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# ADAPTING TO MACRO ENVIRONMENTAL FORCES TOWARDS IMPROVING NIKE LAKE RESORT HOTEL'S SUCCESSFUL OPERATIONS IN INTERNATIONAL MARKETING

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## ABSTRACT

The study investigated the adaptation to macro environmental forces towards improving Nike Lake Resort hotel's successful operation in international marketing. Many organizations enter the international marketing arena without observing the uniqueness, peculiarities, and differences existing among nations. They chose to standardize their offering with the notion that the world has become one; a global village. They fail to perceive that there are economic, cultural, political/legal, technological, and natural/geographical environmental diversities extant among them. Perhaps they only consider the short term benefits of standardizing their international marketing offering without equally considering the exact opposite which is adaptation, which has a long term benefit. The specific objectives of this study were to ascertain the extent of the relationship between economic environmental forces and Nike Lake Resort hotel's successful operation in international marketing, to determine the extent of the effect of political environmental forces on Nike Lake Resort hotel's successful operation in international marketing, and also, to probe the extent of the

influence of cultural environmental forces on Nike Lake Resort hotel's successful operation in international marketing. The population of the study is 146 which is the total number of staff (senior and junior) of Nike Lake Resort hotel. The sample size is 106, which was computed using Taro Yamani sample size determination formula. The questionnaire was vetted by research lecturers and other marketing research consultants based on face validity in terms of relevance to the subject matter, objective of the study and coverage of the content area to ascertain the validity of the instrument. The value of the test of reliability is 0.839 which was conducted using Cronbach's Alpha. Primary data was adopted in the study. Pearson's product moment correlation coefficient and simple linear regression data analyzing techniques were applied. The findings revealed that there is a significant relationship between economic environmental forces and Nike Lake Resort hotel's successful operation in international marketing ( $r = 0.963$ ,  $p < 0.05$ ). Secondly, it was also revealed that the effect of political/legal environmental forces on Nike Lake Resort hotel's successful operation in international marketing is significant ( $r = 0.960$ ;  $t = 35.142$ ;  $F = 1.235E3$ ;  $p < 0.05$ ). Finally, it was revealed that cultural environmental forces has a significant influence on Nike Lake Resort hotel's successful operation in international marketing ( $r = 0.912$ ;  $t = 22.683$ ;  $F = 541.523$ ;  $p < 0.5$ ). The study recommends that international marketing companies the world over should observe economic, political and cultural nuances, diversities and uniqueness existing among countries for profitable and successful operation in international marketing environment.

**Keywords:** International Marketing, Economic Environment, Political Environment, Cultural Environment, Adapted Marketing.

## INTRODUCTION

Most companies are now embarking on international marketing for the mere fact that modern technologies in communication have bridged the gap originally separating different countries (Reus and Lamont, 2009). Hospitality companies such as Nike Lake Resort hotel, Hyatt hotel, McDonald's, Marriott, Hilton, Sheraton, Chipotle, Ritz-Carlton, etc., had directed their marketing services abroad. Political democracy has provided the atmospheric ambience as well as provided infrastructural development making it very conducive to conduct foreign businesses. Also, barriers and protectionism that prevented global economic growth has been lifted by many countries and this improved free trade among nations. A typical paradigm is the lifting of economic sanction on Cuba and Iran. World's population increase which stood at seven billion by 2011 (UNEP, 2012) also contributed to larger markets springing up in South America, Asia and Africa. Vrontis (2005) comments that multinational companies are now diving into international marketing.

“Today's travel and tourism industry has reached into a global economic segment with direct and indirect impact on the world economy (Rao, 2014)”. According to him, hospitality and tourism industry is one the largest service sector in India. The roller coaster nature of global environment presents organizations with new opportunities and challenges. Young and Javalgi (2007) state that technological innovations and similarities in consumer taste have brought about increase in global trade. Ogbadu and Ameh (2012) note that the distance separating countries is now a bygone issue as the means of communication and transportation, including online or e-businesses have bridged the gap that initially existed. Knab (2008) observes that monumental changes have been realized in the past decades. According to him, international frontier presents more opportunities and threats than domestic markets. The level of competition has heightened and most home markets are often being threatened by new foreign entrants. Companies according to Kotler and Armstrong (2001) should not depend on home trade otherwise they may face the risk of being phased out of the local market. According to Czinkota and Ronkainen (1998),

international marketing is important now that the world has become a global village. Knab (2008) states that all national borders are now open for global trade. Ogbadu and Ameh (2012) emphasize that the internet has contributed immensely to international marketing. International marketing has no major difference from domestic, local or national marketing principle or practice except that the mode of operation might be different because of the technical, complex, and the sophisticated nature of business involved in international marketing.

