run a business successfully. A tertiary diploma qualification was used as a yardstick for this study. Comprehension on the other hand, represents the ability of a respondent to be trainable and to understand the content taught.

To ascertain whether the results could be generalised, another analysis was conducted on the performance data of young entrepreneurs on marketing management issues related to their business firms. The following items were selected from Annexure B for this purpose:

Item 37 – Starting business as a result of a need

Item 130 - Perform market research

Item 165 - Consider customer needs in marketing decisions

Item 143 - Conduct SWOT analysis

Item 148 - Act immediately on opportunities as they avail themselves to the best advantage of the business

Item 149 - Device plans to eliminate threats before they become unmanageable.
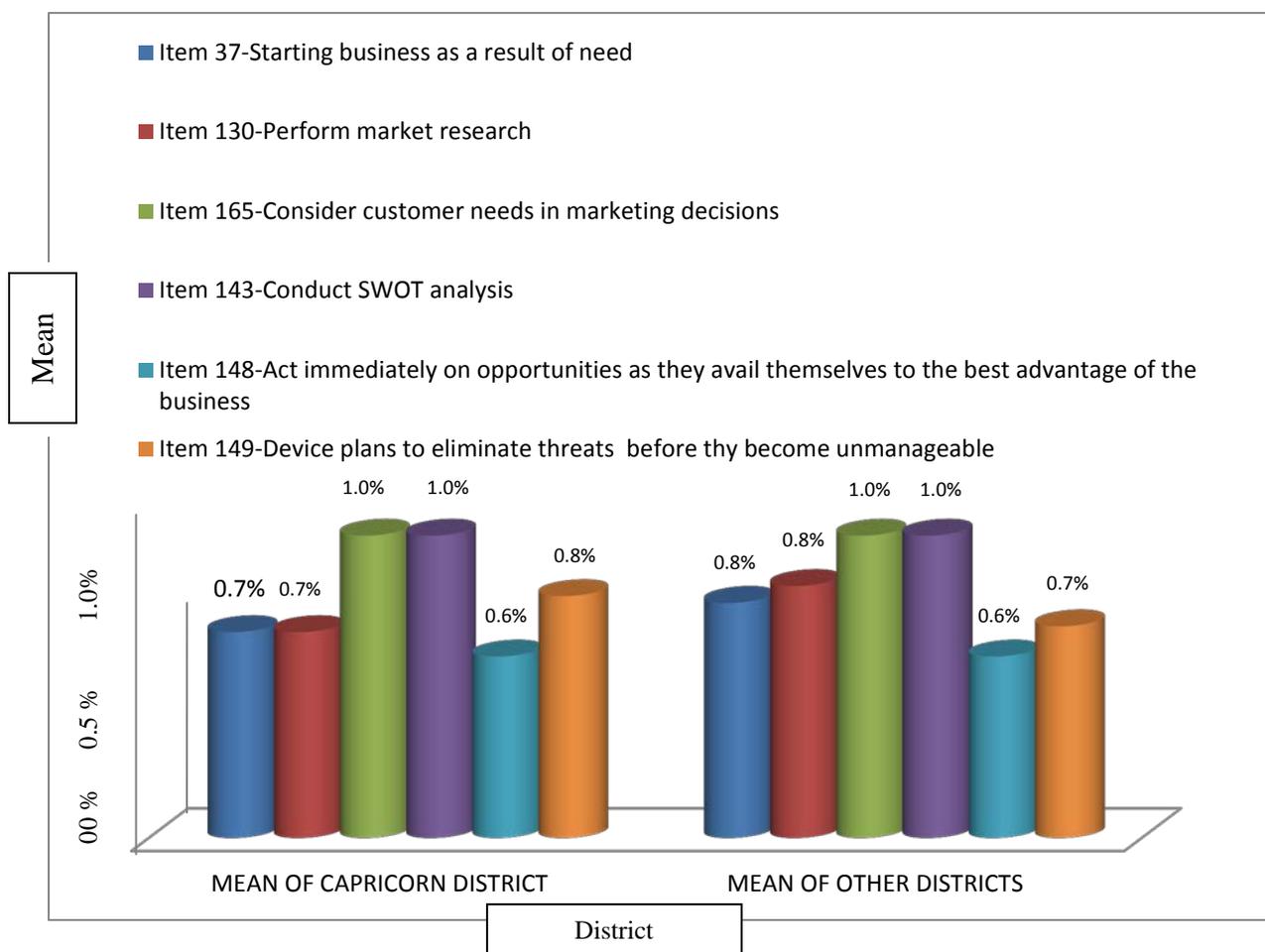
Figure 6.2: Performance Data from Respondents in the Capricorn District Compared To Other Districts

