

***THE EFFECT OF MRKETING MIX STRATEGY ON ORGANIZATIONAL
PROFITABLITY IN DASEN BREWERY S.C***

***A THESIS SUBMITTED TO THE SCHOOL OF GRADUATE STUDENT OF
JIMMA UNIVERSITY IN PARTIAL FILFULLMENT OF THE
REQUARMENT FOR THE AWARD OF DEGREE OF MASTERS IN
BUSINESS ADMINISTRATION (MBA)***

BY: TARIKU FURGASA LEGESSE



**JIMMA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
DEPARTMENT OF MANAGEMENT MBA PROGRAM**

DECEMBER 3, 2020

JIMMA ETHIOPIA

***THE EFFECT OF MRKETING MIX STRATEGY ON ORGANIZATIONAL
PROFITABLITY IN DASEN BREWERY S.C***

BY: TARIKU FURGASA LEGESSE

UDER THE SUPERVISION OF:

1. MR. WUBISHET MENGESHA (MAIN ADVISOR)
- 2.MR. WENDIMU ABULE (CO-ADVISOR)



***A THESIS SUBMITTED TO THE SCHOOL OF GRADUATE STUDENT OF
JIMMA UNIVERSITY IN PARTIAL FILFULLMENT OF THE REQUARMENT
FOR THE AWARD OF DEGREE OF MASTERS IN BUSINESS
ADMINISTRATION (MBA)***

JIMMA UNIVERSITY

MBA PROGRAM

DECEMBER 3, 2020

JIMMA, ETHIOPIA

DECLARATION

I hereby declare that this thesis Entitled “The Effect Of Marketing Mix Strategy On Organizational Profitability In Dasen Brewery S.C has been carried out by me under the guidance and supervision of Mr. Wubishet Mengesha and Mr. Wendimu Abule.

The thesis is original and has not been submitted for the award of degree of diploma in any university or instructions

Researcher's Name

Date

Signature

Tariku Furgasa

03/12/2020

CERTIFICATE

This is to certify that the thesis entities “The Effect Of Mrketing Mix Strategy On Organizational Profitablity In Dasen Brewery S.C” Submitted To Jimma University For The Award Of The Degree Of Master Of Business Administration (MBA) and is a record of Valuable research work carried out by Mr. Tariku Furgasa, under our guidance and supervision

Therefore, we hereby declare that no part of this thesis has been submitted to any other university or institutions for the award of any degree of diploma

<i>Main Adviser’s Name</i>	<i>Date</i>	<i>Signature</i>
<u><i>MR. Wubishet Mengesha</i></u>	_____	_____
<i>Co-Advisor’s Name</i>	<i>Date</i>	<i>Signature</i>
<u><i>MR. Wendimu Abule</i></u>	_____	_____

ACKNOWLEDGMENT

First, I would like to express my deepest gratitude to the almighty God for lighting my way, granting me the strength, courage, patience and inspirations throughout my life. I am also promising to determine my warm gratitude to my advisor MR. Wubishet Mengesha (PHD) for his guidance, encouragement and continuous support. I would also like to extend my deepest appreciation to my family and friends where without their support in encouragement, editing, and throughout the entire process of distributing and collecting the questionnaires.

Overall, to all of you, either listed here or somewhere in my memory yet unrecalled, I offer my heartfelt gratitude. God blesses you all forever.

Table of Contents

JIMMA UNIVERSITY	I
DECLARATION	I
ACKNOWLEDGMENT	i
ABSTRACT	1
CHAPTER ONE	2
1. INTRODUCTION.....	2
1.1 BACKROUND OF THE STUDY	2
1.1.1 Background of the Company.....	3
1.2 PROBLEM STATEMENT	4
1.3 Research Questions	6
1.4 Objective of the study	7
1.4.1. General Objective of the study.....	7
1.4.2. SPECIFIC OBJECTIVES OF THE STUDY	7
1.5 SIGNIFICANCE OF THE STUDY	7
1.6 SCOPE OF THE STUDY	7
1.7 Organizations of the Study.....	8
1.8 OPERATIONAL DEFINITION	8
CHAPTER TWO.....	9
2. REVIEW OF RELATED LITERATURE	9
2.1 Theoretical Framework	9
2.1.1. Strategy Overview.....	9
2.1.2. Marketing mix strategies.....	9
2.1.3. Product Strategy	11
2.1.4. Pricing strategy.....	12
2.1.4.1. Methods of Pricing	13
2.1.5. PLACE STRATEGIES	14
2.1.5.1 Types of Distribution Channels	16
2.1.5.2. Selecting a Distribution Channel.....	17
2.1.6 PROMOTIONAL STRATEGIES.....	17
2.1.6.1 Advertising strategy	18

