



INFLUENCE OF MARKETING INNOVATION ON REDUCTION OF PIRACY IN THE BOOK PUBLISHING INDUSTRY IN KADUNA STATE, NIGERIA

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Abstract

This research work investigates the influence of marketing innovation on reduction of piracy in the book publishing industry in Kaduna state, Nigeria. The study adopted descriptive survey research design. Thirty non-registered book publishers were used as the population for the study. Questionnaire was used as the instrument for data collection. Frequency and percentages were used to analyze the demographic data of the respondents. Mean and standard deviation were used to analyse the data. Logit regression analysis was used to test the null hypothesis at the 0.05 level of significance. The result showed that only marketing innovation strategy was not effective enough to influence reduction of piracy in the book publishing industry in Kaduna state, Nigeria. The paper concluded that marketing innovation on its own cannot have influence on the reduction of piracy in the book publishing industry in Kaduna state, Nigeria but can be used effectively when combined with other marketing strategies to influence reduction of book piracy in the industry. The study recommends that non-registered book publishers should register their companies with the Nigerian Copyright Commission (NCC) and employ a combination of other marketing strategies to reduce book piracy in the industry in Kaduna State, Nigeria.

Keywords: *Innovation, Word of mouth marketing, Social Media, Customer Retention, Entry New Markets, Book Piracy.*

1. Introduction

Book publishing industry is a marketing institution responsible for the production of books used in impacting knowledge at all levels of education. Books are vehicles of transmitting information and are also sources of entertainment that can change, influence, elevate, demean or exalt those who expose themselves to them. Just like other marketing institutions, the book publishing industry is faced with so many challenges. Adelekan (2011) asserts that the biggest challenge to the publishing industry in Nigeria is book piracy. Book piracy is the illegal and illegitimate reproduction of other people's intellectual property for economic reasons without prior consent or authorization. Omeiza and Lanre (2019) observed that those who engage in this type of activity benefit from the hard work of other people who must have invested their intellect, time and resources. Without books, the education of the people and the communication of ideas from one generation to the next would be difficult. In other words, the book publishing industry ensures economic development of Nigeria, but the presence of pirates is making its efforts fruitless. The book publishers may be able to manage the challenge of piracy by leveraging marketing strategies such as marketing innovation

Marketing innovation involves the use of completely new marketing strategies, marketing concepts or new marketing methods that can be applied in the organization. These marketing innovation strategies involve the word of mouth marketing (WOM), social media marketing, customer retention marketing and entering new market (Ungerman, Dedkova & Gurinova, 2018).



Word of Mouth WOM marketing also called WOM advertising is the process of actively influencing and encouraging oral discussions about a brand, organization, resources or event (Cascio, 2011). A business graduate who specialized in marketing education is a potential millionaire if he/she knows how to make good use of the natural asset (Mouth) he/she is blessed with. The producer/ distributor may not know the needs of his/her customers and this could only be done by talking or asking them what their needs are, where or how these needs could be met. Identifying new needs from existing and potential customers; developing new product solution; teaching and learning about product usage and application are known as word of mouth marketing.

Social media marketing is an effective tool for communication among youths and adults of different ages and has the ability to promote a firm's brand. This marketing strategy is employed by using facebook, instagram, googleplus, youtube, pinterest, twitter, e-mail and WhatsApp status, among others. It allows a firm to reach potential customers with minimal expenditure unlike advertising and also staying in touch with current customers. Kotler, Kartajaya and Setiawan (2017) advised companies to not often transfer their content to social media without modifying it, considering that content is just a longer version of an innovation.

Customer retention marketing is concerned with sustainable growth in business. Customers are important part of business, because a loyal customer base means an institution enjoying a good reputation (Cascio, 2011). Willis (2016) notes that while other stakeholders such as shareholders, employees and suppliers are certainly important and benefit from marketing innovation activities. However, failure to concentrate on marketing innovation to influence customer value is a departure from the core essence of the marketing concept. This is why customer retention marketing is at the heart of marketing innovation.