Figure 6.2 reflects that there is very little difference between the means of Capricorn District and other districts in Limpopo Province when comparing response to the above questions.

6.3.1 Personal and demographic information of young entrepreneurs

Literature from Chapter 2 and 3 as well as the conclusions drawn in chapter 5, form the basis for recommendations in this section. The recommendations should be addressed by youth development organisations; government departments (i.e department of education, labour as well as trade and industry) and young entrepreneurs trained by youth development organisations themselves.

6.3.1.1 Gender of respondents

The number of young female entrepreneurs exceeded expectations. Out of a total of 65 respondents included in the study, it was encouraging to discover that 52.3% were females whereas males accounted for 47.7% only. This situation is promising as it implies that young women in Limpopo Province are emerging as trained and knowledgeable entrepreneurs, but at the same time, their development comes as a challenge as the perception still prevails that a woman's place is in the kitchen. That is most probably why banks strictly require their male partners to co-sign when a married female applies for a loan.

Recommendation 7

Our legal system should be user-friendly to females, as it is to males, so that young female entrepreneurs can access loans as easily as their male counterparts and engage in profitable marketing activities such as promotion, market research, and other business related activities.

6.3.1.2 Age of respondents

This study is about youth with ages between 18 and 35. Analysis of data revealed that 4.6% and 32.9% consist of the youth between the ages of 18-23 and 24-29, respectively. These two age groups consist mainly of the youth who has completed their tertiary education and are not working. Unemployment was raised by 16.9% of the respondents as their main motivating factor to be in the type of business that they are in. For young entrepreneurs, accessing a business loan for marketing related activities and other important business activities, is not an easy task as banks require collateral to minimise the risk of non-payment.

Recommendation 7

The youth development organisations in Limpopo Province should consider developing partnerships with both the Limpopo Provincial Government and private sector business firms in order to prioritise young entrepreneurs, who received entrepreneurship training, when awarding tenders. The benefit will be mutual as young entrepreneurs will accumulate capital to go into business while the government and private sector business firms will be getting better services from well-trained entrepreneurs.

6.3.1.3 Education level of respondents

As already indicated in the introductory part of 6.3, the education level represents basic knowledge required to run a business successfully. Findings, however, revealed that there were 13.8% of the respondents who sometimes did not cope well all the time in entrepreneurship training. This percentage consists mainly of respondents with matric as their highest qualification. As expected, they struggle to comprehend certain modules of entrepreneurship training. This conclusion will be supported by analysis on comprehension (coping with the level of instruction used in training) to be dealt with in paragraph 6.3.1.4.

Recommendation 8

The subject of entrepreneurship should be a compulsory subject at school level and learners should be encouraged to take active roles through simulation and role play to make entrepreneurship training more practical and effective so as to enable learners to cope better in real entrepreneurship training in future as grown-ups.

6.3.1.4 Language and level of instruction utilised by business development officers

Closely related to the level of education as in 6.3.1.3, is the aspect on comprehension. Comprehension represents the ability of a respondent to be trainable and to understand the content taught. As already indicated in 6.3.1.3 on the education level of respondents, 13.8% of respondents stated that they sometimes did not cope well all the time in entrepreneurship training. This percentage consists mainly of respondents with matric as their highest qualification.