2.1.6.2 Personal selling strategy	19
2.1.6.3 Sales Promotion Strategy	19
2.1.6.4 Public Relations Strategy	19
2.1.7 Concept of Organizational profitability	20
2.1.8 Marketing mix strategies and profitability	21
2.2 Empirical Review	21
2.3 Conceptual framework	24
CHAPTER THREE.....	26
3. RESEARCH DESIGN AND METHODOLOGY.....	26
3.1 Research Design.....	26
3.2. Instruments of Data Collection	26
3.3 Sampling techniques	27
3.4. Sample Size.....	27
Table 3.1 Sample size.....	29
3.5 validity and reliability	30
3.5.1 Validity.....	30
3.5.2 Reliability.....	30
3.6 Methods of data analysis	31
3.7 Model specification	31
3.8 Ethical consideration	31
CHAPTER FOUR.....	33
4. Data Analysis Interpretation and Discussions.....	33
4.1 INTRODUCTION.....	33
4.2 Profile of Respondents	33
4.3 Descriptive Statistics	35
4.3.1 Extent of product strategy practices in Dashen Breweries S.C.....	35
Table, 4.3.2 Pricing strategy.....	38
4.3.4 Distribution strategy.....	41
4.3.5 Extent of Profitability in Dashen Breweries S.C.....	41
Table 4.3.5 Related to Company profitability.....	42
4.4 Inferential Analysis	43
4.4.1 Relationship between Marketing Mix Strategies and Profitability	43

4.4.2 Assumptions Testing in Multiple Regressions	45
4.4.2.1 MultiCollinearity test	45
4.4.2 Collinearity statistics	46
4.4.2.2 Normality Test.....	46
4.4.4 Assumption of Homoscedasticity.....	47
4.4. 2.3 Assumption of linearity	48
4.4.2.4 Regression Analysis	49
4.4.2.4.1 Analysis of Variance	49
4.4.2.5 Regression analysis Coefficient.....	50
4.4.2.5 Regression Coefficient	50
CHAPTER FIVE.....	51
5. SUMMERY, CONCLUSIONS AND RECOMMENDATIONS	51
5.1. Summary of the Findings	51
5.2. Conclusions	53
5.3. Recommendations	54
5.4. Suggestions for further study	55
Reference.....	56
Appendix A	60

List of table

Table 3.1 Sample size.....	29
Table 3.2: Cranach’s alpha value	30
Table 3.2 Reliability Cronbach’s alpha	31
Table 4.1 Demographic information of respondents.....	33
Table 4.3.1 Product strategy.....	36
Table, 4.3.2 Pricing strategy.....	38
Table 4.3.3 Promotion strategy	39
Table 4.3.4 Distribution strategy.....	41
Table 4.3.5 Related to Company profitability	42
Table 4.4.5.2 Regression Coefficient	50
Table 4.4.2 MultiCollinearity test of the independent variable.....	46
Table 4.4.5.1 Analysis of Variance	49
Table 4.4.1 Correlation between marketing mix strategy practices and organizational profitability.....	44

ABSTRACT

This research paper investigates the effect of marketing mix strategy on organizational profitability in Dashen Brewery Share Company. The survey research design called descriptive and explanatory method was used in this study, which involves using 33-closed ended questionnaire in collecting data from sixty-six (66) respondents. Correlation coefficient and multiple regression analysis were used to analyze the data with the aid of statistical package for social sciences (SPSS) version 20. The results show that the independent variables (i.e Product, Price, Promotion and Place) were significant joint predictors of business performance in term of profitability ($F(4, 40) = 41.449$; $R^2 = 0.806$; $P < .05$). The independent variables jointly explained 80.6% of variance in profitability. Subsequently, recommendation were made to Dshen Brewery Share Company. Produce continually embrace product development strategy as this strategy provided a framework for creating new products or improving the profitability, cost or quality of existing products. On Pricing Strategy, Dashen brewery should continually adopt pricing strategies (market penetration pricing, premium pricing, price skimming and economy pricing) as these tactics were found to have a positive impact on profitability. Although a successful pricing strategy can increase revenue and profitability, careful planning is also essential to minimize the risk of costly mistakes related each specific strategy. On Promotion Strategy Dashen Breweries must continually embrace promotion strategies. This is based on the evidence that Promotional and marketing strategies helped the company utilize the skills of its employees and stakeholders especially in developing creative approaches to sales and customer service. Promotional and marketing mix strategies are also important for guiding the business into the development of financial goals. Dashen Brewers should find a strategic market location; the location site must be convenient to the customer. The location must also be easily accessible and should provide the customer with a feeling of safety upon their arrival and exit.

