

Monetary Policy and Marketing Performance of Businesses in Port Harcourt: A Case of Naira Redesign in 2022

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Abstract: The discuss of the Central Bank of Nigerian (CBN) governor and the Federal Governments monetary policy of Naira redesign has hit the media space with arguments for and against the move. Less has been discussed about its impact on every day business within the context of Rivers state. Hence this study tried investigating the marketing implication of the policy of Naira redesign on businesses in Port Harcourt. In order to do this, the study utilized a quantitative research design method under which the cross sectional survey method of distributing copies of questionnaire to the respondents was adopted. The population for this study includes 7,149 businesses in Rivers state as identified in Business List (<https://www.businesslist.com.ng/state/rivers>). Using Taro Yamen formula, the study generated a sample of 378 from the target population, and conveniently selected this sample from businesses around Port Harcourt. Out of 378 copies of questionnaire distributed, 367 were valid and were used for the analysis. The study tested the earlier stated hypotheses using spearman rank correlation coefficient. Based on the analysis conducted, the study found out that Naira redesign will make money available for business transactions, and the availability of money will encourage consumers' patronage of goods and services offered by businesses, the increase in patronage will result to sales growth and customers ease of patronage encourages business profitability. Base on the findings, the study concludes that the monetary policy of Naira redesign will encourage better marketing performance in terms of increasing sales growth and profitability in Port Harcourt. Hence the study recommends the faithful implementation of the policy since there are inherent gains in the redesigning of the Naira bank notes, secondly the need for a lot of public enlightenment on the Naira redesign.

Keywords: Marketing Performance. Monetary Policy. Naira Redesign. Availability of Cash. Profitability. Sales Growth

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1.1 Introduction

The discuss of the Central Bank of Nigerian (CBN) governor and the Federal Governments monetary policy of Naira redesign has hit the media space with arguments for and against the move. Some analysis hinting on the financial cost associated with the printing, and logistics of getting the money to the 774 local governments when we are borrowing to fund our budget (Edeh, 2022). Others supporting the move as a means of cubing the hording of cash by

politicians against 2023 election that is to come (Itsibor, 2022). This study is aimed at investigating the impact the Naira redesign will have on the marketing performance of businesses within the context of Rivers State in Nigeria.

The economy of every well-established society thrives when businesses can operate smoothly, with the government giving an enabling environment which encourages healthy business competition and growth. This is because these businesses both Small and Medium-scale Enterprises (SME) and large corporations contributes to the coffers of the state where they carry out their marketing activities through payment of taxes which enables the government of the day to embark on offering dividends of democracy to the people. Also for business to thrive depends on when the customers have disposable incomes at hand to spend and patronize these businesses. Hence it is paramount for the government to intervene when the economic situation of its jurisdiction is in disarray, which will discourage consumers spending power and will in turn affect the businesses operations and government's generation of funds from these establishments. This is because customer engagement is very vital for business survival because it enables them to recoup return on investment and profit (Nwachukwu & Origbo, 2022).

One major way which a government can intervene to help businesses transact smoothly with customers and build its economy is through monetary policies. That is why Hayes (2022) asserts that when it is about influencing the outcome of macroeconomic activities; governments have normally relied on one of two basic strategies of monetary or fiscal policy. According to him, monetary policy could be seen as the central banks management of the supply of money and interest rates (Hayes, 2022). Monetary policy according to the Investopedia Team (2022) is executed by a particular central bank in order to sustain a level economy while keeping unemployment low, protecting the currency value maintaining economic growth.

The Nigerian economy over the past years after the covid 19 pandemic crisis have been faced with great economic depression coupled with issues of insecurity and reckless corruption practices by most government officials which has reduced the availability of funds for doing business, thereby hampering and causing most businesses to disinvest and close down, causing more hardship and sorrows to the citizens. With the incoming election of 2023, several politicians and government officials in Nigeria have hoarded the Naira note for campaigns and vote buying against the February 2023 election to be held in Nigeria. This has aided in starving businesses off money to operate with, and consumers not having enough cash to spend on their daily physiological needs. Central bank in order to aid economic growth as well as stimulate economies out of recession periods uses monetary policy tools (Hayes, 2022). Hence, due to the shortage of money supply caused by hoarding of naira notes by politician for campaign purposes, the CBN governor in collaboration with the federal government has planned to redesign the Naira currency notes in circulation in order to encourage the injection of fund back into the banking system.

President Buhari on Wednesday evening in London, UK, after having a meeting with King Charles III at Buckingham palace, said that the commencement of the Naira redesign will surely go on and will take care of the hoarding of banknotes by members of the public with over 80%

of currency in circulation outside the vaults of commercial banks (Busari, 2022). Itsibor (2022) asserts that beyond the main goal of fighting counterfeiting and the financial industry sustainability, redesigning most naira notes would help INEC in monitoring the funding of campaigns and restricting the incidence of vote buying which has become a menace to Nigeria's electoral system. Against this backdrop, the study tries to investigate the impact the monetary policy of Naira redesign will have on marketing performance of businesses in Port Harcourt.

1.2 Aim of The Study

The aim of the study was to investigate if the monetary policy of Naira redesign will encourage the availability of cash for consumers to patronize businesses and how this act will impacts on the marketing performance of these businesses in Port Harcourt, Rivers state.

While the specific objectives include:

- i. To evaluate the extent monetary policy of Naira redesign improves sales growth of businesses in Port Harcourt, Rivers state.
- ii. To evaluate the extent monetary policy of Naira redesign affects profitability of businesses in Port Harcourt, Rivers state.

1.3 Research Question

1. To what extent does monetary policy of Naira redesign improves sales growth of businesses in Port Harcourt, Rivers state?
2. To what extent does monetary policy of Naira redesign influences profitability of businesses in Port Harcourt, Rivers state?

