The Moderating Effect of Cost of Credit on Entrepreneurial Marketing Orientation and Organizational Competitiveness of Quoted Industrial Goods Manufacturing Firms in Nigeria.

Diepriye I.J. Dick and Wisdom. B. Kooh
Department of Marketing, Rivers State University
dickdiepriye@yahoo.com

Abstract

This study investigated the moderating effect of cost of credit on the impact of entrepreneurial marketing orientation on organizational competitiveness. The study adopted a cross sectional survey research design. The population of the study was the ten (10) quoted industrial goods manufacturing firms in Nigeria. The study made use of both primary and secondary data. A thirty (39) item questionnaire was adopted from previous study which is divided into five (5) point likert type scale, from a scale of strongly agree to strongly disagree. This instrument helped the researcher in generating primary data which aided the study analysis and subsequent results. A secondary data of the historical cost of credit for eleven years was obtained from the Central bank of Nigeria, covering the periods 2008-2018. The findings of the study are that cost of credit significantly moderates the impact of entrepreneurial marketing orientation on organizational competitiveness of quoted industrial goods manufacturing firms in Nigeria. Again, increase in cost of credit leads to decrease in the impact of entrepreneurial marketing orientation on organizational competitiveness of quoted industrial goods manufacturing firms in Nigeria. The study therefore recommends that, the central bank of Nigeria should encourage the banks to extend credit to the industrial goods manufacturing sector at low and single digit interest rates. This will enhance factory expansion and productivity and drive the competitiveness of quoted industrial goods manufacturing firms both in the domestic market and global marketplace.

Keywords: Moderating effect, cost of credit, entrepreneurial marketing orientation, organizational competitiveness, quoted industrial goods manufacturing firms, Nigeria.

Introduction

The construct of cost of credit implies the cost of borrowing financial resources for the running of business. Institutions both private and public organizations do not have all the resources at their disposals for the running of business or administration. These organizations borrow funds at costs to finance business operations and capital projects respectively (Utile, Okwori & Ikpambese, 2018). The financial resources are usually borrowed from lending institutions such as the deposit money banks and other non-bank financial institutions at different costs or interest rates (Ssekuma, 2011). Hence, it is imperative for institutions to have knowledge of the cost of credit or borrowing and to develop means of managing growing cost of credit. This is because no business or government can do without borrowing for financing operations (Udoka & Roland, 2012). Cost of credit could be defined as the costs the individual or institutions borrowing funds should pay when accessing loan from the banks or any financial institution of a nation (Sanusi, 2002). According to Utile, Okwori & Ikpambese (2018), cost of credit is the interest rates the individual or institutional borrower pays when obtaining loan from the finance houses. The individual or institutional borrower is expected to pay the principal in addition to the interest or costs charged on the funds when borrowing (Jordaan, 2012). Credit constitute debt financing as against shareholders' funds may not be adequate for financing all institution's projects. Hence, the imperatives of using debt for private or public finances to complement equity finances (Saymeh & Abu, 2013).