Keywords: Marketing mix strategy, Product, Price, Place, Promotion and profitability

CHAPTER ONE

1. INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Every company, whether profit-oriented or not, has its own mission to achieve its goals for organizations in today's highly competitive business climate. Their primary focus is to satisfy the needs and expectations of their customers. Strategic thinking reflects a new marketing approach. Marketing plays a vital role in the strategic management process of a firm. The experience of companies well versed in strategic planning indicates that failure in marketing can block the way to goals established by the strategic plan. Marketing mix strategy: is the set of tactical marketing tools-product, price, place, and promotion—that the firm blends to produce the response it wants in the target market (Kotler & Armstrong 2012)

Marketing strategy is the marketing logic by which the business unit hopes to achieve its marketing objectives. It shows how strategies for target markets and positioning build upon the firm's differential advantages. It should detail the market segments on which the company will focus. These segments differ in their needs and wants, responses to marketing and performance. The company should invest its efforts in those market segments, which it can better support from a competitive perspective. It should develop a marketing strategy for each targeted segment (S. A., Azhar, S. M., & Bhutto, N. A, 2019).

Within a given environment, marketing strategy deals essentially with the interplay of three forces known as the strategic three c's the customer, the competition and the corporation. Marketing strategies focus on ways in which the corporation can differentiate itself effectively from its competitors, capitalizing on its distinctive strengths to deliver better value to its customers. A good marketing strategy should be characterized by (a) a clear market definition;(b) a good match between corporate strength and the needs of the market; and (c) superior profitability, relative to the competition, in the key success factors of the business.

In today's business practices, the success or failure of any business organization depends largely on how well that organization can satisfy its customers, and this act puts enormous duties and obligations, through marketing, on any organization intending to excel at satisfying their customers and clients. The task is to define precisely the needs of their customers and to determine how best to manage their goods and services in order to meet

the desires of both prospective buyers and sellers (as represented by clients/customers). More so, depending on the nature of business, strategies may have other dimensions as well. At the heart of any business, strategy is marketing strategy. Businesses exist to deliver products to the markets to an extent that they serve this purpose efficiently through profit maximization. All these are marketing efforts. The objectives of an organization have to be considered, particularly on customers' satisfaction and increasing their sales volume at profits making. Research has shown that organizations that adopt effective marketing mix also improve their financial standing but this could be achieved with reasonable marketing efforts or reasonable time frame of effective marketing practice in the target markets (Kotler and Armstrong 2012).

The purpose of this study was to examine the effect of marketing mix strategies on a company's profitability. This study is expected to be significant importance to: Dashen brewery s.c managers in developing effective marketing strategies that enable them succeed in the long term.

1.1.1 Background of the Company

Dashen Brewery S.C as one of the largest Ethiopian brewery companies . It is co-owned by Tired Corporate and Duet Vasari beverages African limited. The Company first entered to Ethiopian market after planting its first plant at a historical city of Gondar, 738 kilometers from Addis Ababa, at a place called Aba Samuel. Its first factory was built at a total cost of 325,000,000.12 birr. The total cost of the construction was obtained from Endowment Fund and Ethiopian Development Bank. The plant, which was laid at 8.5 hectare of land, was built with an annual production capacity of 300,000 hl. But by the time this production capacity of the factory could not match with the demand of beer. Subsequently, plans to carry out this expansion of the factory as soon as possible and went into action . Accordingly, the production capacity has increased. As of now, the plant in Gondar has reached to 950,000 hectoliters a year.

Dashen has released its first product in June 2000. Its product was largely limited in Northern part of Ethiopia such as Amhara and Tigray regional states. Therefore, to fill this gap, the company has begun to work on how to expand its production. The company has decided to expand its production in order to meet the demand. The company has then decided to search for a partner to work with. The effort has finally brought Dashen to work with Duet Vasari beverages African limited.

The two signed a partnership agreement in May 2012. The agreement resulted in the creation of a second plant, in Debr Berhan, North Shoa. 15 years after the opening of the plant in Gondar, the share company launched its second plant at a total investment of 3,000,000,000 birr. The plant, which has 3,000,000 hectoliters annual production capacity, was officially inaugurated by Prime Minister Hailemariam Desalegne. The factory was considering as a milestone for its role of creating a back and forth linkage between the agriculture and industry, at the region.

Dashen brewery currently has a total capital of 5,000,000,000 birr, and will work to raise its capital. As a result, this will benefit different part of the society. In terms of job creation, the company has currently 549 permanents, 219 casual employee in Gondor plant, 267 permanents, and 345 casual employees in Debre Birhan plant and Addis Ababa. The figure does not include those involved in beer distribution, loading and off-loading. The factory, for the past 17 years has only one brand of beer. However, after looking into the market, before three years it introduced a new brand called Balageru beer and its first alcohol free product called Lucy malt to the market.

1.2 PROBLEM STATEMENT

It is natural that any business entity, whether small or big, private or governmental, domestic or foreign, operates in a turbulent and uncertain environment. In the context of changing customer expectations, technological discontinuities, increasing environmental uncertainties, business managers have a big challenge of making the right strategic choice and setting their strategic priorities in order to allocate their resources to different functions in an efficient manner for business success. Due to this, Managers need to develop new tools, new concepts, new strategies and new ways of thinking to cope with the turbulent and chaotic environments that lead to discontinuous change (Kotler, P., & Caslione, J. A. 2009).