1.4 Research Hypotheses

Ho₁: There is no significant relationship between monetary policy of Naira redesign and sales growth of businesses in Port Harcourt, Rivers state.

Ho₁: There is no significant relationship between monetary policy of Naira redesign and profitability of businesses in Port Harcourt, Rivers state.

2.0 Review of Relevant Literature

2.1 Theoretical Foundation

The theoretical underpinning to this research study is the Keynesian theory of monetary policy. In the views of the Keynesian, monetary policy plays a crucial role in influencing economic activities of a given society. The theory argues that a change in monetary policy of the supply of money can permanently change some variables such as aggregate demand, interest rate, level of employment, level of income, and output (Jhinghan, 2016). Keynesian went further in believing that expansionary monetary policy generates an increase in the availability of the supply of loanable funds through the deposit money banking system, leading to the fall of interest rates.

Hassan and Ahmad (2022) asserts that with lower rates of interest, other variables such as aggregate expenditures on investment, manufacturing sector and interest-sensitive consumption goods usually increase, whereby making the real GDP to rise.

2.2 Conceptual Review

2.2.1 Concept of Monetary Policy

A given society and its leadership are guided by several policies in different aspects which includes the monetary policy. The investopedia Team (2022) defined monetary policy as a set of tools utilized by the Central bank of a nation in controlling the overall money supply and promoting growth in the economy while employing strategies such as revising interest rates and changing bank reserve requirements. Hassan and Ahmad (2022) defined it as a conscious attempt by the monetary authorities to influence the cost, availability, and quantity of money credit for the purpose of achieving anticipated macroeconomic objectives. Monetary policy can also be seen as the macroeconomic policy put forward by the central bank which involves the management of the supply of money and interest rate and is the demand side economic policy used by the government of a country to achieve macroeconomic objectives like inflation, consumption, growth and liquidity (The Economic Times, 2022).

The Naira Redesign Case

The Naira note according to Osadebe (2022) was redesigned to address the issue of individuals who have made currency fraud their main source of income, hidden money they have stolen, for instance, would either find a way to change it by taking the money out or would not need it given the change in the value of the Naira. In Nigeria, there has been an increase in economic hardship for greater percentage of the Nigerian citizens. The National Bureau of Statistics (NBS) on the 17th of November 2022 said that 133 million (63%) Nigerians are suffering from high level of poverty, with children constituting more than half of poor people in the country (**Komolafe et al., 2022**). They argued that two (2) out of every three (3) Nigerians are very poor and experiences just over one-quarter of all possible deprivations in terms of education, health, living standards, work and shocks (**Komolafe et al., 2022**). This poverty level is heightened by politicians and other government officials hoarding the Naira notes, storing them away in GP tanks, ware houses, buried in hidden bunkers and etcetera so that the stacked away cash cannot be traced to their account for money laundry and other criminal charges since it is not in a bank account that can be traced. At November 4th 2022, Sahara Reporters reported that the operatives of the Economic and Financial Crimes Commission (EFCC) have uncovered billions of Naira in cash stashed in various houses of some serving governors in Port Harcourt, Abuja and Kano (Sahara Reporters, 2022).



Fig 1: Stolen Money Stashed at home

Source: **Nwannekanma, 2018**

These tides of looting and stashing away money if not stemmed will sink Nigeria the more down the drain. Nigeria has been listed as the world poverty capital according to World Bank data (Alikor, 2022). And the greedy government officials are still struggling to impoverish the states the more. To stop the hoarding of Naira notes, the CBN governor in collaboration with the federal government has planned to redesign the Naira currency notes in circulation in order to encourage the injection of fund back into the banking system. President Buhari on Wednesday evening in London, UK, after having a meeting with King Charles III at Buckingham palace, said that the commencement of the Naira redesign will surely go on and will take care of the hoarding of banknotes by members of the public with over 80% of currency in circulation outside the vaults of commercial banks (Busari, 2022).

The Central Bank governor Godwin Emefiele in Abuja told journalist that the Naira redesign was informed by mostly concern over the significant hoarding of bank notes by some members of the public, and statistics has shown that over 80% of the currency in circulation were outside the commercial bank vaults, which has fueled illicit financial flow within the economy (Edeh, 2022). Itsibor (2022) argued that this monetary policy of redesigning the Naira note is also aimed at encouraging INEC in monitoring the funding of campaigns and restricting the incidence of vote buying which has become a menace to Nigeria's electoral system. But most financial analysts see the redesign as a distraction and a move that will plunge Nigeria even into more challenges.

Debates for and Against Naira Redesign

The policy of Naira note redesign has elicited serious debate amongst Lawyers, Economists, and other policy experts. Several of them hold the view that this policy change holds no significant economic benefits for the people, and is a distraction in the midst of serious economic crises buffeting (Amadi & Opatola, 2022). For instance, Dr. Muda Yusuf, Ex-DG of Lagos Chamber of Commerce and Industry argued that there will be lots of queues in the banking hall which will create inconveniences for people mostly the elderly and the unbanked that does not have banks in their localities. Yusuf did not see the Naira redesign as going to have a positive impact on the monetary policy, because it will impose lots of costs on the economy (printing N3.3 trillion currency notes), not to think of the logistics of such money to 774 local governments when we are borrowing to fund our budget. He urged the CBN to concentrate on the recent downgrading

of Nigerian economy by Moody to B3 rating from B2 which he said was not healthy for the economy (Edeh, 2022). The Minister of Finance disowned the policy while appearing before the National Assembly, slamming it as valueless in fiscal and monetary terms; while the President still reaffirmed his approval of the policy and its benefits, as a tool to control inflation and fight corruption (*Amadi & Opatola, 2022*). For *Uwoghiren (2022)* he argued that nothing best illustrates the tumbling precarious financial situation of this country. as the egregious decision of government to redesign our currency notes, amidst our unflattering image as a funny country where corrupt people often adopt the language of reform to confuse decision makers, donor agencies and poor helpless citizens. *Ejikonye (2022)* asserts that antagonists of the policy argue that it will further depreciate the value of our already battered Naira, and exacerbate the excruciating inflationary trend that has continued to impoverish the mass of our citizenry. He went ahead to state that their argument is that the policy would trigger a mad rush for foreign currencies and thereby, further deplete the value of our local currency, and increase the already biting rate of inflation to which the mass of ordinary Nigerians has been subjected.