Business management requires huge funding especially for capital projects and so due to resource limitations, debt financing whether at the domestic or offshore levels should be encouraged (Salami, 2018). However, the institution should always seek moderation of cost of credit or loan fee for easy access to borrowing and repayment and the overall impact on the performance of the business (Mushtaa & Siddiqui, 2015; Ojima & Fabian, 2015). Hence, this price moderation function is usually carried out by the central bank through its price stabilization policy to ensure access to credit by private and public institutions, reduction of unemployment and to drive economic growth and development of a nation (Uzma, Muntaz & Muhammad, 2017; Ahmad, Afzal & Ghani, 2016). The construct of cost of credit management by the monetary authorities of nations is used alongside other tools as monetary policy measures to control money supply and drive growth of an economy. The central bank of nations normally set the benchmark interest or credit rates which mirrows all other interest rates or cost of borrowing set by banks and financial institutions (Uzma, Muntax & Muhammad, 2017). Thus, we have the benchmark cost of credit or interest rate set by the central bank of Nigeria which was called the minimum rediscount rate (MRR), now called the monetary policy rate (MPR), which is the interest rate at which the deposit money banks borrow from the central bank of Nigeria, the apex bank and regulator of the money market (Ojima & Fabian, 2015; Utile, Okwori & Ikpambese, 2018). Moderating the cost of credit by the central bank of Nigeria is imperative so that private entrepreneurs, large organizations, public sector institutions including government can access facilities for the expansion of business and capital projects in order to drive economic growth and development (Jelilov, 2016; Okima & Fabian, 2015). Hence, both public and private sector investments can be improved through the moderation of interest rates or costs of credit by the apex bank and the deposit money banks. If the apex bank moderates the cost of credit for the banks, the deposit money banks will in turn give credit to businesses and public institutions at lower interest rates (Utile, Okwori & Ikpambese, 2018). Business growth and development is largely driven by moderate and stable interest rates among other factors. These rates help in supporting business organizations and government institutions in creating an enabling business climate for entrepreneurs and government agencies (Jordaan, 2013). Thus, businesses and public institutions can do business at a minimum cost and translate the organizations to profitability and the provision of common good respectively. The importance of cost of credit to business organizations cannot be over emphasized. Interest rate changes impacts institutional progress in economy of nations. A high interest rates negatively impact the success of the firm. In contrast, a moderate interest rates positively impact organizational success (Salami, 2018). The next section discusses the empirical literature of the study variables.

Literature Review

The Concept of Entrepreneurial Marketing Orientation

The business environment is associated with changes due to globalization and liberalization of markets which are largely driven by information, communication, and transportation technologies (Mehran & Morteza, 2018). This has increased competition in most sectors of the Nigerian economy. Both domestic firms and multinationals are seen competing for markets in the industries. The ability to respond to the dynamics of the business environment should not be limited to traditional marketing practices. Traditional or conventional marketing practices are no longer adaptive enough in today's ever-changing business landscape (Olannye & Eromafuru, 2016; Mehran & Morteza, 2013). Thus, traditional marketing practices are not always suitable for institutions in globalized markets. For managers to successfully manage their organizations in the face of these dynamics, they should employ entrepreneurial marketing which is an innovative mechanism of managing the business and the markets with limited resources at the disposal of the company (Miles & Darroch, 2004; Morrish & Deacon, 2009; Mehran & Morteza, 2013). Hence, entrepreneurial marketing construct is complex and associated with competitive and highly dynamic business space. It is usually proactive, responsive, and reactive to environmental changes and opportunities seeking in nature. Entrepreneurial marketing is the integration of the elements of entrepreneurship and marketing constructs which serve as the strategic posture in marketing management which is highly responsible for business success (Mehran & Morteza, 2013; Gruber, 2014).

The application of entrepreneurial marketing in both private and public sector management is a way of overcoming some business challenges facing institutions. The construct is considered useful to all types of organizations irrespective of age and size (Kraus et al., 2011; Olannye & Eromafuro, 2016). Both small, medium, and large organizations can leverage entrepreneurial marketing orientation to survive the 21st century highly globalized and competitive marketplace (Hills, Hultman & Miles, 2008; Kraus et al., 2011). Morris, Schridehhatte & Laforge (2002), defined entrepreneurial marketing as "the proactive identification and exploration of opportunities for acquiring and retaining profitable customers through innovative approaches to risk management, resource leveraging and value creation". Hence, it is the employment of the right resources or factors of production to create superior value for the market and retain profitable customers for sustainable competitive advantage in the market. Entrepreneurial marketing implemented by firms proactively focus on the market; customers, competition, suppliers, and distributors including the publics to create innovative efficient and superior value for the market (Miles & Darroch, 2004; Mehran & Morteza, 2013). According to Mehran & Morteza (2013), entrepreneurial marketing could be defined as the "proactive organizational focus on customer satisfaction through innovative and efficient value creation throughout the value chain". The implication of the foregoing is that entrepreneurial marketing combines both behaviours of marketing and entrepreneurship to contain a dynamic and highly turbulent business environment. Isolating the two constructs in practice creates inability for firms to cope adequately with the 21st century markets which is globalized and competitive (Olannye & Eromafuru, 2016). Therefore, entrepreneurial marketing comes with advantages to a company and its stakeholders through unique provision of superior value to the market and sustainable competitive advantage for shareholders.

