

ABSTRACT

CONSUMER FRUSTRATION AND MARKETER'S OPPORTUNITY IN CENTRAL PACIFIC: A SURVEY OF 885 CONSUMERS IN A SAMPLE OF 6 ISLAND STATES

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INTRODUCTION

The lure of the larger markets of the Pacific Rim has diverted the attention of international marketers from the Central Pacific. This paper discusses the findings of a survey of consumer expectation from the marketing system and the marketer's response in the sample of 6 island states during June-August 1986, with a follow-up in July-August 1987. Eight hundred and eighty-five adult consumers were interviewed in their native languages in the islands of American Samoa, Niue, Rotuma (Fiji), Tokelau, Tonga, and Tuvalu. Suppliers' institutions were also visited, their records examined, and their executives interviewed.

The research objectives were: 1) to measure the extent of the "Marketing Gap" in the small and remote markets of the Central Pacific; 2) to provide the international marketer with approaches to profitable exploitation of these markets; and 3) to increase the awareness of marketing educators and students about the characteristics of the Central Pacific markets in contrast to the large markets of the Pacific Rim.

"Marketing Gap" in this context refers to the difference between the level of a community's shopping needs and the level of satisfaction provided by the marketing system in terms of availability, quality, affordability, and serviceability of the needed products. Product availability involves two criteria: carrying the type of products demanded and having those products in stock at the time of demand. The marketing gap would be eliminated only if all the products which are needed by the shoppers are made available to them at the time they are demanded, and at a quality and price that are acceptable to the buyer.

The research method was that six independent samples of households were selected from a sample of six islands in the Central Pacific. The population of the islands in the sample ranged between 1,800 (Tokelau) and 104,000 (Tonga). A total of 885 completed interviews were conducted among the six islands. That represented an average of 92% of the target respondents in all independent samples.

An interview form was designed with the assistance of the islands' marketers to measure consumer attitudes and behavior toward product availability and quality, general level of prices, sources of product information, weekly expenditures at the market, and sources of satisfaction and dissatisfaction with the marketing system.

Analysis of the survey results indicated that only 60% of the time the desired products were

available at at least one store. The marketing gap was 40%, which was deemed by the respondents to be high and frustrating. Male or female shoppers had equal rates of frustration.

Dissatisfaction with product quality amounted to 42%, a level much above the 20% rate allowed for externalities.

The survey results, supported by the comments of store managers (those who made purchase and order decisions), suggested that the marketing system provides product quality satisfaction to middle-aged people at the cost of shifting resources from both younger and elderly segments of the population.

While the mode for the perceived level of prices was "very high," the mean was 1.5 (between high and very high prices) and had a low standard deviation of 0.1. There seems to be a general agreement among the consumers of all Central Pacific states that the prices of consumer goods are much above their perceived value.

On the average, 57% of all respondents are informed about the product by visiting the store. The range is between 34.8% for consumers in Tokelau and 78.7% for Rotumans. Advertising also produced a wide range of utilization, from 5.3% in Rotuma to 46.5% in Tuvalu. One explanation is the lack of local newspapers in Rotuma and Tokelau. Another reason is that the cooperative stores in both islands have either a monopoly or near monopoly over the distribution of consumer goods and thereby do not feel a need for advertising. Sales people were counted as a source of product information by 34.1% of the consumers in all 6 islands.

RECOMMENDATIONS

The paper provides the international marketer with a few approaches to entering and cultivating the Central Pacific markets, which include 1) establishing supply centers in the markets of the administering powers in order to speed up the bureaucratic process for access permits, 2) utilizing distribution channels of the existing co-op stores to overcome local monopolies, 3) analyzing the available ordering, shipping, and sales records of the co-op stores to plan for an efficient inventory system, 4) to supply a better quality product line than those offered by existing suppliers, and 5) to target both children and the elderly consumers as these two segments have been neglected by present suppliers.

A list of references is provided.