In fact when you run the business, not everything might be easily accomplished. Marketing success is the lifeblood of any company. Everyone knows that marketing strategy influence the company's ability to generate profit or to stay in business. Likewise, Dashen breweries might face with some problem regarding the present situation of competition in the beer industry while practicing the marketing mix strategy. Currently, foreign investment in Ethiopia's beer industry is showing a huge increase and multinational beer companies are increasingly attracted to the industry and continuing to

increase their presence and local companies purchase by international companies. BGI, Heineken, Habesha, Anbesa and Meta some of the beer company with different product operating in Ethiopia. Dashen brewery factory is competing with both existing brewery companies and new entrants. The marketing strategies practice of the competitors creates the shift of customer to the new Products; the new beer companies entering in to the market in a huge capacity and use their potential to penetrate the market through promotion and to widen their destination. Due to this fact, it is difficult to increase sales, profit and customer satisfaction and it might have impact on the company's market share. For this reason, it is difficult to remain competitive and to sustain growth. In such circumstance, companies have to design a better marketing strategy in terms of the major marketing mix has to overcome with the stiff competition. The marketing mix strategy is one of the dominant in modern marketing (Wilson, R. M., & Gilligan, C. 2012). In addition, companies are expected to develop a proper segmentation, target market and positioning of its product in order to have competent marketing strategy that enables to achieve company's objectives. Therefore, company's marketing strategy has to be reviewed and needs modification with environmental change.

Studies have been done related to marketing strategies. Mac-Kingsley & Pokubo, (2019) studied the effect of marketing mix strategies on performance of small and medium enterprises in Rivers State of Nigeria. Results revealed a significant relationship between marketing mix strategies and performance in SMEs in Rivers State of Nigeria. The study did not examine the effect of marketing strategies and performance. Daniel (2018) carried out a study on the effects of Marketing Strategies on Organizational performance; the study revealed that there is no significant relationship between product strategy and the level of profit. There is no significant relationship between promotional strategy and the sales volume. There is no significant relationship between price strategy and the market share and lastly there is no significant relationship between place strategy and the level of customer loyalty in Nigeria Bottling Company, Kaduna. The study did not investigate the effect of marketing strategies and performance. Ebitu (2016) did a study on Marketing strategies and the performance of enterprises in Akwa- Ibom State, Nigeria. The study revealed that there is a significant impact of product quality strategy and relationship marketing strategy on the performance and increased market share of SMEs in Akwa Ibom State. The study does not incorporate the marketing strategies in performance. Hassen Adago (2014) assessed the practices of marketing mix strategy Dashen Brewery

pursued in Gonder, the study failed to show the relative effectiveness of the elements of marketing mix strategies: product, price, place and promotion objectively. Adewale (2013) research on Impact of Marketing Strategy on Business performance in Small and Medium Enterprises (Smes) in Oluyole Local Government, Ibadan, Nigeria. The researcher found out that marketing strategies (product, place, price, packaging, and after sales service) were significantly independent and joint predictors of business performance. The study however, discovered that promotion has no positive significant effect on business performance. The study did not investigate on relationships rather than challenges of marketing strategies and performance. Kisaka (2012) carried out a study on relationship between marketing strategies and the performance of savings and credit societies in Mombasa district. The findings of the study revealed a causal relationship between marketing strategies and the performance of SACCOs. The study was a critique of whether there is a relationship between marketing strategies and performance.

The study fills the gap and explored the effect of marketing mix on the profitability of Dashen Breweries S.C. it assessed how marketing mix strategies play a role in profitability as well as the relationship between marketing strategy and profitability.

1.3 Research Questions

This study aimed to address the following research questions.

1. To what extent does product strategy affect profitability in Dashen Brewery S.C?
2. To what extent does pricing strategy affect profitability in Dashen Brewery S.C?
3. To what degree does promotion strategy affect profitability in Dashen Brewery S.C?
4. To what degree the place / distribution strategy affect profitability in Dashen Brewery S.C?

1.4 Objective of the study

1.4.1. General Objective of the study

The aim of this study is to analyze the effect of the Marketing Mix Strategy on organizational profitability in Dashen brewery.

1.4.2. SPECIFIC OBJECTIVES OF THE STUDY

The objectives of this study are address the following specific objectives:-

1. To assess the extent to which the product strategy affects profitability in Dashen Brewery
2. To examine the extent to which the pricing strategy affects profitability in Dashen Brewery
3. To investigate the extent to which the promotion strategy affect profitability in Dashen Brewery
4. To examining the extent to which the place / distribution strategy affect profitability in Dashen Brewery.