Entrepreneurial marketing practices provide opportunities for all the business stakeholders; customers, employees, suppliers/distributors, shareholders, the publics etc. Each of these stakeholders enjoy relative advantages in the business relationships. The customer enjoys innovative products and services, the suppliers and distributors create and build long lasting beneficial business relationship with the company and the organization enjoy sustainable competitive advantages so as to earn above average return in the chosen industry (Otika, Nwaizugbo & Olise, 2019). The success of the foregoing is dependent on the company's ability to leverage valuable resources internally and externally for the successful operation of the institution. This is the premise upon which institutional stakeholders in private and public sectors can be satisfied (Stoner, Gilbert & Freeman, 2013). Entrepreneurial marketing orientation is a valuable resource for managing institutions in today's globalized and liberalized market which is highly competitive and ever-changing.

The Concept of Organizational Competitiveness

The business environment is becoming more dynamic and ever changing. Industries are now in a state of high competition among players. This foregoing is largely due to globalization and liberalization of markets which has made the world a common marketplace being driven by information, communication, and transportation technologies (Opara & Adiele, 2014; Kimemia, Gakure & Waititu, 2014). An organization can only survive if it can be competitive in the market. For an organization to be a significant player in its chosen industry, it must have competitive advantage by providing more economic values that are superior in the market relative to competing firms in the industry (Kimemia, Gakure & Waititu, 2014). Today, most industries in Nigeria and other developed or emerging markets are experiencing high competition among domestic companies and multinational firms. The competitive focus organization will adopt wide-ranging business strategies to attain superiority among its peers in the market or industry-sector. Competitiveness of an organization implies economic strength of a company relative to the competition in the industry. It constitutes a laudable objective of a firm in the present context of globalization and shift in technologies (Claude, 2018). According to the scholar, organizational competitiveness is the ability of a company to create superior economic value than the competition in the industry. The definitions encompass the firm's ability to design, manufacture and market products and services which are superior to the offerings of the competition. Firm competitiveness is also the steady presence of a company and its offering in the market, making of business success such as productivity and profitability (Claude, 2018).