Recommendation 9

As most entrepreneurship development organisations are subsidised and donors spend a lot of money on training programmes, youth development organisations or funders thereof should consider screening young entrepreneurs who show interest in receiving entrepreneurship training. A screening process will ensure that only those who will be able to cope are admitted for training. The content of entrepreneurship development programmes are not as easy and require trainees who will cope with the language and the level of instruction utilised.

6.3.2 Performance data on marketing management by young entrepreneurs trained by youth development organisations

6.3.2.1 Marketing plan and promotion of products/service sold by respondents

It may be considered pleasing to note that all the respondents (65) do put into practice what they have learned from youth development organisation. For instance, they all indicated that they had a marketing plan in place. However, their marketing plans were only used when they applied for business funding. Only 12.3% of the respondents indicated that they referred to their marketing plans when they were making pricing decisions and promoting their goods/services. This implies that there is still a large number of young entrepreneurs who associate a marketing plan with an instrument used to obtain funding.

Recommendation 10

Young entrepreneurs should consider changing their attitude towards a marketing plan. They should regard it as their road map for successful marketing. They have to refer to their marketing plans when engaging in their day to day marketing decisions and update them as the business environment changes, or when their businesses undergo some changes.

6.3.2.2 Usage of market research

Most of the young entrepreneurs conduct market research. However, the majority indicated that they do it informally while a few do it formally. Some respondents (27.7%) stated that they do not conduct it at all. They cited lack of finance as the main impeding factor for not conducting market research.

Recommendation 11

Market research is important and should be done all the time. Those that cannot afford it, should do it informally. Sometimes it is just a matter of paying attention to what you see, hear and feel. Youth development organisations should encourage entrepreneurs to do market research and to be observant of what is happening in the market place.

6.3.2.3 Availability of competition in your area in the area of business operation

Sixty two (95.4%) of the respondents indicated that they were in competition in their area of business operation. When these respondents were requested to state how they deal with competition that they realised in their area, one would consider it worrying to discover that 4.8% of them indicated that if they had identified competition in their area, they would simply just ignore it. Findings revealed that respondents who adopted this attitude of just ignoring competition are running spaza shops in black residential areas. These respondents cited the reason for their response as high competition that they face from foreign nationals operating their businesses (spaza shops) in areas that used to be the domain of locals.

The respondents revealed that the problem that they face is their inability to compete with the low prices of foreigners.

Recommendation 12

Locals should try to form partnerships with foreigners to learn from them or pool their purchases to enable them to negotiate lower prices so that they could become more competitive. Likewise, they should improve their marketing efforts by distributing handbills about their offerings, keeping mobile numbers of their regular customers and sending SMSs to inform them about their latest deals.

6.3.2.4 Utilisation of SWOT analysis

Analysis of empirical data in Chapter 5 revealed that there were some (3.1%) young entrepreneurs who did not conduct SWOT analysis. One runs an NGO in rural development services and the other one, an NGO in health and social development services. They cited lack of competition in their area as the reason for not conducting SWOT analysis.

It is a misconception to associate SWOT analysis with threats only. Like threats, which are

usually in the form of competition, all the other elements of SWOT are equally important.

Recommendation 13

Profit, as well as non-profit organisations, have strengths, weaknesses, opportunities and threats. It is, therefore necessary for all organisations to conduct SWOT analysis so that strengths can be identified and changed into opportunities, weaknesses can be identified and rectified, opportunities can be spotted and utilised to the best advantage of the business and threats be eliminated before they become unmanageable to solve.

6.3.2.5 Social responsibility

In South Africa, social responsibility is a legislated matter and applies to big business only and not SMMEs. When analysing empirical data on the question that requested young entrepreneurs to indicate whether they practise social responsibility or not, the results seemed to be exceeding expectations as 18.5% of the youth initiated business ventures, under study, were engaged in social projects. Even though SMMEs are not expected to be involved in social projects, youth initiated business ventures which do not show sensitivity towards social responsibility may expect resistance from the community.

Recommendation 14

If young entrepreneurs are satisfied with the profits that their small businesses are generating, they should show sensitivity towards social projects and become involved where and when possible.