1.5 SIGNIFICANCE OF THE STUDY

This study serves a number of purposes. One of the most important thing is that It can create more understanding with regard to marketing mix strategies the company under investigation pursue to meet its marketing objectives. This will demonstrate what works well and what should require more efforts and resource among the elements of the mix. This will in turn again help the management in making informed decision with regard to planning and executing the plan effectively. In addition, the study enhances the research skill and knowledge of the research and adds value on the existing stock of knowledge. It is also serving as a stepping-stone for other researchers to undertake further researcher.

1.6 SCOPE OF THE STUDY

The study limited to the effect of marketing mix strategy on the profitability of Dashen brewery S.C. The study mainly focuses on the employees of Dashen brewery S.C. The study includes the basic marketing mix strategy elements such as product, price, promotion and distribution strategies of the company. It did not include elements in the so-called extended marketing mix elements.

1.7 Organizations of the Study

This study organized into five chapters. The first chapter deals with the introduction part focusing on presenting, a background of the study, statement of the problem, objectivities of the study, significance of the study, and scope of the study. The second deals with presenting the closely related literature review to the topic of this study. In the third part of this study, under the research methodology of this study, research design, data source, and method of data collection, population and sample design and method of data analysis were presented. In the fourth part of this study, the collected data were analyzed and presented in tables. In the last part of this study, major findings, conclusions, and recommendations presented under chapter five of this study.

1.8 OPERATIONAL DEFINITION

Marketing is the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return. (Kotler, 2012).

Strategy see strategy as a pattern of resource allocation decisions made throughout an organization. This encapsulates both desired goals and beliefs about what is acceptable and the most critically unacceptable means for achieving them (Aremu and Lawal 2012)

Marketing mix strategy in a given market area are the proper allocation of resources to support enterprises to win competitive advantage

Product is anything that can be offered to a market for attention, acquisition, use, or consumption that may satisfy a need or want (Armsrtong, 2006)

Price is defines as a cost of producing, delivering and promoting the product charged by the organization (Kotler, 2007)

Promotion is a part of specific efforts to encourage customers to tell others about their service. (Zeithaml et al) A service is any activity or benefit that one party can offer to another that is essentially intangible and does not result in ownership of anything (Kotler and Armstrong, 2010).

Place is the process where organizations decide where to locate their store and how many stores to have at the convenience of the shoppers (Gituma, 2017)

Profit is a financial gain especially the difference between the amounts earned and amount spent in buying, operating, or producing something

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

2.1 Theoretical Framework

A theoretical framework can be defined as a collection of interrelated ideas based on theories. It is a reasoned set of prepositions, which derived and supported by data or evidence. This section provided the theoretical framework.

2.1.1. Strategy Overview

The word strategy was originally a Greek word coming from military origins before being adopted by many other fields. A strategy is a long-term course of action designed to achieve a particular goal. It is different from tactics. A tactic refers to an immediate action using resources at hand. When applied in a business context, a strategy refers to a set of managerial decisions and actions that aims to differentiate the company from competitors and sustain its competitive advantage. A company's strategy must be appropriate for its mission, resources, and environmental circumstances. The strategy is fundamentally about two things the first one is deciding where you want your business to go and the other one is deciding how to get there.

There are different definitions of strategy. However, for this study, we must select a definition. Aremu and Lawal (2012) see strategy as a pattern of resource allocation decisions made throughout an organization. This encapsulates both desired goals and beliefs about what is acceptable and critically unacceptable means for achieving them. According to Andersen, T. J. (2000) a "strategy" is a plan that integrates an organization "s major goals, policies, decisions, and sequences of action into a cohesive whole. It can apply at all levels in an organization and pertain to any of the functional areas of management. Therefore, the strategy can be defined as a method by which a firm seeks to achieve its target markets by using resources to achieve its objective.

2.1.2. Marketing mix strategies

There are numerous definitions of marketing strategy in the literature and such definitions reflect different perspectives (Li et al., 2000).Strategy as a direction and scope for an organization in meeting long-term objectives by configuring its resources in the present dynamic business environment (McCarthy 2011). Goi (2005) defines marketing strategy as the set of marketing tools that firms use to pursue their marketing objectives in the

target market. Marketing mix strategy in a given market area are the proper allocation of resources to support enterprises to win competitive advantage. The consensus is that the marketing mix strategy provides the avenue for utilizing the resources of an organization to achieve its set goals and objectives and includes all the responses of a firm in ensuring that the target markets positively influence their product demand. Firms who aspire to meet the customer needs often have to focus on understanding the customers and developing appropriate strategies to improve their profitability. According to (owomoyela, et al., 2013), the aim of the development of an organization's marketing strategy development is to establish, build, defend, and maintain its competitive advantage. Managerial judgment is important in coping with environmental ambiguity and uncertainty in strategic marketing.