According to Johansson (2003), competitiveness could be defined as a company offering better value, high quality, or low prices to the market. The organization can achieve competitive advantage by erecting robust organizational structure, business processes and support systems. Organizational competitiveness is the deliberate efforts of firm's leaders to continuously improve their processes for innovation, creativity, and productivity to outperform the closest competitors in the market (Johansson, 2003; Kotler & Keller, 2012). Thus, there are some competitiveness factors in the industry that will lead a firm to competitive advantages and subsequently drive the organization to performance. These factors are internal knowledge and competency development, technological leadership, new product or service introduction and new market exploration among other factors (Okereafor, Ogungbangbe & Anyanwu, 2015). Organizational competitiveness is also underscored by a company having comparative advantages in the areas of productivity, human capital, finance, research and development, marketing and distribution compared to peer institutions in the industry or market (Olamade, 2015). Hence, an organization to attain competitiveness, the company should have superiority in the foregoing variables relative to competing firms in the industry. The companies should always nurture and develop these factors with a view to ensuring that these factors are superior to the competition's internal resources. This is the premise upon which the organization can attain competitiveness and earn above average return in the industry (Atkin, 2013; Dedkova & Blazkova, 2014). Competitiveness is the means and ways by which companies strive to survive in the world of business. For the organization to survive, it must set priorities for competition in the marketplace. Some of these priorities that set the company outstanding are reduction of product or service delivery time, quality products, quality services, low price, or low-cost products (Roman et al., 2012). Thus, these output varieties are made possible with the efficient use of organizational resources such as human capital, financial resources, organization and structure, information, and communication technology etc (Dedkova & Blazkova, 2014). Organizational competitiveness is also made possible when companies introduce new production technologies that are efficient in relationship to cost and time and the development of high-quality products for the market (Ku, Mustapha & Goh, 2010). Hence, those technologies that are cost and time saving in the production of merchandise will help to produce competitive advantage for firms. Thus, "a firm could be competitive and create value in the market more than its rivals when it has harmony with environmental factors and has a good position in its internal determinants" (Kazemi *et al*., 2019:2). The implication of this is that when environmental factors like the economy, policies, legal and cultural dimensions etc are working in favour of the organization together with sound internal resources, the company has good leverage to be competitive in the marketplace. However, a robust organizing system will yield better competitive advantages for the firm (Roman et al., 2012). Competitiveness of the firm in the industry or marketplace come with some salient factors which help to drive the competitive advantage of an entity (Kimemia, Gakure & Waititu, 2014). Hence, there are some measures or key indicators of organizational competitiveness. We will now turn to discuss these measures of organizational competitiveness by looking into the operational definitions of various scholars in the literature.

Moderating Effect of Cost of Credit on Entrepreneurial Marketing Orientation and Organizational Competitiveness.

Cost of credit is an important construct which moderates the relationship between a company's operations and its performance outcomes. There are several studies which support these propositions. Egbumike & Okerekeoti (2018), studied the macroeconomic factors, corporate characteristics, and financial performance in the context of Nigeria's quoted production companies on the floor of the stock exchange. The research employed expost factor methodology. The study findings revealed that monetary policy affect all the industries and sectors through the cost of credit and money supply in the economy. This influence organizations capacity to access credit from the banks. Further, a high cost of credit or interest rates, negatively moderated the relationship between business operations and corporate performance of manufacturing companies in Nigeria. A lower cost of credit mediates the relationship (Egbunike & Okerekeoti, 2018). The financial performance of agricultural firms which are quoted on the Nairobi stock market was investigated, x-raying the moderating influence of interest rate on the performance of these agro-based listed firms by (Odalo, Achoki & Njugura, 2016). The study employed both descriptive and causal research designs. The statistical tools of multiple regression and correlation analysis where adopted. The result of the study is that interest rate or cost of credit moderate the financial performance outcomes of agro-based companies quoted on the floor of the Nairobi stock exchange. Pertinent to note is that what positively moderate company's performance outcomes is moderate interest rates in contrast to high cost of credit (Egbunike & Okerekeoti, 2018). The extension of bank credit to businesses and public institutions improves economic growth of Nigeria. Emecheta & Ibe (2014), studied the impact of deposit money banks credit on economic growth in the context of Nigeria. The scholars made use of autoregression analytical techniques. The findings of the study is that, moderated bank credit improves economic growth of Nigeria. In the same vein, Modebe, Ugwuegbe & Ugwuoke (2014), investigated the impact of bank credit on economic growth of Nigeria. The scholars employed the Johanson and Juselius co-integration test statistic. The study revealed that bank credit that is low or moderate has significant impact on economic growth of Nigeria. Therefore, it is important for the monetary authority to regulate interest rates through moderation so that the banks can extend low credit to their clients (Vazakidi's & Adamapouslos, 2009; Muktiapathyay & Pradtian, 2010). Leveraging domestic loan for productive activities usually enhance growth both at the micro and macro level economic activities. Iwedi, Igbanibo & Onuegbu (2015), studied the association between bank domestic credits and economic growth relationship in the context of Nigeria covering the period,1980-2013. The authors made use of ordinary least square regression analysis. It was shown however, that credit sourced at the domestic market by entrepreneurs, businesses and public institutions drives economic growth. Thus, it was further revealed that low interest rates or cost of credit positively and significantly moderates economic growth in Nigeria. Therefore, institutional managers both at the private and public sectors should access credit at moderate cost to finance business operations and capital projects, respectively. Interest rate changes in an economy affect the performance of such nation. The volatility of cost of credit in an upward or downward trajectory moderates the growth of a nation's economy (Jordaan, 2013). Thus, interest rate changes in an upward trajectory will negatively affect entrepreneurs and businesses. In contrast, a downward interest rate helps to improve business operations. Jordaan (2018), investigated the moderating influence of interest rate on South African gross domestic product and individual household economic performance. The study employed macroeconomic and social accounting matrix modeling techniques. The result of the study revealed that lower interest rate positively moderates investment and employment in the economy of South Africa. However, the lower cost of credit negatively moderate inflation in the nation of South Africa and this inflation negatively affect the living conditions of low-income South Africans.