6.3.2.6 Consideration of consumers in marketing decisions (consumer orientation)

Most young entrepreneurs were consumer orientated, thus, considered the needs of their

consumers/clients in marketing decisions. It would, however, be considered upsetting to discover that 26.2% of the respondents do not consider their customers in their marketing decisions. It is hardly thinkable that a business could ensure growth and sustainability without taking the needs of their customers into consideration. Avoiding the needs of customers in marketing decisions is a serious cause for concern.

Recommendation 15

A young woman, once asked an older and more experienced woman, "How can I become popular with men?" The older woman's answer was "Find out what they like, and how they like it, and give it to them just that way." Though the authors (Baron and Shane, 2008: 281) excused themselves about the sexist nature of this comment and cite the reason that they are only quoting and not agreeing with it, they still emphasise that the comment in a sense, is good advice for entrepreneurs as far as consumers are concerned. Ignoring customer preferences is a recipe for business failure and should be avoided.

6.4 Common approach to entrepreneurship development

All youth development organisations share the same goals. They all want to develop, support and promote SMMEs and ensure that they grow and become sustainable. Unfortunately, in the process of wanting to achieve all that, they compete with each other and render different services with different quality to the young entrepreneurs of this province.

Some include certain aspects of business management in their entrepreneurship development programmes while others emphasise other aspects. Some run their entrepreneurship development programmes for the duration of 5 days, while some run it for up to 3 months. Some have some form of post support follow-up programmes while others do not have it.

Though it could be appreciated that youth development organisations are independent entities and naturally have to compete with each other, for clients, as they are also in business, that should not be considered a permanent hindrance towards the development and growth of youth entrepreneurship in Limpopo Province.

Recommendation 16

Through Limpopo Department of Economic Development, Environment and Tourism (LEDET), youth development organisations should consider coming up with some form of structure wherein all of them will be represented so that they develop almost similar entrepreneurship development programmes. This will ensure the development of excellent entrepreneurship skills, and in particular, marketing skills in young entrepreneurs trained by all youth development organisation in Limpopo Province.

In the year 2010, from 20 to the 22 April, the Limpopo Department of Economic Development, Environment and Tourism (LEDET) and the National Youth Development Agency (former Umsobomvu Youth Fund and National Youth Commission), in partnership with Limpopo Province agencies, Limpopo Business Support Agency (LIBSA), Limpopo Economic Development Enterprise (LIMDEV), Trade & Investment – Limpopo (TIL), Small Enterprise Development Agency (SEDA), hosted two entrepreneurship events which took the format of an exhibition and conference simultaneously. Amongst the target audience were established and aspiring young entrepreneurs. The theme of the event was "**Building Sustainable and Globally Competitive Youth SMMEs**" and sought to focus on making available tools, systems and processes for young entrepreneurs and practitioners to build growth-oriented small businesses. This is proof enough that a common approach to entrepreneurship can be achieved.

This study was conducted in an attempt to address the problem of marketing skills of young entrepreneurs trained by youth development organisations in Limpopo Province.

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ANNEXTURE A
QUESTIONNAIRE TO BUSINESS DEVELOPMENT OFFICERS (TRAINERS) ATTACHED TO/OUTSOURCED BY YOUTH DEVELOPMENT ORGANISATIONS OFFERING YOUTH ENTREPRENEURSHIP DEVELOPMENT (TRAINING) IN LIMPOPO PROVINCE

THE PURPOSE OF THE QUESTIONNAIRE:

The purpose of this questionnaire is to establish how young entrepreneurs put into practice the marketing skills they have acquired through marketing management training from Youth Development Organisations responsible for their entrepreneurship development

RESEARCH TOPIC:

"Marketing skills of young entrepreneurs trained by Youth Development Organisations in Limpopo Province"

INSTRUCTIONS IN COMPLETING THE QUESTIONNAIRE

1. Give your answer in the spaces provided.
2. Indicate your answer with an X where applicable

NB. NOTE THAT YOUR ANSWERS ARE CONFIDENTIAL AND WILL NOT BE DISCUSSED WITH ANYONE.