Lin (1993) as cited in Long-Yi and Ya – Huei (2012) proposes that marketing strategy can be divided into four ways to research that: (1) Dual-oriented marketing strategy: using the rational and emotional product name, easy to remember, and pricing to take into account the cost of service and quality orientation, psychological factors, and competitors' prices. (2) Rational marketing strategy: the use of functional demands of a rational position, consider after-sales service, warranties, delivery, and installation attached by the product factors. (3) Emotional marketing strategy: the emotional appeal to locate, emphasis on physical product shape, color design, the use of emotional product names, and so on memory, attention to the product packaging and labeling. (4) Maintenance marketing strategy: consumers are more concerned about price and quality, it is not suitable to use a lot of marketing techniques, manufacturers can improve product packaging and labeling, give a simple name for remember, consider the quality position and competitor pricing during pricing.

Lin (1993) divides marketing strategy into four parts, that is dual-oriented, rational, emotional and low involvement, different product types with different marketing strategy, so the manufacturer's marketing strategy can be divided into five parts, which is the choice of the target market, product strategy, pricing strategy, channel strategy, and marketing strategy. He uses 29 questions to measure the new product marketing strategy and seven points Likert scale is used to measure. When the industry lack of competition, the business performance would be better even when companies are not entirely market-driven, the performance will have excellent performance (Kohli et al., 1993). Previous studies have established relationships between marketing strategies and profitability (

Owomoyela et al, 2013; Shoham, 2002; Theodosiou & Leonidou, 2003). Leonidou, Katsikeas, and Samiee (2002) propose a study in which a meta-analysis was conducted to evaluate the relationships between marketing strategies and profitability.

2.1.3. Product Strategy

Marketers broadly define a product as a bundle of physical, service, and symbolic attributes designed to satisfy the needs of consumers. According to The Chartered Institute of Marketing (2009), the perfect product must provide value for the customer which means that the company should give its customers what they want not what they think their customers want. The first element of the marketing mix which is product is what is being sold by the company. Product strategy refers to all the goods and services that a company offers to the target market to satisfy their needs. It also includes physical products, services, information, places, organizations, or ideas that can be offered for acquisition or consumption that might satisfy a want or a need.

Kotler (2013) Products are classified into two categories; tangible and intangible products. Mohammad et al, (2012) It is also claimed that the product is the physical appearance of the product, the packaging and the labeling information, which can also influence whether consumers notice, review and purchase the product in-store. In marketing, the product is an important component of the marketing mix because it determines whether the organization survives or dies (Daniel, 2018). The product is therefore more than a branded, packaged good offered for sale. Its definition has been widened to include services, benefits, and the services that can be achieved from the product.

Product strategy refers to all the goods and services that a company offers to the target market to satisfy their needs. It also includes physical products, services, information, places, organizations, or ideas that can be offered for acquisition or consumption that might satisfy a want or a need. Product strategy consists of elements such our packaging, branding labeling, and product attributes that are of good quality, style, features, and design.

A product consists of 4 life cycle stages, which successful products pass through. Like humans, it passes through a series of stages from its initial appearance to death; this progression is known as the life-cycle of the product. Humans grow from infants into children; they eventually become adults and gradually move to retirement age and, finally, death. Successful goods and services go through in the following stage introduction,

growth, maturity, and decline. Most product lifecycle curves are portrayed as a bell shape (Lancaster, G. A.,2004). The product life cycle concept provides important insights for the marketing planner in anticipating developments throughout the various stages of a product's life. New product development leads to a wide product range that influences the attraction and retention of many customers.

The position of a product refers to a relative location in the customer's mind among opponent products. Positioning is the development of the image of a product directly against the competitor products and other products produced by the company's (Mustafa K. 2002). Positioning may be formed based on the specific features, benefits or uses of the product, and positioning may also be developed as directly against the major opponent.

Product identification is another important aspect of a marketing strategy. Brands, brand names, and trademarks identify products. A brand is a name, term, sign, symbol, design or any combination thereof used to identify the products of a company and to distinguish them from competitive offerings. Past researchers have suggested that product influences have a significant effect on business profitability (KazemandHeijden, 2006; Kemppainen, Vepsäläinen, andTinnilä, 2008; Ogunmokun and Esther, 2004; Owomoyela et al, 2013)

2.1.4. Pricing strategy

The price is a tool used by the customer to pay for the products or services offer by the company. kotler (2007) defines price as the cost of producing, delivering, and promoting the product charged by the organization. Zeithaml (1988) is of the view that monetary cost is one of the factors that influence consumer's perception of a product's value. Generally, the price of the service involves considerations related to fixed costs (overheads) and variable costs (including labor and materials costs), element consists of the determination of the price discount, the determination of the commission to channel cooperation and credit (term to sell products and services)(Suherly , Affif, Arief , & Guterres , 2016). According to The Chartered Institute of Marketing (2009), a product is only worth what customers are prepared to pay for it. The price also needs to be competitive, but this does not necessarily mean the cheapest, the small business may be able to compete with larger rivals by adding extra services or details that will offer customers better value for money.

