

OPPORTUNITY IDENTIFICATION AND MARKETING EFFECTIVENESS OF DOMESTIC AIRLINES IN NIGERIA

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Abstract

This study investigated the correlation between opportunity identification and marketing effectiveness of domestic airlines in Nigeria. The study was conceptualized with opportunity identification as predictor to marketing effectiveness measures of adequate marketing information, corporate reputation and strategic orientation. The study adopted a cross sectional research design with a correlational investigation type. The study population comprised 16 domestic airlines operating in Nigeria. The study took a census; and administered 4 copies of structured questionnaire to operations, marketing, customer support and finance managers from each of the 16 domestic airlines, making it a total of 64 respondents that provided data for the study. The reliability of the instrument was determined through the Cronbach Alpha test, with all the items scoring above 0.70. Pearson Product Moment Correlation was used to test the hypotheses formulated for the study, with the help of Statistical Packages for Social Sciences Version 25.0. The results of the tests revealed that opportunity identification has a significant correlation with marketing effectiveness. Thus, the study concluded that opportunity identification significantly correlates with marketing effectiveness of domestic airlines in Nigeria; and recommends that managers of domestic airlines in Nigeria should adopt opportunity identification strategy to improve their marketing effectiveness.

Keywords: Adequate marketing information, corporate reputation, marketing effectiveness, opportunity identification, strategic orientation

Introduction

The aviation sector has been acknowledged as a catalyst for Nigeria's economic development. Aside from promoting transportation, tourism and employment, prior studies reveal that the aviation sector is one of the engines behind Nigeria's substantial economic growth (Jaja, 2024). Noting the significance of aviation to Nigeria's development, Basole (2019) states that the aviation sector contributes greatly to the Gross Domestic Product (GDP), and make up a reasonable percentage of Nigeria's private sector.

Guloba et al. (2017) and Chen et al. (2021) regard the aviation industry as a key contributor to poverty alleviation in Nigeria, through employment generation in tourism, transportation and entrepreneurial development. Thus, the sector facilitates improvement of standards of living and creates the crucible for social and political stability. Because of its role in economic growth, it is becoming more important to comprehend how the individuals firms within the aviation sector recognize and exploit opportunities (Hartono & Ardini, 2022). The issue of opportunity recognition is critical to aviation practice as it is a major step in any entrepreneurship (Hartono & Ardini, 2022).

Business opportunities in the aviation industry await recognition and resource mobilization. Business resources within the reach of entrepreneurs are rightly directed toward recognized opportunities mainly to achieve marketing effectiveness (Kampa et al., 2020). Marketing effectiveness implies an organization's commitment to achieving both short-term and long-term goals that directly impact business performance indicators including growth rate, market share, profits, and competitive edge.

In spite of the relevance of opportunity recognition to marketing effectiveness, airlines in Nigeria's aviation sector complain of issues bordering on ineffectiveness of marketing strategy. Problems of this kind exists for several reasons, one of which may be due to lack of adequate empirical studies to systematize how opportunity identification can enhance marketing effectiveness of domestic airlines in Nigeria.

Previous studies have not fully demystified the nexus between opportunity identification and marketing effectiveness to managers of domestic airlines in Nigeria as they were carried out in different industries and demography (Anwar et al., 2022; Ardini, 2022; Kamuri & Ngugi, 2019; Kampa et al., 2020). Also, rather than give empirical evidence, Jaja (2024) provided theoretical insight into the relationship between opportunity identification and marketing effectiveness. Thus, this study sought to fill this gap by investigating the relationship between opportunity identification and marketing effectiveness of domestic airlines in Nigeria.