Name of the Youth Development Organisation: …………………………………………………………………….

Regions that your organisation assisst in terms of business development::………………………….

Types /Categories of business firms that your organisation develop: …………………………………

THANK YOU FOR YOUR CO-OPERATION

Put a cross against the answer of your choice, e.g.

Pricing	✘

1.   What is the name of your Youth Development Organisation

UYF	**1**	Tlhavhama Training Initiative	**3**	SEDA	**4**
LIBSA	**2**				

2.   How old is your entrepreneurship training project?

Less than one year	**5**	Three to five years	**7**	Other(Specify):	**9**
One to two years	**6**	Six to ten years	**8**		

3.   Do you include "marketing management" in your entrepreneurship training?

Yes - I did	10		No - I did'nt	11

4.   What type of business firms are most of your trainees involved in?

Manufacturer/producer	12	Fast Food Outlet	19	Bookshop	27
Specify:		General Dealer/Supermarket	20	Petrol Filling Station	28
Hair saloon	13	Café / Restaurant	21	Hardware Store	29
Car Wash	14	Bottle Store	22	Stationery Distributors / Printers	30
Cell Phone Shop	15	Butchery	23	Computer Distributors / Repairs	31
Fruit & Vegetable Shop	16	Petrol Station	24	Internet Café	32
Tarven	17	Chemist	25	Other(Specify):	33
Spaza Shop	18	Dry Clean	26		

5.   What is the duration of the "entire entrepreneurship" training?

One to twelve hours	34	Two to three months	37	Other(Specify):	40
One to seven days	35	Four to six months	38		
Two to four weeks	36	One to three years	39		

6.   What is the duration of your "marketing management" training?

One to twelve hours	41	Two to three months	44	Other(Specify):	47
One to seven days	42	Four to six months	45		
Two to four weeks	43	One to three years	46		

7.   What elements of "marketing management" were included in your training?

Marketing plan	48	Placement	52	Competitive advantage	56
Product positioning	49	Consumer orientation	53	Social responsibility	57
Pricing	50	Market research	54	Other(Specify):	58
Promotion	51	Market targeting	55		

8. What method/s of training do you mainly use in your training

Lecture	59	Videos	62	Presentations by experienced marketers/enterpreneurs	65
Group discussions	60	Case studies	63	Other(Specify):	66
Self-study	61	Simulations	64		

9. With exception to business development officers attached to your organisation, which other categories of trainers do you utilise for the purpose of entrepreneurship training?

Business consultants	67	Unsuccessful entrepreneurs	69	None	71
Successful entrepreneurs	68	Academics	70	Other(Specify):	72

10. Do you have names of business firms of the young entrepreneurs that you have trained on your data base?

Yes	73		No	74

11. If your answer to question 10 above is "Yes", how often do you update it?

Annually	75	**We do not see any need to update it as the service has been rendered already**	77	Other(Specify):	78
Every two years	76				

12. How often do you conduct after-training visits to your trainees for support/guidance purpose?

We do not do visit at all because:		We do not have enough manpower to offer this service	81	We do two to three visits annually	84
Our schedule is tight	79	We do one visit just after the training	82	Other(Specify):	85
Our services do not cater for that	80	We do one visit annually	83		

13. In your own opinion, what are factors that may limit entrepreneurs to succeed in the marketing of their businesses/products/services

The Limpopo Government denies business firms access to certain markets	86	There is no protection against monopolistic practices	87	There is no protection against unethical advertising by competitors	88
				Other(Specify):	89

THANK YOU FOR PARTICIPATING IN THIS STUDY

ANNEXTURE B
QUESTIONNAIRE TO YOUNG ENTREPRENEURS

QUESTIONNAIRE TO THE YOUNG ENTREPRENEURS TRAINED BY THE YOUTH DEVELOPMENT
ORGANIZATIONS OFFERING ENTREPRENEURSHIP DEVELOPMENT (TRAINING)
IN LIMPOPO PROVINCE