On the opposing corner, Nigerians who support this CBN monetary policy initiative argue that it is only those Nigerians who kept their money outside the banking system that must have cause to worry (*Ejikonye, 2022*). They will be the ones that would have the need to rush to offload this excess cash, which will trigger the potential of huge amounts of the Naira chasing after the Dollar. The supporters of the CBN move query the rationale behind the inclination of some Nigerians to stash large amounts of our currency outside the banking system, in the face of a contemporary global push towards cashless transactions. This group point to the statistics which shows that over 80% of our currency is buried inside the private vaults of our public servants, politicians, drug barons and other criminal elements who will do everything possible to prevent the eagle eyes of security agencies from prying into their ill-gotten wealth (*Ejikonye, 2022*).

The two main aim of the naira redesign was to curb counterfeiting and hoarding of the Naira notes, and these will be explained below.

Curbing Counterfeiting

Amadi and Opatola (2022) argued that it is agreed that redesigning currencies could curb counterfeiting, especially where the existing design is much worn out and its security can be easily bypassed. The CBN in its most recent report, 2020 Currency Report, states that a total of 67,265 pieces of counterfeit notes with a nominal value of N56.83 million was confiscated in 2020, indicating a 20.80% decrease in volume and 12.18% decrease in value, compared with 84,934 pieces valued at N64.71 million in 2019 (*Amadi & Opatola, 2022*).

Cubing Hoarding of Money against Election

One of the main reasons given by CBN governor on the naira redesign policy is to curb the hoarding of cash. *Ojo (2022)* states that at the end of September 2022, available data at the CBN indicate that N2.73 trillion out of the N3.23 trillion currencies in circulation was outside the vaults of Commercial Banks across the country; and supposedly held by the public. But in the

views of *Amadi and Opatola (2022)*, those with the capacity to hoard such huge amounts are the political class, who also have had the ability to convert it to Dollars; the conversion argument further makes the claim of the CBN Governor, that a redesign in currency will hamper ransom payment, not altogether convincing. They went ahead to assert that Naira redesign in itself will not remedy rising inflation in this country, especially given the fact that this policy has no way to appreciate the value of Naira in the real sense, and could actually increase inflation, as those with loads of Naira unlawfully acquired could launder them through luxury purchases, or forex transactions that could inflate the economy (*Amadi & Opatola, 2022*). *Against this view, Ojo (2022) opines that CBN believes that the redesign of the currency will help deepen our drive to entrench a cashless economy, as it will be complemented by increased minting of our eNaira. This will further rein in the currency outside the banking system into the banking system, thereby making monetary policy more efficacious.*

In the view of *Uwoghiren (2022)*, nobody is hoarding our increasingly useless Naira; Nigerians are simply putting their hopes in foreign currencies, and changing their Naira to same, which reflects the depleted cash bases of our commercial banks, the costly route of currency redesign won't change nor address the deluge now loading. With all these assertions, it's important to investigate the impact the Naira redesign monetary policy will have on the marketing performance of businesses which is key to economic growth of any society.

2.2.2 Concept of Marketing Performance

The term marketing according to American Marketing Association is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders. Several authors have defined marketing in various ways. Cronje, et al (2007) define marketing as consisting 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 such a way that the objectives of the business, the consumer and society will be achieved. On the account of Perreault and McCarthy (2016), they opined that marketing is about the analysis of the consumers' needs for a given product, deciding the range of need for this product, determining amount of interests for now and the future, and providing access to the product.

'Marketing is so basic that it cannot be considered as separate function. It is the whole business seen from the point of view of its final result, that is, from the customer's point of view'. - Peter Drucker. Marketing is indeed an ancient art; it has been practiced in one form or the other, since the days of Adam and Eve. Today, it has become the most vital function in the world of business. Marketing activities ensures transaction takes place between the consumers and the business which generates return on investment and profitability. When marketing efforts are well executed, it brings about increase in sales volume which is termed sales growth. It is all about the transaction marketing creates between the customers and the business, and for this transaction to take place consumers need to have disposable income to be able to conveniently patronize business offerings. It is this transaction that creates economic activities which leads to a healthy economy. At the forefront is the availability of money to spend on goods and services. Hence the

hoarding of money by Nigerian politicians and people in position of power disrupts smooth flow of marketing transactions between businesses and customers.

Talking about sales growth and profitability brings us to the issues of measuring marketing performance. Several measures have been used to measure marketing performance, but in this study we measured marketing performance using sales growth and profitability.

Sales Growth

Sales is one of the driving functions of an organization, and sales representatives and regional managers offer products and services to customers and help close deals that generate the firm's revenue (Austin, 2021). Joseph (2021) asserts that businesses typically depend upon the performance of their sales people to generate the revenue needed to survive. Sales are activities related to selling or number of goods sold in a given target time period. The delivery of services for a cost is also considered a sale. The seller or the provider of the goods or services completes a sale in response to an acquisition, appropriation, requisition or a direct interaction with the buyer at the point of sales.