Entering new market deals with identifying and evaluating opportunities that are worth your time and effort which were left untapped. Entering new markets is the aspect of marketing innovation which uses location data to target and reach potential consumers. Entering new markets or customer exploration also known as marketing geography is the utilization of the last aspect of marketing mix which is the place. Zhang, Wu and Cui (2015) notes that there are two methods of acquiring the information necessary for product innovation. These are market exploitation and market exploration. Market exploitation research will provide a very deep and thorough knowledge of the current market which can assist in developing products and services along the same lines.

Statement of the problem

Okwilagwe (2017) observe that most publishers in Nigeria have fallen victim of piracy, pointing out that about 50% of the publishing companies in Nigeria had one or more of their titles pirated, while about 20% of annual turnover is lost to the pirates by the affected publishing houses. Ahmadu (2017) corroborates this claim when he revealed that Longman lost \$ 1.5 to \$ 2 million, constituting 50% of its potential yearly turnover, to book piracy. Odu and Basse (2015) state that Nigeria is ranked among countries where piracy is prevalent; it was 82% in 2007, 83% in 2008, 83% in 2009, 82% in 2011 and still 83% in 2012. The International Intellectual Property Alliance in Ahmadu (2017) reports that piracy level in Nigeria is nearly 85% for all sectors which was estimated among the highest in the world.



It has been observed that some individuals buy items and use cheaper and inferior materials to replicate the original using some technology in such a way that customers find it difficult to differentiate the original from the pirated ones. It is also observed that some of these producers are aware that their product are being pirated and are using different marketing innovative strategies to curb this problem but whether or not these marketing innovative strategies are reducing these problems are yet to be determined. Thus, the paper sought to determine the influence of marketing innovation on reduction of piracy in the book publishing industry in Kaduna state, Nigeria. Results and findings of this study will be of benefit to the Publishing industry, Educational institutions, Government, Marketing professionals or consultants and Students.

The objective of this study is to determine the influence of marketing innovation on reduction of piracy in the book publishing industry in Kaduna state, Nigeria. The objective will be achieved through the following hypothesis formulated for testing.

Ho: Marketing innovation has no significant influence on reduction of piracy in the book publishing industry in Kaduna State, Nigeria

2. Literature Review

Ilic, Veljkovic and Ostojic (2014) state that marketing innovation is based on the promotion of the four instruments that are interrelated and focused on meeting the consumer needs by achieving a sustainable competitive advantage. Marketing innovation is aimed specifically at attracting and retaining customers with existing products and services through innovative methods in pricing and promotion. The Organization for Economic Cooperation and Development of European Union (OECD-EUIPO, 2017) noted that marketing innovation is the implementation of a new marketing method involving significant changes in product design or packaging, product placement, product promotion, or pricing.

Piracy is a term used to describe a range of illicit activities linked to Intellectual Property Rights (IPR) infringement. It is the activity of reproducing copies of protected materials and dealing with such copies by way of distribution and sales without the permission of the owners. Nkiko (2014) posit that those who engage in this type of activity eat from the sweat of other people who must have invested their intellect, time and resources. Adelekan (2011) maintain that book piracy is robbery, criminal, immoral, cheating, destructive and seeks to destroy the moral fabric of society, because it deprives maximum profits from legitimate business and hard work.

Khanthan and Karthika (2019) conducted a research titled marketing innovations using 10 top innovative companies and discovered that the most successful companies found are those that focus on a particular, specifically aligned set of common and distinct capabilities that enable them to better execute their chosen innovative strategies. From the review made, the researcher did not come across any literature to do with the influence of marketing innovation on reduction of piracy in the book publishing industry in Kaduna state, Nigeria. Therefore, this study seeks to bridge the gap discovered.

2.1 Underpinning Theory

This paper is guided by the Dynamics of Innovation Theory. It was propounded by Schumpeter in 1942. The Theory proposed level of marketing innovation throughout the three stages of industry



life cycle. This paper is related to this theory in different ways. First, evolutionary ecology identifies bounded rationality meaning that publishers who are the decision makers can either be rational as they make decisions that will enable them to be at an advantage rather than being profit minded persons or stand the chance of losing their loyal customers to pirates. Secondly, the area of uncertainty under evolutionary economics highlighted the fact that piracy is made possible due to the new ways or inventions of doing things. For instance, the level of technological advancement has made reprography both cheap and easy for pirates to reproduce identical forms as the original such that it is sometimes difficult to identify pirated works in most cases. Thirdly, the population ecology brought out three levels of product life cycle in which publishers could apply their marketing strategies – marketing innovations in order to reduce piracy of their products.