Loan fee is an important variable in the development of companies and nations. Salami (2018) studied the impact of loan fee or interest rate on the growth of Swaziland economy. The study employed expost factor research design, the multiple regression model was specifically used to measure the level of significance between cost of credit and economic growth. The findings of this empirical work is that, interest rate significantly moderate the economic growth of Swaziland. Interest rate that is moderate successfully drives entrepreneurial ventures and investments and bring about economic growth. In the same vein, Uzma, Muntaz & Muhammed (2017) investigated the nexus between interest rate and economic growth. The study made use of maximum entropy bootstrap technique. The bivariate analytical model of autoregression proved that interest rate positively moderate economic growth of Pakistan. The moderating influence of interest rate or cost of credit on business growth is highly laudable. The empirical study of Jelilou (2016), revealed that moderate or lower interest rate impact businesses and investments thereby significantly mediating economic growth and development. This is also supported with the works of (Utile, Okwori & Ikpambese, 2018). However, a high cost of credit negatively influences investments and business activities and thus, negatively moderate business growth and development (Salami, 2018; Jordaan, 2013; Iwedi, Igbanibo & Onuegbu, 2015). From the revelations above, cost of credit influences the impact of entrepreneurial marketing orientation on organizational competitiveness of quoted manufacturing firms.

Methodology

This study adopted a cross sectional survey research design and with the use of explanatory research design. The study employed causal investigation of the variables. The population of the study was the ten (10) quoted industrial goods manufacturing firms in Nigeria. The study adopted the entire population as our sample size. However, six (6) managers from marketing, production, finance, human resources, sales and the general manager in each of the organization to whom questionnaire were administered constituted the respondents of the study. The study made use of both primary and secondary data. A thirty-nine (39) item questionnaire was adopted from Rashad, 2018, Otika, Nwaizugbo and Olise, 2019 with scales of strongly agree to strongly disagree. The secondary data source is the historical cost of credit for eleven (11) years obtained from the World Data Atlass and Central Bank of Nigeria. the primary data source was validated with a pilot study supported with the confirmatory factor analysis and the Cronbach alpha reliability coefficient. The results of the variables show that the instrument is valid and reliable. The study adopted both descriptive statistics and inferential statistics. The univariate descriptive statistics are frequency, percentages, mean, standard deviation and variance. The inferential statistics employed is the multiple regression analysis. These statistics were used with the aid of the statistical package for social sciences (SPSS) version 22.0.

Data Analysis

Table 1 Nigeria's Cost of Credit for 2008-2018 (11 Years)

Date	Value	Change %
2018	7.20	-9.95
2017	8.00	-14.66
2016	9.37	21.71
2015	7.70	6.80
2014	7.21	-17.85
2013	8.78	4.66
2012	8.39	-18.79
2011	10.33	-6.66
2010	11.06	83.41
2009	6.03	84.57
2008	3.27	-50.86

Source: Central Bank of Nigeria, 2020

Table 1 shows Nigeria's historical cost of credit for 11 years from 2008-2018. This illustrates interest rates fluctuations covering the periods 2008-2018.