Ghuri and Cateora (2009) define international marketing as “the performance of business activities that direct the flow of a company’s goods and services to consumers or users in more than one nation for a profit”. “It is the process of planning and conducting transactions across national borders to create exchange that satisfy the objective of individuals and organizations (Czinkota and Ronkainen, 1998)”. The only difference in the meanings of domestic marketing and international marketing is that the marketing activities take place in more than one country. Marketing concepts, processes and principles are to a great extent the same whether business is conducted in New York, Dubai, Lagos, New Delhi, Hong Kong or Tokyo. There are many reasons why companies develop product for international markets.

“It might be that domestic market may be too small and exporting maybe a viable option to exploit economies of scale. The nature of the business or product requires firms to operate internationally or in foreign markets. Companies seek foreign expansion in order to minimize and spread their risks, and reduce its dependence on one geographical market. Because of saturation of domestic market, companies seek foreign markets and usually, product life cycle reaches its maturity stages in the domestic market, while being at earlier stages of the life cycle in less developed markets (Kotler and Keller 2006)”.

## **Problem Statement**

Many international companies are now re-strategizing in the face of global competition. As companies are expanding, international marketing has become vital. International marketing environmental variables have to be taken into account because consumers must react differently

to marketing efforts and offers (Herk et al, 2005). Wolfensohn (1999) opines that globalization will definitely open windows of opportunities that will improve the productivity of companies. Entering into international market could be disastrous after all. It's not just a question of having the available resources, but rather, the professionalism, expertise, skill, capacity, and capability to manipulate the internal marketing variables to make dynamic adjustment and adaptation with the macro environment to transform weaknesses and threats into strengths and opportunities. Azizi and Samsunar (2008) conducted a research on export performance in the Malaysian wooden furniture industry and discovered that global competition has increased in the world market.

Nevertheless the myriad of market entry strategies, and lots of factors that draw companies into international marketing, a lot of challenges, threats, and hurdles have to be recognized and mitigated upon for an effective, efficient and successful operation in international marketing. "Companies with existing foreign operations realize that they must be more competitive to succeed against foreign multinationals (Ghauri and Cateora, 2009)", if they want to survive the threats posed by international marketing macro environments. Although Companies might wish to operate either through exporting, joint venture and direct investment in the international market, they are affected by the economic, political/ legal, socio-cultural, technological, and natural environments of the host country. The thrust of this research is to take a critical look at these major challenges and offer or proffer efficacious antidote aimed at achieving results in international marketing.

## **Objectives of the Study**

1. To ascertain the extent of the relationship between economic environmental forces and Nike Lake resort hotel's successful operation in international marketing.
2. To determine the extent of the effect of political/legal environmental forces on Nike Lake resort hotel's successful operation in international marketing.
3. To probe the extent of the influence cultural environmental forces and Nike Lake resort hotel's successful operation in international marketing.

## **Research Hypotheses**

1. No significant relationship exists between Economic environmental forces and Nike Lake resort hotel's successful operation in international marketing.
2. Political/legal environmental forces do not have any significant effect on Nike Lake resort hotel's successful operation in international marketing.
3. There is no significant cultural environmental forces influence on Nike Lake resort hotel's successful operation in international marketing.

## **REVIEW OF RELATED LITERATURE**

### **Nike Lake Resort Hotel Background Information**

Nike Lake Resort hotel is the biggest attraction site for tourists or visitors to Enugu in Nigeria. It is a Five Star hotel and it is being managed by the Zimbabwean based hotel management group; African Sun Limited. It is situated eight kilometers outside the city, and has become a heaven of peace, wildlife and relaxation, perfect for business travelers or for the growing number of tourists

within Nigeria who possess the means and ability to travel around the country. Located down the road about fifteen (15) minutes from Enugu International Airport, and ten (10) minutes from the city centre, which brings domestic and international visitors, the hotel is poised to become an ideal destination resort.