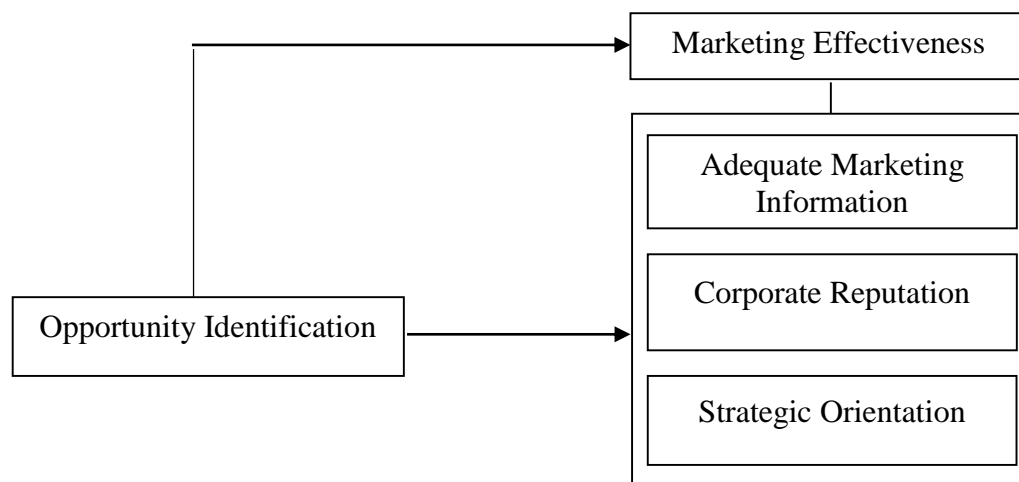


Fig. 1: Conceptual framework of relationship between opportunity identification and marketing effectiveness of domestic airlines in Nigeria

Sources: Adopted from Hartono and Ardini (2022) and Bae and Park (2018).

Theoretical Underpinning of the Study

This study was underpinned by opportunity-based theory (OBT) of Drucker and Stevenson (1985) because an opportunity-based approach provides a wide-ranging framework for entrepreneurship research (Jaja, 2024). According to opportunity-based theory, entrepreneurs do not cause change but exploit the opportunities that change (in technology, consumer preferences etc.) presents. Entrepreneurs always search for change, respond to it, and exploit it as an opportunity. What is apparent in OBT is that entrepreneurs focus more on possibilities created by change than problems (Jaja, 2024).

Stevenson (1990) extends OBT to include resourcefulness. Stevenson concludes that the hub of entrepreneurial management is the “pursuit of opportunity without regard to resources currently controlled. OBT recognizes the important role of the entrepreneur in the formation of, and decision to pursue entrepreneurial opportunities. Thus, relating this theory to the present study, it can be said that one of the key roles of marketing managers is the discovery and exploitation of profitable opportunities as this defines the effectiveness of such organization.

Concept of Opportunity Identification

Firms monitor and scan their environments to identify changing market conditions that can be exploited as opportunities (Ateke & Nwulu, 2022). In the exercise, firms rely on superior market-sensing capabilities that enhance ability to identify unserved or underserved market

segments; competitors' offerings that are not fulfilling market requirements and channels through which to route their offerings (Alharbi, 2015, as cited in Ateke & Nwulu, 2022).

According to Hassan et al. (2020), opportunity recognition comprises ability to recognize, discover or construct patterns and concepts. It has to do with the ability to discover, select, assess and develop right business opportunities. It relates to ability to identify ideas and transform them into profit yielding businesses that add value. Opportunity recognition has been documented to have a profound impact on performance (Guo et al., 2017). In this study, we view opportunity recognition as “entrepreneurs’ perception of new opportunities for the creation of value and construction of a market around those opportunities”.

Marketing Effectiveness

Marketing effectiveness refers to the extent to which a firm’s marketing actions contribute to the achievement of corporate goals (Ghataty et al., 2023). As noted by Zhou et al. (2005, as cited in Jaja, 2024), the original obligation of marketing effectiveness is that managers must identify the primacy of studying the market, distinguish opportunities, select the best market to serve and offer superior customer value to satisfy their needs and wants.

Marketing effectiveness also describe how well, the firms marketing operations result in the attainment of nominated marketing objectives, or provides them with a superior market position. In firms where marketing is effective, process and operations lead to desired performance outcomes. In this study, marketing effectiveness is used to analyze how much profit in revenue a business is making while lowering its cost of customer acquisition. The study adopted adequate marketing information, corporate reputation and strategic orientation as measures of marketing effectiveness.

Adequate marketing information encompasses the comprehensive collection and analysis of data pertaining to market trends, consumer behavior, competitor strategies, and industry dynamics to support effective decision-making processes within organizations (Kotler & Armstrong, 2018). It involves combining both qualitative and quantitative data sources to create practical insights, allowing companies to predict market changes, take advantage of new trends, and enhance their marketing effectiveness.

Corporate reputation is the overall evaluation of an organization by its stakeholders over time, formed from their direct and indirect experiences, communications, and comparisons with competitors (Jaja, 2024). Reputation is fragile and can be ruined easily through inappropriate actions taken by a firm. Restoring a firm’s reputation often requires much time and effort (Miotto et al., 2020), probably because of the cumulative nature of the building process.