Besides that, The Chartered Institute of Marketing also stated the few things that need to be understood by the company when developing the pricing strategies. First, the higher price we charge to customers, the more value or quality that our customers will expect for

their money. This is because they expected to get the quality product and goods services equal to what they have paid if the price charge by the company is too expensive. Second, is the existing customer being generally less sensitive about price than a new customer because they often buy the product from the company and they know the quality of the product and services offered by the company.

Economists may argue that pricing is regulated by the widely accepted principle of elasticity of demand; however, pricing decisions are based on far more factors than fluctuations in demand relative to the available supply of a product or service. An item is worth just what someone else is willing to pay for. The decision on the pricing of a company is affected by both internal and external factors of the company. Internal pricing factors include marketing objectives, marketing mix strategy, cost, and organization. External factors influencing pricing includes the nature of the market and demand, competition, and other environmental factors (economy, resellers, government). Therefore, it is important for the company to thinking of price the charge as 'cost' to the customer to help them plan the pricing strategy more effectively.

Pricing strategy may vary market to market because of many reasons associated with the PESTEL model such as political, economic, social, technological, environmental, and legal forces. Therefore, it is forces that have effects on pricing component of a marketing strategy by control effects on marketing, distribution, and transportation costs; taking into consideration of market structures and demand also tariffs, taxes, and other financial trade barriers of different countries affect the pricing strategy; the competitors' pricing practices; and costs and margins of distribution channels all have a significant effect on the pricing strategy (Abdullah Saif, 2015). In the studies of Colpan,(2006); Dooleet al., (2006) and Owomoyelaet al, (2013) they establish a significant relationship between price and business profitability. The price you set for your product or service plays a large role in its marketability.

2.1.4.1. Methods of Pricing

A. Cost-Based Pricing

Kotler, et.al (1999) defines that cost-plus pricing is adding a standard markup to the cost of the product. To calculate product cost we need to include the cost of production, promotion, and distribution. Add the profit level you want from the business to the product cost subtotal to determine your product price. TheS amount of profit you add to

the product cost subtotal can be set according to three different methods (a profit percentage with product cost, add a percentage to an unknown product cost and blend of total profit and product costs). Each of the three costs based pricing methods described begins with a product cost subtotal. Therefore, the company designs what it considers being a good product, totals the cost of making the product, and sets a price that covers costs plus a target profit.

B. Competition Based Pricing

Consumers will base their judgments on a product's value on the prices that competitors charge for similar products (Kotler, et.al 1999). The big advantage of competition-based pricing is that you are focused on your industry and therefore your competition. An industry focus looks closely at the types of existing and emerging competition. Once you know what your competitors are doing, you can better decide how you will manage your business.

C. Value-Based Pricing

Value-based pricing means that the marketer cannot design a product and marketing program and then set the price. Price is considered along with the other marketing mix variables before the marketing program is set. The company set its target price based on customer perceptions of the product value. The targeted value and price then drive decisions about product design and what cost can be incurred. As a result, pricing begins with analyzing customer needs and value perceptions, and a price is set to match consumers' perceived value (Kotler, et.al 1999).

2.1.5. PLACE STRATEGIES

Another very important element of marketing is a place that is also called the distribution, which is defined as the process and methods by which products or services reach customers. Distribution is the element that helps customers and users to find and keep purchase those products from those manufacturers/providers with them at the time of need. Jones, (2007) defines place as any way that the customer can obtain a product or receive a service. Bowersox and Closs (1996) give distribution as another name for a place. According to them, it is the third element of the marketing mix, and it encompasses all decisions and tools, which relate to making products and services available to customers.

Cavusgil & Zou, (2014) the location of the firm in relation to its target market is very critical. Goods are produced to be sold to customers; they have to be made ready for the customers at a suitable place where they can handily make deals. Thus, the distribution may become a functioning complex system where producers, brokers, and independent trade and the interests of consumers wholly compatible with each other in a certain environment and a certain time (Išoraitė, 2016). Therefore, the product must be ready at markets in the city. This includes a chain of persons and organizations like distributors, wholesalers, and retailers who shape the distributing network of the organization (the channel of distribution. The organization must choose whether to sell directly to the persons or through the distributors. It can even plan to sell it directly to customers (Thabit & Raewf, 2018).

Placement refers to the location where the products and services available can be sold or bought. Buyers can either buy on the physical or virtual market products or services. The placement of elements also consists of the physical channels and channels of cooperation.(Suherly , Affif, Arief , & Guterres , 2016). The place is the process where organizations decide where to locate their store and how many stores to have at the convenience of the shoppers (Gituma, 2017). According to The Chartered Institute of Marketing (2009), the place is where the customers buy a product and the means of distributing your product to that place must be appropriate and convenient for the customer.