Similar to the city of Enugu where it is located, its history is steeped. It was established in 1981. The name Nike Lake was chosen owing to the fact that the hotel is located beside a serene and tranquil environment housing a colossal lake at a community called Nike. The Lake serves as the focal point of the hotel and the rooms either have a garden or a lake view. It possesses two hundred and sixteen (216) comfortable rooms and suites that are adequately equipped with air conditioners, DSTV, Wi-Fi and a minibar. There are 23 Classic Rooms, 175 Superior Rooms, Nine (9) Executive Suites, two (2) Diplomatic Suites and a Presidential Suite. All have private balconies where guests can sit and perceive the breathtaking views.

There are also ten (10) self-catering villas that are often rented out to expatriates working on local projects. They are made up of five (5) bedroom bungalows and five (5) bedroom duplexes. It is the perfect place to spend long period of time, as it contains a gymnasium and a large swimming pool, a hi-tech business centre, a curio shop in the lobby, a restaurant and a 24-hour bar.

Nike Lake Resort hotel offers a palatable buffet lunch for the day visitors beside the swimming pool terrace, a picnic area with thatched huts, tennis, volleyball and basketball courts and a children's playground. There is also the presence of the rowing boats which can be hired on the small green-tingled lake, which is surrounded by walking trails where visitors can enjoy the birds and the tropical forest.

The business centre has three boardrooms and a convention hall, the largest east of River Niger. It is fully equipped with projectors, videos, PA systems, microphones and all the necessities for creating a perfect conference environment.

### **International Marketing Environment**

The marketing environment is in ever changing, with new opportunities and new threats. It means that the marketing environment is like a roller coaster. It is highly unpredictable and marketing managers must apply highly sophisticated strategies to survive the international marketing war jungle. The key to an organization's success is its ability to spot and adapt to changes in the marketing environment. Environmental scanning measures are very germane to monitor and tracks sharp changes in the environment. "General Electric employs more than one hundred professionals to monitor the marketing environment" (Chaneta, 2011). The international marketing environment is made up of all factors internal and external to an organization that affects its business activities. Variables of the marketing environment are largely uncontrollable, even though, shrewd and savvy marketing managers can use their internal marketing mix variables (4Ps) to influence some external forces or challenges. Environmental factors can affect the size and growth rate of markets and can influence marketing activities. Thus, changes in the international marketing environment offer opportunities and pose threats to marketers. Identifying, anticipating and responding effectively to these opportunities and threats are major problems.

Albeit, the international marketer/company has to battle with the microenvironment marketing mix variables (controllable), the macro marketing environment (uncontrollable) poses a more intractable challenge. That is to say that no matter the degree of ingenuity the marketer applies to

research, design/develop, promote, price, and distribute a product, or the entry strategy; licensing, franchising, contract manufacturing, management contracting, joint ownership, and direct investment adopted, the wave of external environment will continue to toss his operation around from time to time because of the dynamic and rollercoaster nature of international marketing. Moreover, every marketing operation is war. At the international level, operators adjust and adapt their 4Ps (product, promotions, place and price) to fight the threats and make maximum use of the opportunities that could emanate from the macro international marketing environment: socio-cultural, political/legal, economic, technological, and natural environmental factors. International marketers must understand the marketing terrain to make critical decisions and take accurate and decisive actions in the market.

### **Economic Environment**

The economic environment includes factors and trends related to income levels and the production of goods and services. Demographic and cultural trends affect the size and needs of various markets. Patsikas (2002) opines that demographically, population growth will provide a great bolster to international marketing. Economic trends such as the state of the economy with special reference to whether the economy is a poor, developing, and subsistence (raw material producing economy), or whether the economy is a rich, developed and industrialized economy will definitely affect the purchasing power of these markets. The increase in a nation's population must have a corresponding increase in purchasing power of consumers to make the market more viable. A country's per capita income determines the purchasing power of individuals or households in that economy. It indicates the standard of living of the citizens and as consumers' incomes decrease, consumers have to shift their buying behavior. According to Patsikas (2002) USA is the most developed economy in the world followed by Japan.