Table 2 Descriptive Statistics of Cost of Credit

	N	Range	Minimum	Maximum	Sum	Mean	Std. Deviation	Variance
2008	1	.00	3.27	3.27	3.27	3.2700	.	.
2009	2	2.76	3.27	6.03	9.30	4.6500	1.95161	3.809
2010	3	7.79	3.27	11.06	20.36	6.7867	3.94974	15.600
2011	4	7.79	3.27	11.06	30.69	7.6725	3.67955	13.539
2012	5	7.79	3.27	11.06	39.08	7.8160	3.20270	10.257
2013	6	7.79	3.27	11.06	47.86	7.9767	2.89149	8.361
2014	7	7.79	3.27	11.06	55.07	7.8671	2.65541	7.051
2015	8	7.79	3.27	11.06	62.77	7.8463	2.45915	6.047
2016	9	7.79	3.27	11.06	72.14	8.0156	2.35573	5.549
2017	10	7.79	3.27	11.06	80.14	8.0140	2.22101	4.933
2018	11	7.79	3.27	11.06	87.34	7.9400	2.12128	4.500
Valid N (listwise)	1							

Source: SPSS Output, Version 22.0

From Table 2, year 2016 has the highest mean value indicating that the costs of credit for year 2016 has more impact on organizational activities in the Nigerian economy compare to other years. However, year 2010 has the highest standard deviation and variance indicating that costs of credit for year 2010 has the most data variations.

Moderating Effect of Cost of Credit on Entrepreneurial Marketing Orientation and Organizational Competitiveness

Table 3 Model Summary for Entrepreneurial Marketing Orientation, Organizational Competitiveness and Cost of Credit

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics R Square Change	F Change	df1	df2	Sig. F Change
1	.952[a]	.906	.882	.321	.906	38.424	2	8	.000
2	.999[b]	.999	.998	.039	.093	535.699	1	7	.000

a. Predictors: (Constant), Moderator, Entrepreneurial Marketing Orientation

b. Predictors: (Constant), Entrepreneurial Marketing Orientation, Cost of Credit

Source: SPSS Version, 22.0

From the SPSS output on Table 3, before the introduction of the moderating variable (cost of credit) in model 1, the regression coefficient was 0.95, and the coefficient of determination (R^2) is 0.906 and 0.882 adjusted; indicating that 88% of the variations in organizational competitiveness were accounted for by entrepreneurial marketing orientation while the remaining 12% of the variations are traceable to external variables. However, in model 2, with the introduction of cost of credit, the regression coefficient increased to 0.999, and the coefficient of determination (R^2) also increased to 0.999 and 0.998 adjusted, indicating an impact of the moderating variable. Specifically, the change in the coefficient of determination is 0.093, which means, cost of credit moderates the relationship between the variables by 9%.

Table 4 ANOVA for Entrepreneurial Marketing Orientation Organizational Competitiveness and Cost of Credit

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	7.904	2	3.952	38.424	.000[b]
	Residual	.823	8	.103		
	Total	8.727	10			
	Regression	8.717	3	2.906	1916.267	.000[c]
	Residual	.011	7	.002		
2	Total	8.727	10			

a. Dependent Variable: Organizational Competitiveness
b. Predictors: (Constant), Moderator, Entrepreneurial Marketing Orientation
c. Predictors: (Constant), Moderator, Entrepreneurial Marketing Orientation, Cost of Credit

Source: SPSS Version, 22.0

Furthermore, the ANOVA Table i.e. Table 4 shows that the model statistically and significantly predicts the outcome variable at $F(2, 8) = 38.424$, $p < 0.05$, $R^2 = 0.906$ in model 1; and $F(3, 7) = 1916.267$, $p < 0.05$, $R^2 = 0.999$ in model 2. This means, cost of credit statistically and significantly moderates the relationship between entrepreneurial marketing orientation and organizational competitiveness.