Strategic orientation is the underlying principles, behaviors, and patterns of response an organization adopts to align its actions with its long-term goals, adapt to its external environment, and gain a competitive advantage. Strategic orientations are principles that direct and influence the activities of a firm and generate the behaviours intended to ensure the viability and performance of the firm (Morshidi et al., 2021).

Opportunity Identification and Marketing Effectiveness

Anwar et al. (2022) carried out a study on entrepreneurial orientation and new venture performance in emerging markets. The findings show that firms with high entrepreneurial orientation can identify and exploit new opportunities as well as enjoy superior performance. Similarly, Hartono and Ardini (2022) investigated the effect of opportunity recognition and organization capability on SME performance in Indonesia. The results indicate that opportunity recognition and organisation capability have a significant effect on SME performance.

Also, Kamuri and Ngugi (2019) studied the relationship between opportunity recognition and performance of value-system actors in the leather industry in Kenya. The objective of the study was to determine the influence of opportunity recognition as an entrepreneurial orientation of value-system actors on the performance of the leather industry in Kenya. Regression analysis and hypothesis testing showed opportunity recognition was a significant determinant of the performance of value-system actors. Opportunity recognition had a strong positive relationship with the performance of value-system actors and could determine performance in Kenya's leather industry.

Further, Haider et al. (2017) investigated the mediating role of opportunity recognition between credit, savings and performance of micro and small enterprises in Pakistan. The study employed survey research and collected the data from the owners of MSEs that are operating in Pakistan. A structured questionnaire was adopted to collect the data using a seven point Likert scale. The findings of the study revealed that credit and savings have a significant impact over the performance of MSEs.

Based on the foregoing, we hypothesize as follows:

Ho₁: Opportunity identification does not significantly relate to adequate marketing information of domestic airlines in Nigeria.

Ho₂: Opportunity identification does not significantly relate to corporate reputation of domestic airlines in Nigeria.

Ho₃: Opportunity identification does not significantly relate to strategic orientation of domestic airlines in Nigeria

Methodology

This study adopted a cross-sectional research design with a correlational type of investigation. The study population comprised 16 domestic airlines in Nigeria as enlisted in the Nigerian Civil Aviation Authority. The study adopted a census method in administering 4 copies of structured questionnaire to Operations, Marketing, Customer Support and Finance Managers of each of the 16 domestic airlines, making it a total of 64 respondents that was used for the study. The reliability of the instrument was determined by the use of Cronbach Alpha test with all items scoring above 0.70. Pearson Product Moment Correlation was used to test the hypotheses at a 95% confidence level. The Statistical Packages for Social Science (SPSS) version 25.0 aided the tests.

Table 1: Reliability Coefficients of Variable Measures

S/N	Dimension/Measure	No. of Item	Cronbach Alpha
1	Opportunity Identification	4	0.81
2	Adequate Marketing Information	4	0.90
3	Corporate Reputation	4	0.89
4	Strategic Orientation	4	0.88

Source: Survey Data, 2025

As shown in Table 1, the results of the Cronbach's alpha analysis revealed that all the variables in the study produced high Cronbach's Alpha coefficients indicating that, there is inter-item consistency among the variables in the study. This means that, if this study is conducted again in similar condition, the results would be similar to the results of our study.

Data Analysis and Findings

Table 2: Descriptive Statistics of Opportunity Identification

	N	Sum	Mean	Std. Dev.	Variance
To what extent does your company identify gaps in the Nigerian domestic aviation market?	58	632	3.31	.810	.657
To what extent does your company identify unmet customer needs in the Nigerian domestic aviation market?	58	709	3.71	1.103	1.217
To what extent does your company spot opportunities related to the adoption of new technology, such as digital check-ins, improved air traffic control systems, or modern aircraft that can enhance operational efficiency or customer experience in the Nigerian domestic aviation market? .	58	718	3.76	1.181	1.394
To what extent does your company recognize potential areas for growth, improvement in the Nigerian domestic aviation market?	58	688	3.60	1.114	1.241
To what extent does your company take advantage of opportunities in the Nigerian domestic aviation market?	58	741	3.88	1.184	1.401
Valid N (listwise)	58				

Source: Field Survey, 2025.