The term sales growth could be seen as a measure of the change in revenue over a fixed time period (Sisense, n.d.). **Sales growth** according to Klipfolio (n.d.) is a metric which measures the capability of a firm's sales team in increasing revenue over a fixed period of time. This definition is in line with that of Bhasin (2018) who defined sales growth as the parameter utilized in measuring the performance of a sales team in increasing the revenue over a given time period. If "sales" is seen as the heartbeat of a business, then sales growth is the heart rate monitor – which indicates if the revenue goals are on track (Sisense, n.d.).

Profitability

Profit is usually what is left after all the costs have been removed from the accrued revenue from sales. Therefore, profit is a controllable factor to the extent that management can control his revenue through price on one hand and through costs on the other hand. Low level of marketing profitability in Nigeria would not be unexpected given the rates at which costs rise (Mautz, 2012). Profit, of course, represents the balance from revenue after all costs have been deducted. Profitability is the ability of a company to use its resources to generate revenues in excess of its expenses. In other words, this is a company's capability of generating profits from its operations. Business profits mostly come from the customers whose patronage generates income and return on investment. That is why Nwachukwu et al. (2022) argued that customer patronage is what every business lives for because with it comes return on investment and profitability which helps drive the business to attain growth and expansion in its industry.

2.3 Empirical Review

Tabak et al. (2010) investigated financial stability and monetary policy using the feasibility generalized least square (FGLS) estimation technique, and found out that there is a significant and positive association between monetary policy and assets quality.

Osmond et al. (2015) investigated the effect of monetary policy on manufacturing in Nigeria utilizing an annual database from 1981 to 2012. The study adopting the Johansen cointegration test and error correction model (ECM), the findings showed that the supply of money and credit to the private sector has a significant positive impact on the Nigerian manufacturing sector.

Udor et al. (2018) investigated the impact of monetary policy on the growth of SMEs in Nigeria. And adopted an ex post facto research design, and the Error Correction Model (ECM) was used in the analysis of the time series data, and also the Johansen co-integration approach was employed to test for the long-run relationship among the series. The study found out that there is a slight significant effect between interest rate (INR) and growth of SMEs in Nigeria.

Osakwe et al. (2019) evaluated the effect of monetary policy on the performance of the manufacturing sector in Nigeria. Using the Autoregressive Distributive Lag (ARDL) model, the research found that monetary policy exerts a significant positive impact on the manufacturing sector output in Nigeria.

Gimba et al. (2020) examined the effect of monetary policy on the financial performance of listed deposit money banks in Nigeria from 2006 to 2018. The study adopted the ex-post-facto research design. Using Panel time series, the study found that monetary policy has a significant positive impact on the performance of listed deposit money banks.

Mbabazize et al. (2020) investigated the influence of monetary policy on the profitability of commercial banks in Uganda by utilizing an annual set of data from 2010 to 2018. The study adopted the System Generalized Method of Moments (GMM) model and found out that the lending rate has a significant positive effect on the profitability of the banking sector while inflation has a significant negative effect on the banks' performance.

Uju and Ogochukwu, (2021) investigated the effect of monetary policy on industrial growth in Nigeria utilizing an annual time series dataset from 1986 to 2019. Adopting the Ordinary Least Square (OLS) regression, the study discovered that cash reserve and open market operation have a significant positive impact on industrial growth, while monetary policy rate has a significant negative effect on industrial sector growth.

Table 2.1: Summary of Empirical Review

S/N	Author (s)	Title of Work	Instruments for Testing	Findings
1.	Tabak et al. (2010)	Financial stability and monetary policy: The case of Brazil.	The feasibility generalized least square (FGLS) estimation technique.	Found out that there is a significant and positive association between monetary policy and assets quality.
2	Osmond et al. (2015)	The effect of monetary policy on manufacturing in Nigeria,	Adopting the Johansen cointegration test and error correction model (ECM).	The findings showed that the supply of money and credit to the private sector has a significant positive impact on the Nigerian manufacturing sector.
3.	Udor et al. (2018)	Monetary policy and growth of small and medium enterprises in Nigeria.	Ex post facto research design, and the Error Correction Model (ECM), Johansen co-integration approach.	The study found out that there is a slight significant effect between interest rate (INR) and growth of SMEs in Nigeria.
4.	Osakwe et al. (2019)	The effect of monetary policy on the performance of the manufacturing sector in Nigeria.	Used the Autoregressive Distributive Lag (ARDL) model.	The research found that monetary policy exerts a significant positive impact on the manufacturing sector output in Nigeria.
5.	Gimba et al. (2020)	The effect of monetary policy on the financial performance of listed deposit money banks in Nigeria from 2006 to 2018.	Utilized Panel time series.	The study found that monetary policy has a significant positive impact on the performance of listed deposit money banks.
6.	Mbabazize et al. (2020)	The influence of monetary policy on the profitability of commercial banks in Uganda.	The study adopted the System Generalized Method of Moments (GMM) model.	Found out that the lending rate has a significant positive effect on the profitability of the banking sector while inflation has a significant negative effect on the banks' performance.
7.	Uju and Ogochukwu, (2021)	the effect of monetary policy on industrial growth in Nigeria.	The Ordinary Least Square (OLS) regression.	The study discovered that cash reserve and open market operation have a significant positive impact on industrial growth, while monetary policy rate has a significant negative effect on industrial sector growth.

Source: Review of empirical literatures

Based on these findings, the study hypothesises that:

Ho₁: There is no significant relationship between monetary policy of Naira redesign and sales growth of businesses in Port Harcourt, Rivers state.

Ho₁: There is no significant relationship between monetary policy of Naira redesign and profitability of businesses in Port Harcourt, Rivers state.

