

PREFACE

In an endeavour to quicken growth rates in low-income countries, specifically in Africa, the promotion and development of Small, Medium and Micro Enterprises (SMMEs) have been prioritised by many development partners and donors, as well as governments. The dynamic role played by SMMEs in developing countries is often depicted as much needed “engines” vital to achieving national development objectives. These goals, which are recognised to lead to a more unbiased distribution of income and increased productivity, include that of economic growth, poverty alleviation, employment and wealth creation¹.

Ides de Willebois, Director of the International Fund for Agricultural Development’s (IFAD) Western and Central Africa Division, says in a 2011 report that, “Africa’s economies today are becoming more dynamic, and agricultural growth is catalysing broader rural growth. This has led to the rapid emergence of rural enterprises. Many, if not most, of these enterprises are owned and managed by women and young people. Nearly all have the potential to generate further employment in rural areas.” Many field and research studies on rural growth and development show that both the survival and growth of SMMEs are reliant on adjusting to three crucial factors, namely active market development, the continuous search for new market opportunities and a broadening of the customer base.

Merging these factors into a business plan that can lead to a small enterprises’ success, requires a working knowledge of advertising, promotions and sales, in other words, Marketing, which provides an essential interface between an enterprise and its external environment, specifically in the early, vulnerable years of SMMEs². Marketing involves several distinct phases that have to be completed successfully, with each phase requiring different resources and capabilities. For any business to be successful, including SMMEs, the coordination of these phases is crucial³.

Since the entrepreneurial sector became relevant a few decades ago, many authors and research studies have described and investigated the entrepreneurial process, while research on rural entrepreneurship has been slow to come to the fore. With SMMEs featuring high on the research list regarding entrepreneurial activities, it is, however, accepted that general business processes and practices not only apply to SMMEs but that their study in the rural setting will add to SMME growth and development. Dr. Lawrence Lekhanya has been researching the rural

¹ Steel and Webster, in a World Bank Economic Review, 1992, in a 2011 report prepared for the International Fund for Agricultural Development (IFAD), by Small Enterprise Development Specialist, Nana Asantewaa Boateng

² Stokes (2000)

³ Sinisalo and Karjaluoto (2008:497)

entrepreneurship phenomenon for several years and says: “There are numerous articles written and much previous research surveys done concerning SMMEs in South Africa, USA, UK, Taiwan, China, Australia and many other countries, yet, little or no research had been done in South Africa, with regard to the use of marketing strategies by SMMEs in rural areas”⁴. This has resulted in many assumptions and much confusion, relating to rural owners/managers’ awareness and perceptions when it comes to the use of marketing strategies in their areas. Dr. Lekhanya’s ongoing research also highlights the need and creates interest for marketers to conduct more research on this particular area. Other important, contributing reasons include the high failure rate of SMMEs, South Africa’s high rate of unemployment and the large number of people moving from South African rural to urban areas, due to unemployment and poverty.

In this book, Dr. Lekhanya looks at present day challenges, as well as solutions, setting out the picture of what is happening ‘on the ground’, so to speak, and his contribution makes for not only interesting reading, but also gives clarity and insight into what has become an almost obscure quagmire, yet remains the hope of, as Dr. Lekhanya says, “taking the economy to the people.”

⁴ Lekhanya (2010)