Table 2 depicts high mean scores of the questionnaire items ranging over 3.00; this means that greater number of the respondents agreed and strongly agreed to the items with respect to opportunity identification. However, it can be seen that item 5 which sought to determine the extent to which domestic airlines in Nigeria take advantage of opportunities in the aviation market, has the highest mean score of 3.88. This shows that question 5 has the strongest influence on the variables.

Table 3: Descriptive Statistics of Adequate Marketing Information

	N	Sum	Mean	Std. Dev.	Variance
To what extent does your company have essential data, insights, and intelligence that airlines, regulatory bodies, and other stakeholders need to effectively promote, manage, and optimize their services to meet consumer needs, regulatory requirements, and competitive pressures?.	58	791	4.14	.805	.648
To what extent does your organisation consider Age, gender, income levels, and travel preferences of passengers?	58	731	3.83	.998	.996
To what extent do does your organisation examine travel habits such as the frequency of domestic travel, reasons for travel (business, leisure), and preferences for airlines, classes of service?	58	692	3.62	.699	.489
To what extent does your organization take cognizance of popular and underserved domestic routes and any emerging travel hubs or new cities; demand fluctuations on specific routes and at certain times of the year as well as operational data, such as flight on-time performance, cancellations, and delays, which can influence customer decisions?	58	799	4.18	.790	.624
To what extent does your organization take cognizance of popular and underserved domestic routes and any emerging travel hubs or new cities; demand fluctuations on specific routes and at certain times of the year as well as operational data, such as flight on-time performance, cancellations, and delays, which can influence customer decisions?	58	731	3.83	.998	.996
Valid N (listwise)	58				

Source: Field Survey, 2025.

Table 3 depicts high mean scores of the questionnaire items ranging over 3.00; this means that greater number of the respondents agreed and strongly agreed to the research question with respect to adequate marketing information. However, it can be seen that item 4 which sought to determine the extent to which domestic airlines in Nigeria take cognizance of popular and underserved domestic routes and any emerging travel hubs or new cities; demand fluctuations on specific routes and at certain times of the year as well as operational data such as flight on-time performance, cancellations and delays which can influence customer decisions, has the highest mean score of 4.18. This shows that item 4 has the strongest influence on the variables.

Table 4: Descriptive Statistics of Corporate Reputation

	N	Sum	Mean	Std. Dev.	Variance
To what extent do you understand your customers' perception of actions, behaviors, and performance?	58	586	3.07	1.236	1.527
To what extent is your company's punctuality history with respect to reliability and trustworthiness?	58	699	3.66	1.068	1.141
To what extent is the ease with which customers can complete specific tasks or resolve issues related to your products or services?	58	719	3.76	1.106	1.223
To what extent is your reputation for safety management, compliance with regulations, and a low incident records?	58	714	3.74	.948	.900
To what extent has your organization made a name for itself?	58	736	3.85	1.105	1.221
Valid N (listwise)	58				

Source: Field Survey, 2025.

Table 4 depicts high mean scores of the questionnaire items ranging over 3.00; this means that greater number of the respondents agreed and strongly agreed to items on corporate reputation.

However, it can be seen that question 5 which sought to determine the extent to which domestic airlines in Nigeria made name for themselves, has the highest mean score of 3.85. This shows that item 5 has the strongest influence on the variables.

Table 5: Descriptive Statistics of Strategic Orientation

	N	Sum	Mean	Std. Dev.	Variance
To what extent does your company adopt strategies to achieve long-term success and maintain competitive advantage in the market?	58	690	3.61	.708	.502
To what extent does your company adopt a customer-oriented strategy, aiming to provide superior service, enhance the travel experience, and build long-term relationships with passengers?	58	799	4.18	.790	.624
To what extent does your company tailor their offerings to different market segments, such as business travelers, families, or budget-conscious passengers?	58	731	3.83	.998	.996
To what extent does your organisation efficiently manage aircraft, maintain schedules, and plan routes to ensure operational efficiency and cost minimization?	58	588	3.08	1.235	1.525
To what extent does your organisation consider the long term effect of their strategy?	58	699	3.66	1.068	1.141
Valid N (listwise)	58				

Source: Field Survey, 2025.