2.4 Operational Framework



Fig 2: Operational Framework of Monetary Policy of Naira Redesign and Marketing Performance of Businesses in Rivers State

Source: From Empirical literature Review

3.0 Research Methodology

In order to investigate the impact the policy of Naira redesign will have on the marketing performance of business in Rivers state, the study adopted the quantitative research design under which the cross sectional survey method of distributing copies of questionnaire to the respondents were utilized. The population for this study includes 7,149 businesses in Rivers state as identified in Business List (<https://www.businesslist.com.ng/state/rivers>). Using Taro Yamen formula, the study generated a sample of 378 from the population, and conveniently selected this sample from businesses around Port Harcourt. A copy of questionnaire was administered to each of the business manager or supervisor out of which 367 was valid and was used for the analysis.

Table 3.1: Questionnaire Administration and Responses

	Number Involved	Percentage (%)
Total Distribution	378	100%
Useful Copies Returned	367	97%
Discarded Reponses	7	2%
Lost in Transit	4	1%

Source: Field Survey, 2022.

From Table 3.1 we were meant to understand that 378 copies of the questionnaire were distributed amongst the respondents, out of which 367 (97%) copies returned were considered useful. Due to obvious mistakes and incomplete responses, 7 copies accounting for 2% were dropped, while 4 copies representing 1% could not be retrieved due to misplacement and other reasons given by the respondents. Therefore, the total response rate that formed the basis of our analysis was 367 representing 97%.

4.0 Data Analysis and Results

This section discussed the key research questions and how they were addressed in the questionnaire.

4.1 Demographic Analysis

Question 1: What is your gender?

Table 4.1: Frequencies on Gender of Respondents

		Gender		Valid Percent	Cumulative Percent
	Frequency	Percent			
Valid	Female	95	25.9	25.9	25.9
	Male	272	74.1	74.1	100.0
	Total	367	100.0	100.0	

Source: Field Survey, 2022

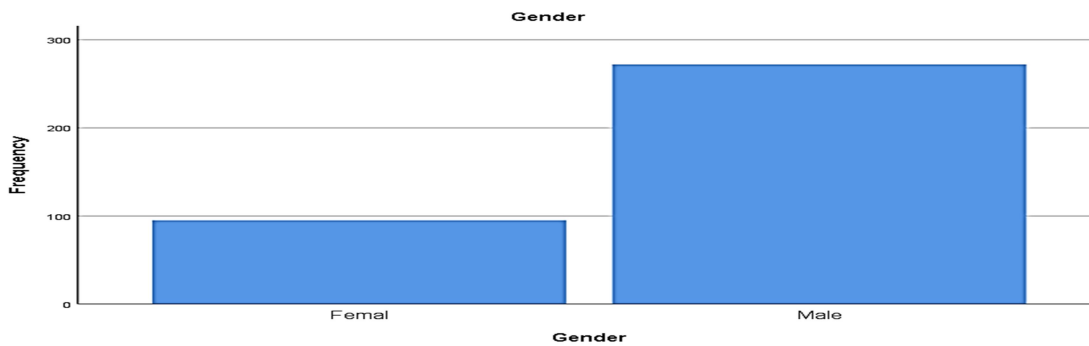


Figure 4.1 – Bar Chat showing frequencies for Gender

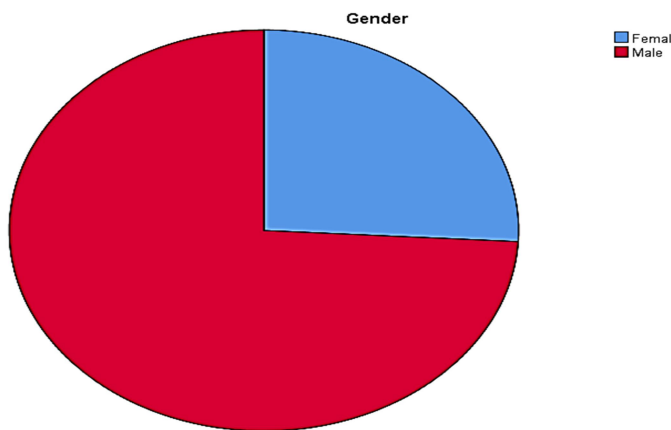


Figure 4.2 – Pie Chart showing frequencies for Gender

From the analysis in table 4.1 above, we can see that 95 (or 25.9%) of the respondents are female while 272(or 74.1%) of them are male.

Question 2: In which of these brackets does your age fall?

Table 4.2: Frequencies on Age Bracket of Respondents

		Age Bracket			Cumulative Percent
		Frequency	Percent	Valid Percent	
Valid	20 - 30 years	61	16.6	16.6	16.6
	31 - 40 years	185	50.4	50.4	67.0
	41 years & Above	121	33.0	33.0	100.0
	Total	367	100.0	100.0	

Source: Field Survey, 2022.