3. Methodology

The study adopted descriptive survey design. The population of the study was made up of thirty (30) non registered book publishers in Kaduna State. Reduction of Piracy Questionnaire Instrument was used as the instrument for data collection. Measures of central tendency which included frequencies, percentages, mean and standard deviation were used to analyze the data. Logit regression was employed to test the hypothesis at 0.05 level of significance. The mean score of 2.50 and above will indicate reduction of piracy in the industry. If the p-value is less than 0.05, the paper will reject the null hypothesis that marketing innovation has no significant influence on piracy reduction in the book industry in Kaduna State.

4. Results and Discussions

The following are the Demographic Characteristics of the Respondents.

Table 1: Highest Qualification

Qualification	Frequency	Percentage
Degree	13	43.3
Masters	16	53.3
Others	1	3.3
Total	30	100.0

Source: Field work, 2021.

Table 1 shows that thirteen (43.3%) of the respondents have first degree, sixteen (53.3%) have Master’s Degree, one person (3.3%) have other qualifications. This implies that the respondents are well informed and understood the issues under investigation and could respond appropriately.

Table 2: Working Experience

Years	Frequency	Percent
1 -5	1	3.3
6 -10	2	6.7
11 -15	4	13.3
16 -20	21	70.0
21 & above	2	6.7
Total	30	100.0

Source: Field work, 2021.



Table 2 indicates that one of the respondents (3.3%) had 1-5years of working experience, two (6.7%) had 6-10years working experience, four (13.3%) had 11-15years, twenty-one (70%) had 16-20years of working experience and two (6.7%) had 21 and more years of working experience. The implication is that majority of the respondents had worked fairly long in the book publishing business and would be able to give account of what obtains in the industry.

Table 3: Marketing Innovation Strategies Employed

Strategies	Frequency	Percentage
Entering new Markets	1	3.3
Combination of Strategies	29	96.7
Total	30	100.0

Source: Field work, 2021.

Table 3 shows that one respondent (3.3%) used only entering new markets as the marketing innovation strategy, while twenty-nine (96.7%) of the respondents used a combination of word of mouth marketing, social media marketing, customer retention marketing and entering new markets as the marketing innovation strategy for selling their books. This means that those respondents using combination word of mouth, social media marketing, customer retention marketing and entering new markets as marketing innovation strategy dominated the industry.

Table 4: Marketing Innovation Strategies on Reduction of Piracy

	N	Mean	Std. Deviation
Designing and developing new product solutions and prototype reduce piracy	30	1.2667	.44978
Enhancing customer trust and customer loyalty reduces piracy	30	2.1333	1.10589
Favourable ordering, processing, pricing, billing, rebates and terms with existing customers reduces piracy	30	2.0000	.90972
Managing multiple distribution channels with existing customers reduces piracy	30	2.3000	1.05536
Developing and executing promotional programs reduce piracy	30	1.8667	.93710
Developing and executing sales programs reduce piracy	30	1.8667	.97320
Gaining new market segments or market expansion reduce piracy	30	1.8667	1.00801
Valid N	30		

Source: Field work, 2021.

The result in Table 4 indicates series of marketing innovation strategies used by book publishers in Kaduna State to reduce book piracy. These strategies include designing and developing new product solutions and prototype, enhancing customer trust and customer loyalty. Initiating favourable ordering, processing, pricing, billing, rebates and terms with existing customer and managing multiple distribution channels with existing customers. Furthermore, developing and executing sales programs and gaining new market segments or market expansion were also strategies used to reduce book piracy in Kaduna State. Managing multiple distribution channels



with existing customers with the mean score of 2.3000 and standard deviation of 1.05535 proves to be the best tool that book publishers can employ to reduce piracy in the book publishing industry in Kaduna State.

Test of Hypothesis

The study utilized Logit Regression to determine whether market innovation had a significant influence on reduction of piracy in the book publishing industry in Kaduna State, Nigeria.