THE PURPOSE OF THE QUESTIONNAIRE:

The purpose of this questionnaire is to establish how young entrepreneurs put into practice the marketing skills they have acquired through marketing management training from Youth Development Organisations responsible for their entrepreneurship development

RESEARCH TOPIC:

"Marketing skills of young entrepreneurs trained by Youth Development Organisations
in Limpopo Province"

INSTRUCTIONS IN COMPLETING THE QUESTIONNAIRE

1. Give your answer in the spaces provided.
2. Indicate your answer with an X where applicable

NB. NOTE THAT YOUR ANSWERS ARE CONFIDENTIAL AND WILL NOT BE DISCUSSED WITH ANYONE.

Name of the business: …………………………………………..

Region:………………………………………………………….

Type /Category:…………………………………………………..

THANK YOU FOR YOUR CO-OPERATION

Put a cross against the answer of your choice, e.g.

Pricing	✕ 37

1. Did you receive any form of marketing training from the Youth Development Organisation responsible for your enterpreneurship training?

Yes - I did	1	No - I did'nt	2

2. What is you gender?

Male	3	Female	4

3. Which district of Limpopo Province do you come from?

Capricon	5	Sekhukhune	7	Vhembe	9
Waterberg	6	Mopani	8		

4. To which age group do you belong?

18 - 23 Years	10	24 - 29 Years	11	30 - 35 Years	12

5. What type of business are you involved in?

Manufacturer/Producer Specify:	13	Fast Food Outlet	20	Bookshop	28
		General Dealer/Supermarket	21	Petro Filling Station	29
Hair Salon	14	Café / Restaurant	22	Hardware Store	30
Car Wash	15	Bottle Store	23	Stationery Distributors / Printers	31
Cell Phone Shop	16	Butchery	24	Computer Distributors / Repairs	32
Fruit &Vegetable Shop	17	Petrol Station	25	Internet Café	33
Tarven	18	Chemist	26	Other(Specify):	34
Spaza Shop	19	Dry Clean	27		

6. What motivated you to choose this type of business?

It generates a lot of profit	35	There is a need for this type of business in the area in which this business operates	37	Other(Specify):	38
I always wanted to be in this type of business	36				

7. What is the name of the Youth Development Organisation responsible for entrepreneurship training?

UYF	39	Tlhavhama Training Initiative	41	Other(Specify):	43
LIBSA	40	SEDA	42		

8. What was the duration of the marketing training you have undergone?

One to twelve hours	44	Two to three months	47	Other(Specify):	50
One to seven days	45	Four to six months	48		
Two to four weeks	46	One to three years	49		

9. How did you cope with the language and level of instruction utilised by your trainer?

I coped well all the time	51	I did not cope at all	53	Other(Specify):	54
I coped well sometimes	52				

10. Was the training venue convenient for the purpose of training?

Yes	55	No	56	Not certain	57

11. Where you provided with learning material during your training sessions?

Always	58	Sometimes	59	Material was never provided	60

12. How would you rate the competency of the trainer/trainers who trained you in terms of their knowledge and training skills?

Very good	61	Average	63	Well below average	65
Good	62	Below average	64	Bad	66

13. What elements of marketing were included in your training?

Marketing plan	67	Placement	71	Competitive advantage	75
Product development	68	Consumer orientation	72	Social responsibility	76
Pricing	69	Market research	73	Other(Specify):	77
Promotion	70	Market targeting	74		

14. What method/s of training was/were mainly used in your training

Lecture	78	Case studies	82	Other(Specify):	85
Group discussions	79	Simulations	83		
Self study	80	Presentations by experienced	84		
Videos	81	marketers/entrepreneurs			

15. How often do you get after-training visits from your business development officers or consanltants thereof for support or guidance purposes?