Kotler and Armstrong (2010) make it clear that international marketers must study every country's economy. Sakarya and Hyllegard (2007) assess emerging market opportunities and discover that there is growth and sourcing opportunities. Costello et al (2010) note that Vietnam is a true emerging market with great business opportunities. But it is worthy of note that the income of developing economy is distributed between a whopping majority that are poor and a narrow minority that are rich. The poor are regarded as the "have nots while the rich are called the "haves". The poor are poverty stricken and live on less than one dollar per day and battles to survive on basic needs. At the other extreme, the rich are the affluent populace and have overcome the need to satisfy the primary needs as they are more connected with consumption of luxury goods. In other words, the distribution of income in the developed or industrialized economy have a greater percentage of the rich or wealthy class as well as a lower percentage of the poor than the rest of the industrial structures earlier mentioned. Here, the rate of poverty is lower than the subsistence zone because people here live on more than one dollar a day.

### **Political/legal Environment**

Sing (2007) reveals that that political problem in Fiji has affected its travel industry. Convention planners are directing their business to South America and some other countries where it is cheaper to operate because of the high taxes charge by New York government on hotels (Kotler et al., 2010). USA, UK, Japan will definitely provide a more serene and secure atmosphere to do business than North Eastern Nigeria; ridden with "Boko Hara sect, Syria; bedeviled with ISIS, Afghanistan; hunted by the Taliban, Iraq; ISIS, North Korea; world rogue state, Cuba; isolationism and Iran; isolationism . Thank God for the recent resolution of US-Cuban crisis as well as the recent nuclear deal between US and Iran. The former countries operate a democratic and free economy where companies operate with the principle of laissez faire. The later countries

are either at political instability or war (Syria, Afghanistan, Iraq) and are declared “ a no go area”. Some countries allow free trade while others protect their home or domestic firms from foreign domination. A few decades ago, most developing countries including India and China never opened their borders to developed countries like USA and Britain. They felt intimidated that this domination might subjugate their development as these other countries are more advanced in research and development and in science and technology generally. “Tariffs have traditionally been used as barriers to international trade (Odongo et al., 2012)”. Some countries are placed on economic embargo, some products are banned, and some other nontariff regulations like heavy taxes and mandating companies to employ majority of her indigenes in the management cadre are frequently adopted.

The high cost of tax levied on hotels to operate in America and Western Europe has dramatically affected the hospitality industries such that most international conventions are now hosted in Mexico and Southern American countries where the taxes paid by multinationals are commensurate.

### **Cultural Environment**

“The newest trends and topics surrounding hospitality research and development is the management of multicultural talent and the political landscape affecting the hospitality industry” (Jin-Zhao and Jing, 2009). Diligent consumer insights by marketing managers in relation to cultural differences and diversities will go a long way to determining consumer pre and post purchase evaluation process (Zeithaml et al., 2006), and therefore help in packaging an offer to them. Cultural forces have the power of leaving the deepest scar on the international marketer who relegates it to the doldrums (Kotler et al, 2010). According to them, “culture is expressed through tangible items such as food, architecture, clothing, and the art. Culture is an integral part of the hospitality and travel business. It determines what we eat, how we travel, and where we

stay. Culture is dynamic, adapting to the environment". As globalization enjoys wider acceptance the world over, cultural differences among consumers is pivotal in the development of an appropriate and effective marketing strategies (Asamoah and Chovancova, 2011). Environmental scanning is overly relevant in sorting out cultural environment (Roskwitalska, 2009). Stottinger and Holzmuller (2001) highlight the importance of cultural sensitivity in international marketing. Global entrepreneurs are increasingly aware of the relevance to develop the requisite skills, knowledge, and acumen to compete effectively in international markets. "Managers around the globe are recognising the increasing necessity for their companies and organisations to develop the skills, aptitudes and knowledge to compete effectively in international markets (Doole and Lowe, 2008). Culture is the standards of beliefs, perception, mores, folklores, values, etiquettes, evaluations, habits and behaviours shared by the member of a social group. Culture simply means the way people live their life. It is the norms, customs, taboos, folkways, and lifestyles of people. What is obtainable in Nigeria will never be exactly the same in India; the same goes between Washington DC and Panama, Tehran and Glasgow and so on and so forth. In international marketing, companies are expected to be mindful of the cultural practices of their host country. It is said, "do in Rome as the Romans do", meaning that what is "good for the geese may not be good for the gander". It is an important caveat that companies should observe international marketing cultural peculiarities of their host country in order not to incur hostile relationship with their host. Take for instance the cultural blunder that Nike made in Arab countries when it offended the Muslims world when the "Air" logo on its sport shoe resembled "Allah" (Kotler and Armsrong, 2001). It took Nike a substantial and costly public relations and image management campaign before it could resuscitate the roasted image it had in the Muslim world. Similarly, Kotler et al (2010) stated that in China, Singapore, Hong Kong and other countries in Southeast Asia, "Feng shui", is practiced to make business boom. According to them, "Feng shui" is a cultural practice that advocates that a building should face the water and be flanked by mountain and should not block the view of mountain spirit. Hyatt Hotel in Singapore was designed without "Feng shui" and its sale plummeted drastically. Nike Lake Resort hotel must observe this cultural ideology or philosophy in order to operate efficiently and effectively in Southeast Asia. A beer company that wants to go international knows that it cannot break through the Muslim (sharia-practicing) world because there must be monumental sales challenges.