Table 5 Coefficient for Entrepreneurial Marketing Orientation, Organizational Competitiveness and Cost of Credit

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	106.519	2.121		50.224	.000
	Entrepreneurial Marketing Orientation	.065	.049	.148	1.334	.019
2	(Constant)	121.546	.698		174.022	.000
	Entrepreneurial Marketing Orientation	.010	.007	.024	1.533	.009
	Cost of Credit	-1.786	.077	-5.595	-23.145	.000

a. Dependent Variable: Organizational Competitiveness

Source: SPSS Version, 22.0

In Table 5 the unstandardized coefficients indicate how much the dependent variable productivity varies with the independent variable with introduction of cost of credit. As shown on the Table in model 2, the intercept B_0 is 121.546 which is the predicted value of organizational competitiveness without the contributions of entrepreneurial marketing orientation and cost of credit. i.e. when entrepreneurial marketing orientation and cost of credit were equal to zero. The slope B_1 is 0.010 indicating that 1 unit increase in entrepreneurial marketing orientation will bring about 0.010 unit increase in organizational competitiveness. But the slope B_2 is -1.786 indicating that 1 unit increase in cost of credit will bring about 1.786 units decrease in the impact of entrepreneurial marketing orientation on organizational competitiveness. Also, the probability values are 0.009 and 0.00 < 0.05 which means cost of credit significantly moderates the impact of entrepreneurial marketing orientation on organizational competitiveness. From this table the regression model can be built thus.

$$OC = B_0 + B_1EM + CC + \varepsilon \qquad (1).$$

Discussion of Findings

Effect of Cost of Credit on Entrepreneurial Marketing Orientation and Organizational Competitiveness.

This study investigated the moderating effect of cost of credit on the causal relationship between entrepreneurial marketing orientation and organizational competitiveness. The study employed the multiple regression analysis, and the result indicates that in the regression model, before the introduction of cost of credit in the first model, the regression coefficient (R) is 0.95 and the coefficient determination (R^2) is 0.906 and R^2 adjusted is 0.882. This implies positive and significant impact of entrepreneurial marketing orientation on organizational competitiveness. The R^2 = 0.882 adjusted, implies 88% of the changes in organizational competitiveness was brought about by entrepreneurial marketing orientation. The remaining 12% changes in organizational competitiveness were due to external factors or stochastic variables which the model did not account for. However, in model 2, with the introduction of cost of credit, the regression coefficient (R) increased to 0.999 and the coefficient of determination (R^2) also increased to 0.999 and 0.998 adjusted, indicating an impact of the moderating variable (cost of credit). Specifically, the change in the coefficient of determination (R^2) is 0.093, which means cost of credit moderates the relationship between the variables by 9%. In the coefficient output, the unstandardized coefficient indicates how much the dependent variable; productivity varies with the independent variable; entrepreneurial marketing orientation with the introduction of cost of credit. It was revealed that an increase in entrepreneurial marketing orientation will bring about increase in organizational competitiveness. However, an increase in cost of credit brings about decrease in the impact of entrepreneurial marketing orientation on organizational competitiveness. Again, the probability (p) values are all less than the critical value, which means cost of credit significantly moderates the impact of entrepreneurial marketing orientation on organizational competitiveness.