I never got a single visit	86	I get one visit annually	88
I only got one/two visits just after commencement of my business.	87	I get two to three visits annually	89
		Other(Specify):	90

16. Do you have a marketing plan in place?

Yes - I do	91		No - I don't	92

17. Do you promote the product/s or service/s that you sell?

Yes - I do	93		No - I don't	94

18. If your answer to question "17" above is Yes, what method/s of promotion do you make use of in communicating with the market?

Advertising	95	Sales promotion	97	Other(Specify):	99
Personal selling	96	Public relations/Publicity	98		

19. If your answer to question "18" above included advertising , please specify the method of advertising that you utilise.

Television	100	Illuminations(neon lights)	110	Advertisements on delivery	120
Cinema	101	Displays of goods in store	111	vans, taxis,buses,etc.	
Internet	102	Stalls and exhibitions	112	Advertisement on	121
Provincial newspaper	103	Free Samples	113	packaging and wrapping	
Regional newspaper	104	Competitions	114	Donations & sponsoring	122
Local newspaper	105	Demonstrations	115	of various types of events	
National radio station	106	Half-prices	116	Point of sale displays	123
Provincial radio station	107	Cataloques	117	Internal publicity	124

| Local radio station | 108 | Price lists | 118 | Sales/factory representatives | 125 |
| Handbills | 109 | Calenders & posters | 119 | Others(Specify): | 126 |

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20. What channel of distribution do you make use of?

| Direct distribution channel | 127 | Indirect distribution channel | 128 | Both direct as well as indirect channels | 129 |

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21. Do you conduct market research?

| Yes - I do | 130 | | No - I don't | 131 |

22. If the answer in question "21" above is Yes, state how often you conduct it:

Daily by making use of customer or client feedback form	132	Monthly	133	Yearly	136
		Quarterly	134	Once every two years	137
		Half yearly	135	Other(Specify):	138

---

23. How would you rate the level of support your business receives from customers/cients for the purpose of sustainability of your business

| High | 139 | | Low | 140 |

24. Do you have competition in your area?

| Yes - I do | 141 | | No - I don't | 142 |

25. Do you conduct SWOT analysis?

| Yes - I do | 143 | | No - I don't | 144 |

26. If your answer to question "24" and/or "25" above is Yes, indicate the method/s you utilise to deal with competition and/or other elements of SWOT analysis.

| If I identify competition in my area, I simply just ignore it. | 145 | If I identify a particular strength in my business, I try by all means to transform it into my competitive advantage. | 147 | If I identify a threat, I immediately device plans to eliminate it before it becomes unmanageable | 149 |
| If I indentify a weakness in my business,I try by all means to eliminate it. | 146 | If I identify an opportunity, I act on it immediately and use it to the best advantage of my business. | 148 | Other(Specify): | 150 |

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27. What is your competitive advantage ?

| Unique product/service | 151 | Lower prices | 152 | Other(Specify): | 153 |

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28. Do you practise social responsibity in your community?

| Yes - I do | 154 | | No - I don't | 155 |

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29. If the answer for question "28" above is "YES", state how you help your community?:

| Donating money | 156 | Donate goods | 157 | Other(Specify): | 158 |

30.   If the answer for question "28" above is "No", state why you are not practising it?:

I don't see the need for that	159	My business is small and I cannot afford it	160	Other(Specify):	161

31.   If your answer to question 19 above was "YES", when last did you use it?

When I started business and appled for a loan it formed part of my business plan	162	When I applied for an additional business loan it formed part of my business plan	163	Other(Specify):	164

32.   Do you consider the needs of customers/clients in your marketing decisions?

Always	165	Sometimes	166	Never	167

33.   Besides the entrepreneurship training you have acquired from the Youth development Organisation above, what other form/s of formal qualification in marketing do you have?

Matric	168	Diploma	170	Senior degree	172
Tertiary Institution Certificate	169	Degree	171	Other(Specify):	173

34.   If your qualification in question "32" above is related to "Marketing", please state it:

Certificate in Marketing	174	Diploma in Business	176	B.Com degree	177
Diploma in Marketing	175	Management		Other(Specify):	178

THANK YOU FOR PARTICIPATING IN THIS STUDY