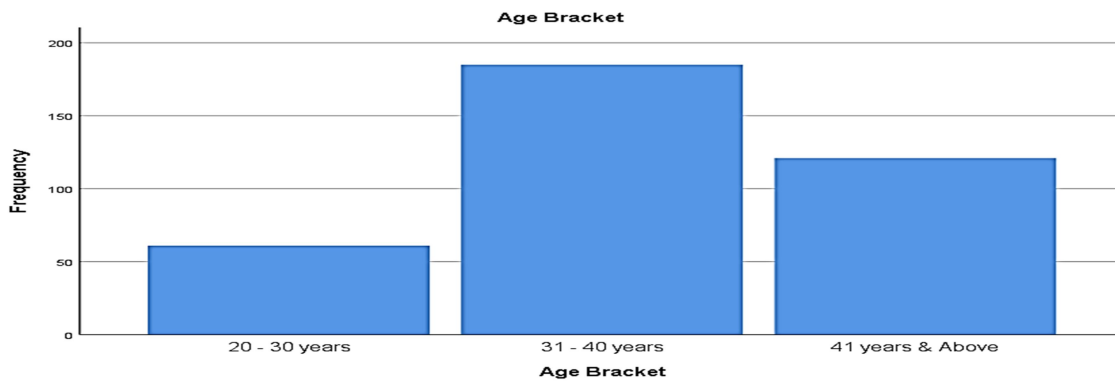


Figure 4.3 – Bar Chat showing frequencies for Age Bracket

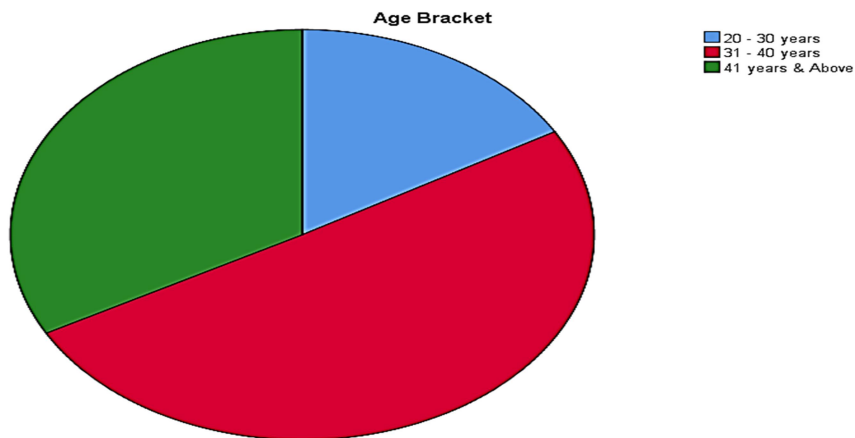


Figure 4.4 – Pie Chart showing frequencies for Age Bracket

Reports from table 4.2 on the analysis of age bracket of the respondents reveals that 61(or 16.61%) are within the range of 20-30 years, 185 (or 50.4%) are within the age range of 31-40 years; 121 (or 33.0%) are within 41 & Above years..

Question 3: In which of these brackets does your Position in the Business fall?

Table 4.3: Frequencies on Respondents' Position in the Business

		Position in the Business			Cumulative Percent
		Frequency	Percent	Valid Percent	
Valid	supervisor	71	19.3	19.3	19.3
	Manager	186	50.7	50.7	70.0
	Owner of the Business	110	30.0	30.0	100.0
	Total	367	100.0	100.0	

Source: Field Survey, 2022.

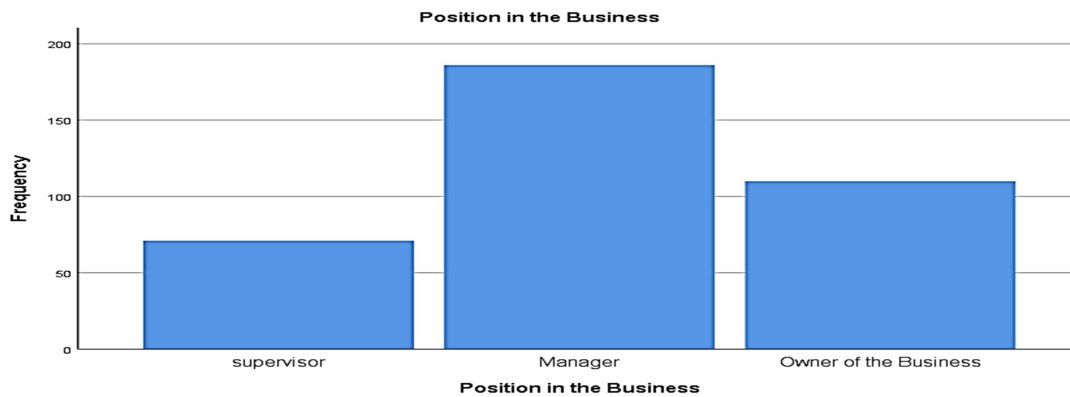


Figure 4.5 – Bar Chart showing frequencies for Occupation

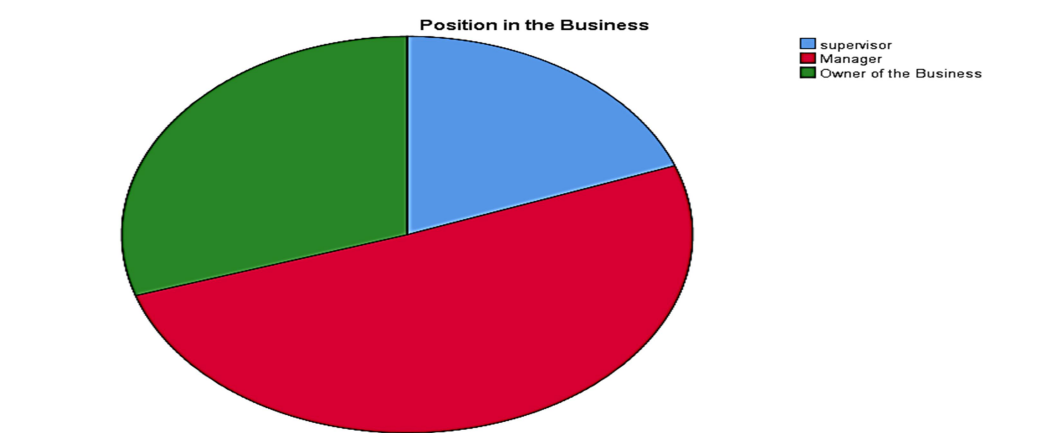


Figure 4.6 – Pie Chart showing frequencies for Occupation

From Table 4.3, it shows that 71 (or 19.3%) of the respondents are supervisors; 186 (or 50.7%) of the respondents are managers; 110 (or 30.0%) are owners of the business.