Ho: Marketing innovation has no significance influence on reduction of piracy in the book publishing industry in Kaduna State, Nigeria.

Table 5: Influence of Marketing Innovation on Reduction of Piracy

	Observed	Predicted		
		Marketing Innovation reduces piracy in the book publishing industry in Kaduna State, Nigeria		Percentage Correct
		REDUCE	NOT REDUCED	
Marketing Innovation reduces piracy in the book publishing industry in Nigeria	REDUCE	26	0	100.0
	NOT REDUCED	4	0	.0
Overall Percentage				86.7

Source: Field work, 2021.

Table 5 shows that 26 of the respondents (86.7%) stated that marketing innovation strategy reduce piracy in the book publishing industry in Kaduna State. Only 4 (13.3%) of the respondents stated that marketing innovation did not reduce piracy in the industry. It could be deduced from the study that marketing innovation could be employed as a tool for reducing piracy in the book publishing industry in Kaduna State, Nigeria.

Table 6 Variables not in the Equation

Variables	Score	Df	Sig.
MI1	1.678	1	.195
MI2	.361	1	.548
MI3	.171	1	.679
MI4	2.068	1	.150
MI5	.678	1	.410
MI6	1.885	1	.170
MI7	.053	1	.818
Overall Statistics	7.595	7	.370

Source: Field work, 2021

Table 6 indicates that the independent variable (marketing innovation) does not have any significant influence on the reduction of piracy in the book publishing industry in Kaduna State,



Nigeria. The P-value calculated (0.195, 0.548, 0.679, 0.150, 0.410, 0.170, 0.818 and 0.818) are greater than p-value critical of 0.05 level of significance. Thus, the paper failed to reject the hypothesis which stated that marketing innovation strategy has no significant influence on reduction of piracy in the book publishing industry in Kaduna State, Nigeria.

4.2 Discussion of Findings

The results of the study show that most of the book publishers combine word of mouth marketing, social media marketing, customer retention marketing and entering new markets as marketing innovation tools for their product as against those using only new market entry method. Table 6 proved that marketing innovation strategy was not significant enough to influence reduction of piracy in the book industry in Kaduna state, Nigeria. This result is in line with the result of Cascio (2011) which show that frequent radical product innovation can hinder the translation of marketing innovation into firm performance improvements.

Marketing innovation, however, can be used effectively to influence anything including reduction of piracy in the book publishing industry but it depends on the decision makers or implementers in this industry. In Table 4 of this study, favourable ordering, processing, pricing, billing, rebates and terms with existing customers, enhancing customer trust and customer loyalty and managing multiple distribution channels with existing customers had mean results of 2.0, 2.1 and 2.3 respectively. These were close to the mean score of 2.5 which should indicate reduction of piracy. This result is similar to Mensah and Acquah (2015) who recommend that managers of SMEs should pay critical attention to the implementation of innovation activities in their firms due to its positive impact on performance. It is also in line with what Greenacre, Speirs and Gross (2012) report on evolutionary economic approach of innovation theory. They stated that the ideas of bounded rationality and uncertainty means that decision makers, either individuals or firms, have a limited ability to gather and process information. Rather than being absolutely rational profit-maximisers, they make decisions that satisfy whatever are their most important criteria while foregoing, or sacrificing others. Uncertainty signifies the large variety of opportunities that a new technology or a firm's new product may have to offer which represents something of a double-edged sword. On the one hand, this uncertainty poses a threat of not knowing what comes next and, on the other hand, not being able to exactly determine the success or failure of new offerings.

5. Conclusion and Recommendation

Based on the finding of this study, the paper concluded that marketing innovation on its own cannot have influence on the reduction of piracy in the book publishing industry in Kaduna State, Nigeria. Nonetheless, it can be used effectively when combined with other marketing strategies to influence reduction of book piracy in this industry depending on the decision makers. The paper, therefore, recommended that non-registered book publishers should register their companies with the Nigerian Copyright Commission (NCC) and take advantage of other marketing strategies such as re-branding and copyright Law with marketing innovation in order to reduce book piracy in the industry.

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