Table 5 depicts high mean scores of the questionnaire items ranging over 3.00; this means that a greater number of the respondents agreed and strongly agreed to the research question with respect to strategic orientation. However, it can be seen that item 2 which sought to determine the extent to which domestic airlines in Nigeria adopt a customer-oriented strategy, aiming to provide superior service, enhance the travel experience, and build long-term relationships with passengers, has the highest mean score of 4.18. This shows that item 2 has the strongest influence on the variable.

Table 6: Correlation between Opportunity Identification and Adequate Marketing Information

		Opportunity Identification	Adequate Marketing Information
Opportunity Identification	Pearson Correlation	1	.570**
	Sig. (2-tailed)		.000
	N	58	58
Adequate Marketing Information	Pearson Correlation	.570**	1
	Sig. (2-tailed)	.000	
	N	58	58

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

Source: SPSS Output, 2025.

Table 6 reveals a correlation coefficient of 0.570** between opportunity identification and adequate marketing information, indicating a moderate positive correlation between the variables. More so, the probability value (0.000) is less than the critical value (0.05), this shows that the correlation between is opportunity identification and adequate marketing information is statistically significant. This further implies that opportunity identification can be used to achieve adequate marketing information among domestic airlines in Nigeria. Based on this, we

reject the null hypothesis that there is no significant relationship between opportunity identification and adequate marketing information of domestic airlines in Nigeria.

Table 7: Correlation between on Opportunity Identification and Corporate Reputation

		Opportunity Identification	Corporate Reputation
Opportunity Identification	Pearson Correlation	1	.917**
	Sig. (2-tailed)		.000
	N	58	58
Corporate Reputation	Pearson Correlation	.917**	1
	Sig. (2-tailed)	.000	
	N	58	58

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

Source: SPSS Output

Table 7 reveals a correlation coefficient of 0.917** between opportunity identification and corporate reputation, indicating a very strong positive correlation between opportunity identification and corporate reputation. More so, the probability value (0.000) is less than the critical value (0.05), this shows that the correlation between opportunity identification and corporate reputation is statistically significant. This further implies that opportunity identification can be used to achieve corporate reputation among domestic airlines in Nigeria. Based on this, we reject the null hypothesis that there is no significant relationship between opportunity identification and corporate reputation of domestic airlines in Nigeria.

Table 8: Correlation between on Opportunity Identification and Strategic Orientation

		Opportunity Identification	Strategic Orientation
Opportunity Identification	Pearson Correlation	1	.797**
	Sig. (2-tailed)		.000
	N	58	58
Strategic Orientation	Pearson Correlation	.797**	1
	Sig. (2-tailed)	.000	
	N	58	58

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

Source: SPSS Output

Table 8 reveals a correlation coefficient of 0.797** between opportunity identification and strategic orientation, indicating a strong positive correlation between opportunity identification and strategic orientation. More so, the probability value (0.000) is less than the critical value (0.05), this shows that the correlation between the variables is statistically significant. This further implies that opportunity identification can be used to achieve strategic orientation among domestic airlines in Nigeria. Thus, we reject the null hypothesis that there is no significant relationship between opportunity identification and strategic orientation of domestic airlines in Nigeria.

Discussion of Findings

From results of the correlation analysis, it can be seen that there is a positive and statistically significant correlation between opportunity identification and marketing effectiveness, through adequate marketing information; corporate reputation; and strategic orientation. These findings are in line with the findings of similar studies.

Specifically, the study result corroborate the findings of Anwar et al. (2022) that opportunity recognition and organisation capability have a significant effect on SME performance. The

results also support the report that that opportunity focus has significant impact in increasing business development and business competitiveness in the Indonesian agro-based industry (Sarma et al., 2022).

Similarly, the present findings align with those of Kamuri and Ngugi (2019) that opportunity recognition was a significant determinant of the performance of value-system actors; and that of Olawale (2019) that a significant positive relationship exists between opportunity recognition and organisational and personal performance.

Conclusion and Recommendations

This study examined the relationship between opportunity identification and marketing effectiveness of domestic airlines in Nigeria. The research findings indicate that opportunity identification plays a significant role in increasing marketing effectiveness. Thus we conclude that opportunity identification is instrumental to marketing effectiveness - adequate marketing information, corporate reputation and strategic orientation - of domestic airlines in Nigeria. Based on the conclusion drawn from findings of the study, we recommends that managers of domestic airlines in Nigeria that seek to improve their marketing effectiveness should adopt opportunity identification strategy as a way to achieve adequate marketing information objective.

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