## **Technological Environment**

“The growing complexity of the customer/employee interaction, driven by technology and the information age, will shape human resources needs in the future. Advanced technology in many ramifications has transformed the way business is done around the world. There are colossal changes in the hospitality industry such as online booking, lift and escalator installations in hotels etc. Kotler et al. (2010) state thus:

Technology has affected the hospitality industry in many ways:

Robots are used to deliver hospital food tray to station throughout a hospital. Machines cook food automatically, eliminating human error. Computerised video checkout services are now common in many hotels. Electronic guest room locking system tell housekeeper which rooms are occupied; the minibar lock tells which guests accessed their minibar, making restocking easier. Locking fax machine now receive orders at restaurants”.

According to Chirapanda (2002), these changes propagate effective communication and distribution. Innovations in transportation system have been revolutionary in international marketing operations. Nwoka et al (2009) state that distribution of goods and services would have been overly difficult without continuous innovations in technology. From the use of boats, cars, ships to planes of different sizes, capacity and speed, technology has taken a substantial step in the development of international marketing with special reference to the hospitality industry . Tourists, business travelers and corporate executives can easily find their routes across many countries’ borders within few hours without limitations in search of quality hotel to stay either for leisure or commercial purpose or both.

Furthermore, Kotler et al. (2010) observe that in the hospitality industry, robots distribute food trays in hospital stations, e-ticket allows an airline passenger to check himself on board the

plane, minibar lock can tell who used the bar, the electronic guest room locking system indicates which room is occupied, food can be cooked automatically, etc. Technological development in communication has contributed in making the world a global village. No distance is separating the world as an international marketer can pick up a handset and contact a business associate or partner in the farthest part of the world in less than one minute. The birth of the internet is a major technological breakthrough and transformation. The internet and the social media have no barrier or restrictions (Abdullahi, 2012). It has immensely contributed to the growth and development of both domestic and international marketing, as transactions and communication can only take few minutes at the click of the mouse. Friday et al (2012) said that the development in internet technology is a paradigm shift from the traditional distribution approaches. Transactions are currently conducted online. According to Zeithaml et al (2006), information technology immensely influence services marketing.

### **Adaptation of Marketing Mix Programmes in International Marketing.**

Countries are quite different in terms of their culture, economy, technology, politics, demography and natural environment. These diversities necessitate conceptualising, designing, and developing different marketing mix programmes for them according to their uniqueness and peculiarities to avoid long run wastes that may cause from standardizing a product that will eventually not be accepted in many world markets. Kotler and Keller (2006) define adapted marketing mix as “where the producer adjusts the marketing programme to each target market”. Kotler and Armstrong (2001) define it as “an international marketing strategy for adjusting the marketing mix element to each international target market, bearing more costs but hoping for a larger market share and return”. This can be said to be a “double barrel or rifle approach” that engenders long term benefits having considered the cultural, political, geographical, demographic, technological and other nuances or differences existing among nation, regions and zones the world over, compared to the standardized marketing mix which they perceive as reducing the cost of marketing programme through standardizing communication, product, and

distribution on the short run having perceived the world as one global village without differences. Standardised marketing mix is a “myopic and short gun approach” to operating in the international market. Perhaps international marketing manager are too short sighted that they fail to realize that “what is good for the Geese may not be good for the Gander”.