Table 4.4: Summary of Demographic Analysis

S/N	Variables	Frequency	Percentage (%)
1.	Gender		
	Male	272	74.1
	Female	95	25.9
	Total	367	100.0
2	Age Bracket		
	20 - 30 years	61	16.6
	31 - 40 years	185	50.4
	41 & Above	121	33.0
	Total	367	100.0
3.	Position in the Business		
	supervisor	71	19.3
	Manager	186	50.7
	Owner of the Business	110	30.0
	Total	367	100.0

Source: SPSS 25.0 Output (Based on 2022 Field Survey).

Table 4.4 summarized the demographic tables evaluated above. This summary is made for easy understanding of the study demographic analysis.

4.2 Main Research Questions on the Questionnaire

4.2.1 To what extent does monetary policy of Naira redesign improves sales growth of businesses in Port Harcourt, Rivers state?

The research question number one was addressed by question 4, 5, and 6 in the main research questionnaire. First it was asked to find out if the Naira redesign will make money available for business transactions. Secondly, the questionnaire asked the extent availability of money encourages consumers' patronage of goods and services offered by businesses. Lastly, how often increase in patronage results to sales growth. The table of the responses for these three questions is analyzed below.

Question 4 from the main Questionnaire: Does Naira redesign make money available for business transactions?

Table 4.5: Evaluating the Frequency of if Naira redesign make money available for business transactions

Response		Frequency	Percent	Cumulative Percent
Does Naira redesign make money available for business transactions?	Yes	335	91.3	91.3
	No	32	8.7	100.0
	Total	367	100.0	

Source: Field Survey, 2022

From the analysis of 4.5, it is clear that a greater percentage (335 or 91.3%) of the respondents admitted to Naira redesign making money available for business transactions, while just few (32 or 8.7%) chose that it does not.

Question 5: To what extent does availability of money encourages consumers' patronage of goods and services offered by businesses?

Table 4.6: Evaluating the Frequency of the Extent Availability of Money Encourages Consumers' Patronage of Goods and Services Offered By Businesses

Response		Frequency	Percent	Cumulative Percent
To what extent does availability of money encourages consumers' patronage of goods and services offered by businesses?	Great Extent	142	38.7	38.7
	An Extent	193	52.6	91.3
	Sometimes	17	4.6	95.9
	Not at all	15	4.1	100.0
	Total	367	100.0	

Source: Field Survey, 2022

The analysis in table 4.6 above reveals respondents' response on the extent availability of money encourages consumers' patronage of goods and services offered by businesses. 142 (or 38.7%) of the respondents selected "Great Extent", 193 (or 52.6%) of them chose "An Extent", 17 (or 4.6%) chose "Sometime", while 15 (4.1%) chose "not at all". This proves that majority of the respondents agrees that to an extent availability of money encourages consumers' patronage of goods and services offered by businesses.

Question 6: How often does increase in patronage results to sales growth?

Table 4.7: Evaluating the Frequency of How Often Increase in Patronage Results to Sales Growth

Response		Frequency	Percent	Cumulative Percent
How often does increase in patronage results to sales growth?	Very Often	147	40.1	40.1
	Often	188	51.2	91.3
	Sometimes	18	4.9	95.9
	Not at all	14	3.8	100.0
	Total	367	100.0	

Source: Field Survey, 2022

Table 4.7 analysis above shows that 147(40.1%) respondent agreed that "Very Often" increase in patronage results to sales growth. 188(51.2%) selected that it "Often" results to sales growth, 18(4.9%) subscribed to "Sometimes", while 14(3.8%) selected "Not at all". From the analysis result, it means that when there is an increase in patronage due to money in speculation, it results to sales growth.

4.2.2 To what extent does monetary policy of Naira redesign influence profitability of businesses in Port Harcourt, Rivers state?

This question was addressed by two questions in the questionnaire (question 7 & 8 respectively). Question 7 is on the extent customers ease of patronage encourages business profitability. While question 8 is to find out if business accessibility of funds enables profitable business transactions.

Question 7: To what extent does customers ease of patronage encourages business profitability?

Table 4.8: Evaluating the Frequency of the Extent Customers Ease of Patronage Encourages Business Profitability

Response		Frequency	Percent	Cumulative Percent
To what extent does customers ease of patronage encourages business profitability?	Great Extent	131	35.7	35.7
	An Extent	210	57.2	92.9
	Sometimes	15	4.1	97.0
	Not at all	11	3.0	100.0
	Total	367	100.0	

Source: Field Survey, 2022

Table 4.8 shows the frequencies on the extent to which customers ease of patronage encourages business profitability. The frequencies showed that 131(35.7%) of the respondent agreed that to a “Great Extent” customers ease of patronage encourages business profitability. 210(57.2%) chose to “An Extent”, 15(4.1%) chose “Sometimes”, while 11(3.0%) selected “Not at all”. The findings shows that majority of the respondents chose to “An Extent” that customers ease of patronage encourages business profitability.

Question 8: To what extent does business accessibility of funds enables profitable business transactions?

Table 4.9: Evaluating the Frequency for the Extent Business Accessibility of Funds Enables Profitable Business Transactions

Response		Frequency	Percent	Cumulative Percent
To what extent does business accessibility of funds enables profitable business transactions?	Great Extent	199	54.2	37.1
	An Extent	136	37.1	91.3
	Sometimes	22	6.0	95.9
	Not at all	10	2.7	98.6
	Total	367	100.0	

Source: Field Survey, 2022

Table 4.9 analyses above shows that 199 (54.2%) respondent agreed that to a “Great Extent” business accessibility of funds enables profitable business transactions, while 136 (37.1%) agrees to “An Extent”, 22 (6.0%) chose “Sometimes”, while 10(2.7%) selected “Not at all”. This signifies that business accessibility of funds to a great extent enables profitable business transactions.