These findings are consistent with previous research works in the literature. The study of Egbumike & Okerekeoti (2018), is highly supportive. The authors studied macro-economic factors, corporate characteristics, and financial performance in the context of quoted production companies on the floor of the Nigerian stock exchange. The study employed expost factor methodology. The result of the study is that monetary policy affects all the industries through the cost of credit and money supply in the economy. Again, the study of Odaco & Njugura (2016), is consistent with the findings of this study. The scholars examined the moderating influence of interest rate on the performance of agro-based listed firms. The study employed both descriptive and causal research design, using multiple regression and correlation analysis. The result of the study is that interest rate moderate financial performance outcomes of agro-based companies quoted on the floor of the Nairobi stock exchange. The empirical investigation and findings of this study agree with the study of (Emecheta & Ibe, 2014; Ugwuegbe & Ugwuoke, 2014), both studies investigated the impact of banks' credit on economic growth of Nigeria. The studies made use of auto-regression analysis and Johanson Juselius co-integration test statistic respectively. The study revealed that moderate or low bank credit improves economic growth of Nigeria. This is also backed by the study of Iwedi, Igbanibo & Onuegbu (2015), the authors studied the association between bank domestic credit and economic growth relationship in the context of Nigeria, covering the period 1980-2013. The authors made use of ordinary least square regression analysis. It was revealed that cost of credit moderation or low interest rates positively and significantly moderate economic growth in Nigeria. Interest rate changes in an upward trajectory will negatively affect entrepreneurs and businesses. In contrast, a downward interest rate improves business operations (Jordaan, 2018). This position of the scholar validates our findings. Jordaan ((2018), investigated the moderating influence of interest rate on South Africa's GDP and individual household economic performance. The study employed macroeconomic and social accounting matrix modeling techniques. The study revealed that lower interest rate positively moderate investment and employment in the economy of South Africa. Loan fee for businesses is an important variable in development of both private and public institutions. The works of Salami (2018) agrees with the finding of this study. The study evaluated the impact of loan fee or interest rate on the growth of Swaziland economy. The study made use of expost factor research design, the multiple regression model was used to measure the level of significance between cost of credit and economic growth nexus. The findings of the study is that interest rate significantly moderate the economic growth of Swaziland. Interest rate that is moderate and low successfully drives entrepreneurial ventures and investments and brings about economic growth. This is also consistent with Uzma, Muntaz & Muhammed (2017) study. Pertinent to note is that the empirical study of Jelilous (2016), significantly support our research findings. The scholar in his study of interest rate and business performance nexus, discovered that moderate or lower interest rate positively impact business and investments and thus, mediating economic growth and development. We also find support from the works of Utie, Okwori & Ikpambese (2018). Thus, a high cost of credit negatively influences investments and business activities and this, negatively moderate business growth and development. Moderate or low cost of credit is needed by businesses and entrepreneurs. This will improve business activities and lead institutions and nations to growth as revealed by our studies. Hence, this study further reinforces and validate the resource dependency theory, that outside-in capabilities or resources are needed by firms for their growth. Therefore, it is imperatives for companies to leverage the resources of network of partners in their operating environment.

Conclusion

This study investigated the moderating effect of cost of credit on entrepreneurial marketing orientation and organizational competitiveness in the context of quoted industrial goods manufacturing firms in Nigeria. From the empirical results, we conclude that, cost of credit significantly moderates the impact of entrepreneurial marketing orientation on organizational competitiveness. Again, increase in cost of credit significantly decreases the impact of entrepreneurial marketing orientation on organizational competitiveness of quoted industrial goods manufacturing firms in Nigeria.

Recommendations

The following recommendations are made:

i. The quoted industrial goods manufacturing firms should access cost of credit at a low cost and single digit interest rates from banks and finance houses.

ii. The Central Bank of Nigeria should prevail on the banks to extend credit to the sector at low cost and single digit interest rates.

iii. The bank of industry specifically should extend credit to the industry at a single digit and low-cost interest rates.

iv. The Central Bank of Nigeria should always put into surveillance bank lending rates to sustain the stability of cost of credit in the banking industry.

v. The execution of these recommendations will bring down the current lending rates and increase entrepreneurial marketing orientation which will in turn improve organizational competitiveness in the context of quoted industrial goods manufacturing firms in Nigeria.

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