In the hospitality industry, entering into international market will pose a serious challenge when individual countries are perceived to be exactly the same. People all over the world eat different kind of food. Depending on economic situation of a particular nation, billing clientele the same amount for accommodation (rooms, suites of different sizes) and other hotel facilities will be an oversight. Pragmatically, it will be an act of “social irresponsibility” to operate a hotel in South Korea without having to offer them dog meat. The same applies to Calabar people of South Southern Nigeria. What about the Indians who are mostly vegetarians? According to Kotler et al. (2010), any hotel operating in Israel must adhere and adapt to the rules of “Kashruth”. The Jewish people perceive pork meat and other sea food as impure. The Muslim world has their custom that must be duly observed equally. In the Northern states of Nigeria where “Sharia” is practiced, alcohol is totally banned in hotels. That was why Lishchenko et al. (2011) remark that nevertheless the tendencies of globalisation, countries are still far apart from each other and one another.

Nwosu and Nkamnebe (2006) discussing international advertising refer adaptation strategy as “marketing communications message and media that are changed from country to country to better suit the particular requirements of individual markets”. According to them, every country has its own way and approach to certain issues. Countries react and act differently at certain situations. Isayeva (2011) advocates that adaptation advertising strategy should be applied by companies when there is high market knowledge with wide cultural gulf between the foreign and domestic market. With reference to language in advertising, Hornikx et al. (2010) in their study”, discover that respondents reacted differently depending on whether the company is a multinational or local, whether the product is a luxury or a necessity. According to Hornikx et al. (2010) respondents value English more for a luxury product than Hindi, but when the company is an Indian company, they prefer Hindi advertising for necessity. Hise and Tae-Choi (2011) were of the opinion that consumer non-durable sector will favour adaptation strategy. Products,

marketing communications, pricing and distribution strategies must be adapted to fit the uniqueness of different countries.

## **RESEARCH METHODOLOGY**

The researcher employed survey method by administering structured questionnaire to gather primary data from staff of Nike Lake Resort hotel, Enugu. The scope covered international marketing environment with specific references to economic, political/legal and cultural environmental forces. The population of the study was 146. A sample size of 106 was determined using Taro Yamane's sample size determination formula. Content validity was used to determine the validity of the instrument by giving to marketing research consultants and lecturers of marketing department who modified and made the necessary corrections so that the instrument can measure what it ought to measure. The value of the test of reliability is 0.893 which was conducted using Cronbach's Alpha, indicating that there is internal consistency of the instrument. All the 106 questionnaires were correctly filled and returned. Pearson's product moment correlation coefficient and simple linear regression data analyzing techniques were applied with the aid of Statistical Package for Social Sciences (SPSS).

## **RESULTS AND DICUSSION**

The data obtained from the field were presented and analyzed with descriptive statistics to provide answers for the research questions while the corresponding hypotheses were tested with Pearson's correlation and linear regression at 0.05 alpha levels.

**Table 1 Coded Responses on the extent of the relationship between economic environmental forces and Nike Lake Resort hotel’s successful operation in international marketing**

/no	Questionnaire items	Strongly Agree/Agree	Disagree/Strongly Disagree	Neutral	
		Freq	Freq	Freq	Total (Freq)
1	Economic environmental forces will affect Nike Lake Resort hotel’s successful operation in international marketing	94	9	3	106
2	Successful operation in international marketing by Nike Lake Resort hotel will be achieved through observing economic trends	95	9	2	106
	TOTAL	190	18	5	212

**Source: fieldwork 2014**

According to table (1) based on aggregate response 190 indicated agreement, 18 indicated disagreement while 5 indicated neutrality. This implies that there is significant relationship between economic forces and Nike Lake Resort hotel’s successful operation in international marketing.