4.3 Test of Hypotheses

Table 4.10: Strength and direction of relationship between variables

Range of r values	Description
± 0.80 to 1.00	Very High
± 0.60 to 0.79	High
± 0.40 to 0.59	Moderate
± 0.20 to 0.39	Weak
± 0.00 to 0.19	Very Weak

Source: Nwana (1992)

Decision Rule

Reject the null hypothesis (H_0) and accept its alternative (H_a) if p-value < 0.05 for 2 – tailed test and conclude that significant relationship exists.

Test of Hypothesis 1

H_{01} : There is no significant relationship between monetary policy of Naira redesign and sales growth of businesses in Port Harcourt, Rivers state.

H_{a1} : There is a significant relationship between monetary policy of Naira redesign and sales growth of businesses in Port Harcourt, Rivers state.

Table 4.11: Correlation between Monetary Policy of Naira Redesign and Sales Growth

Spearman's rho	Naira Redesign	Naira Redesign		Sales Growth
		Correlation Coefficient	1.000	.894**
		Sig. (2-tailed)	.	.000
		N	367	367
	Sales Growth	Correlation Coefficient	.894**	1.000
		Sig. (2-tailed)	.000	.
		N	367	367

**. Correlation is significant at the 0.05 level (2-tailed).

Source: SPSS Output, 2022

Table 4.11 above indicates the result of Spearman rank order correlation coefficients value with ($\rho = 0.894$ at $P-v = 0.000 < 0.05\%$). This result showed that there is a very strong positive and significant relationship between monetary policy of Naira redesign and sales growth of businesses in Port Harcourt, Rivers state. Therefore, we reject null hypothesis one (H_{01}) which states that there no significant relationship between monetary policy of Naira redesign and sales growth of businesses in Port Harcourt, Rivers state; and accept alternate hypothesis one (H_{a1}).

Test of Hypothesis 2

H_{02} : There is no significant relationship between monetary policy of Naira redesign and profitability of businesses in Port Harcourt, Rivers state.

Ha₂: There is a significant relationship between monetary policy of Naira redesign and profitability of businesses in Port Harcourt, Rivers state.

Table 4.12: Correlations between Naira Redesign and Building of Profitability

Spearman's rho	Naira Redesign	Naira Redesign		Profitability
		Correlation Coefficient	1.000	.793**
		Sig. (2-tailed)	.	.000
		N	367	367
	Profitability	Correlation Coefficient	.793**	1.000
		Sig. (2-tailed)	.000	.
		N	367	367

** . Correlation is significant at the 0.05 level (2-tailed).

Source: SPSS Output, 2022

Table 4.12 illustrates the result for the test on the relationship between monetary policy of Naira redesign and profitability of businesses in Port Harcourt, Rivers state. The relationship is revealed to be significant with a rho = 0.793 and p = 0.000. The result indicates that a strong level of relationship exist between monetary policy of Naira redesign and profitability. Hence we reject null hypothesis two (Ho₂) which states that there is no significant relationship between monetary policy of Naira redesign and profitability of businesses in Port Harcourt, Rivers state; and accept alternate hypothesis two (H_{a2}).

5.0 Discussion of Findings

The study tested two hypotheses using the Spearman Rank correlation coefficient, and the results of the test are discussed below in comparison with extant literatures.

Monetary Policy of Naira Redesign and Sales Growth

The objective of hypothesis one was to ascertain if a relationship exists or not between monetary policy of Naira redesign and sales growth of businesses in Port Harcourt, Rivers state. Monetary policy of Naira redesign was discovered to have a significant positive relationship with sales growth of businesses. This finding was generated from the outcome of the statistical test of hypotheses H_{o1} which shows that monetary policy of Naira redesign attracts a significant positive correlation coefficient (r = 0.894, p-value < 0.05). Meaning that, with the monetary policy of Naira redesign, there will be money in circulation for customers to patronize businesses which will lead to sales growth. The findings of monetary policy having a significant impact on sales growth is in tandem with the study done by Udor et al. (2018) on the impact of monetary policy on the growth of small and medium enterprises in Nigeria which found a slight significant impact between interest rate (INR) and growth of SMEs in Nigeria.

Monetary Policy of Naira Redesign and Profitability

Hypothesis two tested to ascertain if a relationship exists or not between monetary policy of Naira redesign and profitability of businesses in Port Harcourt, Rivers state. It was discovered that monetary policy of Naira redesign have a significant positive relationship with profitability

of businesses as shown in the outcome of the statistical test of hypotheses H_{02} which shows that monetary policy of Naira redesign attracts a significant positive correlation coefficient ($r = 0.793$, $p\text{-value} < 0.05$). Meaning that, with the monetary policy of Naira redesign and the increased patronage by customers due to money in circulation, businesses activities in Port Harcourt and Rivers state will be profitable. This is in line with the findings of Borio et al. (2015) who investigated the influence of monetary policy on bank profitability and found a positive relationship between interest rate and profitability of banks.

Conclusion and Recommendations

From the empirical analysis conducted, the study concludes that the monetary policy of Naira redesign will encourage better marketing performance in terms of increasing sales growth and profitability in Port Harcourt, Rivers state. This is because the fear of losing money stashed away by greedy politicians and the CBN bench mark of not depositing more than 50 million naira for old accounts and 5 million for new accounts will drive them to invest the money and spread it among their community members and friends which will in turn create availability of cash in the system for spending. Hence the study recommends:

1. The faithful implementation of the policy since there is inherent gains in the redesigning of the Naira bank notes.
2. There's need for a lot of public enlightenment on the Naira redesign.

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