### **Hypothesis One**

Ho: There is no significant relationship between economic environmental forces and Nike Lake Resort hotel’s successful operation in international marketing

**Table 2 Descriptive Statistics**

	Mean	Std. Deviation	N
Economic Forces	1.4811	1.01635	106
Successful Operation	1.5189	0.97815	106

**Table 3 Correlations**

		<b>Economic Trends</b>	<b>Nike Lake Resort hotel Successful_Operation</b>
<b>Economic Forces</b>	<b>Pearson Correlation</b>	1	<b>.963**</b>
	<b>Sig. (2-tailed)</b>		<b>0.000</b>
	<b>N</b>	<b>106</b>	<b>106</b>
<b>Successful Operation</b>	<b>Pearson Correlation</b>	<b>0.963**</b>	1
	<b>Sig. (2-tailed)</b>	<b>0.000</b>	
	<b>N</b>	<b>106</b>	<b>106</b>

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

**Interpretation**

The above table shows descriptive statistic of the extent to which economic environmental forces is related with Nike Lake Resort hotel’s successful operation in international marketing. The mean value of economic forces is 1.4811, while the standard deviation is 1.01635. Also, the mean value of Nike Lake Resort hotel’s successful operation in international marketing is 1.5189 while the standard deviation is 0.97815. By careful observation of standard deviation value, it can be said that there is about the same variability of data points amongst dependent and independent variables. This implies that economic forces have a relationship with Nike Lake Resort hotel’s successful operation in international marketing. The table above shows Pearson correlation coefficient for economic forces and Nike Lake Resort hotel’s successful operation in international marketing. The correlation shows 0.963. This value indicates that correlation coefficient is significant at 0.05 level (2 tailed) and implies that there is a relationship between economic forces and Nike Lake Resort hotel’s successful operation in international marketing ( $r = 0.963$ ). The computed correlation coefficient is greater than the table value of  $r = 0.195$  with 104 degree of freedom (df n-2) at alpha level for a two tailed test ( $r = 0.963, p < 0.05$ ).

**Table 4 Coded Responses on effect of political/legal environmental forces on Nike Lake Resort hotel successful operation in international marketing**

/no	Questionnaire items	Very High Extent /High Extent	Low Extent /Very Low Extent	Moderate Extent	
		Freq	Freq	Freq	Total (Freq)
1	Political/legal environmental forces will inhibit Nike Lake Resort hotel's successful operation in international marketing	96	7	3	106
2	Successful operation in international marketing by Nike Lake Resort hotel will be achieved through observing political/legal trends	98	7	1	106
	TOTAL	194	14	4	212

**Source: fieldwork 2014**

According to table (4) based on aggregate response 194 indicated higher extent, 14 indicated lower extent while 4 indicated neutrality. This implies that political/legal forces significantly affect Nike Lake Resort hotel's successful operation in international marketing

**Hypothesis Two**

**Ho: There is no significant effect of political/legal forces on Nike Lake Resort hotel's successful operation in international marketing.**

**Table 5 Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sum of Squares	t	Durbin-Watson
1	0.960 <sup>a</sup>	0.922	0.922	0.26782	1.235E3	88.578	35.142	0.873
						7.460		

a. Predictors: (Constant), Nike Lake Resort hotel's Successful Operation

R = 0.960

R<sup>2</sup> = 0.922

F = 1.235E3

$$T = 35.142$$

$$DW = 0.873$$

### **Interpretation**

The regression sum of squares (88.578) is greater than the residual sum of squares (7.460), which indicates that more of the variation in the dependent variable is not explained by the model. The significance value of the F statistics (0.000) is less than 0.05, which means that the variation explained by the model is due to chance.

R, the correlation coefficient which has a value of 0.960, indicates that there is significant effect of political/legal environmental forces on Nike Lake Resort hotel's successful operation in international marketing. R square, the coefficient of determination, shows that 92.2% of the variation in political/legal forces explained by the model.

With the linear regression model, the error of estimate is low, with a value of about 0.26782. The Durbin Watson statistics of 0.873, which is less than 2, indicates there is no autocorrelation.

Nike Lake Resort hotel's successful operation coefficient of 0.960 indicates there is significant effect of political/legal forces on Nike Lake Resort hotel's successful operation which is statistically significant (with  $t = 35.142$ ). Therefore, the null hypothesis should be rejected and the alternative hypothesis accordingly accepted.

**Table 4 Coded Responses on influence of cultural environmental forces on Nike Lake Resort hotel's successful operation in international marketing**

/no	Questionnaire items	Very High Extent /High Extent	Low Extent /Very Low Extent	Neutral	
		Freq	Freq	Freq	Total (Freq)
1	Cultural environmental forces will inhibit Nike Lake Resort hotel's successful operation in international marketing	90	11	5	106
2	Successful operation in international marketing by Nike Lake Resort hotel will be achieved through observing cultural trends	95	9	2	106
	TOTAL	185	20	7	212

Source: fieldwork 2014

According to table (4) based on aggregate response 185 indicated higher extent, 20 indicated lower extent while 7 indicated neutrality. This implies cultural environmental forces significantly influence Nike Lake Resort hotel's successful operation in international marketing.

### Hypothesis Three

**Ho: There is no significant effect of cultural factors on Nike Lake Resort hotel’s successful operation in international marketing.**

**Table 5 Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sum of Squares	t	Durbin-Watson
1	0.912 <sup>a</sup>	0.832	0.830	0.48735	514.523	122.205	22.683	0.367
						24.701		

**a. Predictors: (Constant), Nike Lake Resort hotel’s Successful Operation**

- R = 0.912**
- R<sup>2</sup> = 0.832**
- F = 514.523**
- T = 22.683**
- DW = 0.367**

### Interpretation:

The regression sum of squares (122.205) is greater than the residual sum of squares (24.701), which indicates that more of the variation in the dependent variable is not explained by the model. The significance value of the F statistics (0.000) is less than 0.05, which means that the variation explained by the model is due to chance.

R, the correlation coefficient which has a value of 0.912, indicates that there is significant influence of cultural environmental forces on Nike Lake Resort hotel’s successful operation in international marketing. R square, the coefficient of determination, shows that 83.2% of the variation in cultural environmental forces is explained by the model.

With the linear regression model, the error of estimate is low, with a value of about 0.48735. The Durbin Watson statistics of 0.367, which is less than 2, indicates there is no autocorrelation.

Nike Lake Resort hotel's successful operation in international marketing coefficient of 0.912 indicates there is significant influence of cultural forces on Nike Lake Resort hotel's successful operation in international marketing, which is statistically significant (with  $t = 22.683$ ). Therefore, the null hypothesis should be rejected and the alternative hypothesis accordingly accepted.

### **Summary of Findings**

Hypothesis one revealed that there is a significant relationship between economic environmental forces and Nike Lake Resort hotel's successful operations in international marketing. This was reflected by the correlation coefficient of ( $r = 0.963$ ,  $< 0.05$ ) indicating that international marketing operations are affected by peoples' culture.

The second hypothesis revealed that political/legal forces has a significant effect on Nike Lake Resort hotel's successful operations in international marketing ( $r = 0.960$ ;  $t = 35.142$ ;  $F = 1.235E3$ ;  $p < 0.05$ )

Thirdly and finally, it was revealed that there is significant cultural environmental forces influence Nike Lake Resort hotel's successful operations in international marketing ( $r = 0.912$ ;  $t = 22.683$ ;  $F = 514.523$ ;  $p < 0.05$ )

## **Conclusion**

The researcher concludes that international marketing operations are affected by economic, political/legal and cultural, environmental forces and that international marketers do not hold environmental scanning (marketing research) to a high esteem before, during and even after launching its specific business operation when they go international. The world might be a global village in terms of distance and communication, nevertheless, the fact that we come from different geographical regions; arctic region, temperate region, tropical region, etc, denotes that we must be affected differently by our different natural environments. While a Nigerian living in the tropics may not want a hot tea all the time, an Icelander who occupies the arctic region will definitely take hot tea at all time. Similarly, as a Nigerian might likely drive his car most of the time with the air conditioner set to work at all time, the Icelander will put on his heater most of the time on the contrary. International marketers and marketing managers must acknowledge these trends.

## **Recommendations**

Firstly, understanding a country's economic environment is very vital to marketers and marketing managers in designing any marketing plan for any country. This is because every country is different in the type of economic system it practices. The standard of living (per capita income) of individuals differs from country to country.

In the same vein, marketers and marketing managers who choose to go international should and must understand the political/legal dynamics of the countries they want to operate before they package marketing programmes to them to avoid losses. For instance, before entering a country

like Syria, Sudan or Afghanistan to do business, research must be carried out to know the level of political stability of these countries.

Finally, in relation to cultural environment, companies should conduct appropriate research to find out the critical elements of a country's culture; norms, religions, languages, taboos, etc before they advance any marketing product or programme on them.

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