The product must be available in the right place, at the right time and in the right quantity, while keeping storage, inventory, and distribution costs to an acceptable level. Besides that, Placing or distribution strategy is the method company uses to get the products and services to different channels and networks to reach the end customer, either directly or indirectly. The intermediaries include the agents, wholesalers, distributors, and retailers. Marketing intermediaries perform various functions that assist in the operation of the distribution channel. These functions include buying, selling, storing, and transporting. These intermediaries perform a variety of functions and constitute marketing channels that is also referred to a trade channel or distribution channel (Kotler and Keller, 2008). Intermediaries often provide other channel members with important marketing information. These elements help in ensuring that a firm has provided the customers with quality customer service that influences the level of customer satisfaction (Muchiri, 2016).

Owomoyela et al, (2013); Amine and Cavusgil, {2001}; and McNaughton,(2002) agree that place has a significant effect on business profitability.

2.1.5.1 Types of Distribution Channels

The primary channels of distribution are shown below. The first four channels are typically used to distribute consumer goods and services, while the last two are commonly used for industrial goods and services.

A) Producer to Consumer: - A direct channel from producer to consumer is used for most services but relatively few products. An artist who sells their creations at an art show is an example of this distribution channel, door to door purchases, Catalogs, and internet.

B) Producer to Retailer to Consumer: - Some food processors and manufacturers distribute their products directly to retailers. The apparel industry has many producers that sell directly to retailers through their own sales forces. Some manufacturers set up retail outlets in order to maintain better control over their channels.

C) Producer to Wholesaler to Retailer to Consumer: - The traditional channel for consumer goods, distribution to wholesalers, is used by thousands of small manufacturers that cannot afford to maintain an extensive field sales force to reach the retailing sector. Some of these manufacturers employ technical advisors to assist retailers and to secure marketing information, but they are not directly involved in the selling effort.

D) Producer to Wholesaler to Wholesaler to Retailer to Consume: - Several wholesalers are common in the distribution of agricultural (canned and frozen foods and cotton) and

Petroleum products (gasoline). An extra wholesaling level is required to divide, sort, and distribute bulky items.

E) Producer to Industrial User: - The direct channel from producer to user is the most common approach to distributing industrial goods and services. This channel is use for nearly all industrial products except accessory equipment and operating supplies.

F) Producer to Wholesaler to Industrial User: - The indirect channel from producer to wholesaler to user is used for some industrial items. It is also used for small

accessory equipment and operating supplies that are produced in large lots but sold in small quantities.

2.1.5.2. Selecting a Distribution Channel

The selection of a distribution channel depends on several factors: the market, the product, the producer, and the competition. These factors are often interrelated.

A) Market Factors: - The most important consideration in choosing a distribution channel is the market segment the producer wants to reach. If the product can be marketed to more than one segment, multiple distribution channels may be required. Multiple channels have become increasingly popular in recent years.

B) Product Factor: - In general, products that are complex, expensive, custom made and perishable move through shorter distribution channels. Boeing sells its 747 jet aircraft directly to British Airways and other commercial airlines.

C) Producer Factors: - Producers that offer a broad product line and have the financial and marketing resources to distribute and promote their products are more likely to use a shorter channel of distribution. The company has the financial resources to conduct marketing research studies and to maintain its network of distribution centers.

D) Competitive Factors: - In choosing a distribution channel producers must consider how well an intermediary performs the marketing functions. A producer may become less competitive when an intermediary fails to adequately promote the firm's products.

2.1.6 PROMOTIONAL STRATEGIES

Promotion is a process through which or generations communicate with their target audiences to inform, direct, remind, update, convince, persuade and influence them to respond in a favorable way to an organization and its offerings using one or more of the following tools: advertising, personal selling, public relations, publicity, sales promotion, direct marketing and word of mouth (Brenan & Eric, 2011). Promotion is the process whereby organizations reach out to their target customers through several media to inform, educate, remind, direct, and sensitize them about an organization, its offerings, and its activities to persuade and influence them to exhibit positive attitudes and overall behaviors towards the organization (Carter, 2004). Promotion transcends the focus on merely gaining customer patronage, but broadly encompasses the goal of convicting, influencing, persuading, and shaping positive attitudes and behaviors towards an organization

(Mahmud & Ahmadu, 2010). Promotion is executed using several tools, known as promotional tools, and they include advertising, personal selling, public relations, publicity, sales promotion, direct marketing, and word of mouth. These tools are strategically combined, integrated, and coordinated to communicate persuasively with target markets with the ultimate goal of eliciting a positive response (Henry, Derrick & Shan, 2014).

In marketing, the promotional mix describes a blend of promotional variables chosen by marketers to help a firm reach its goals. It has been identified as a subset of the marketing mix. It is believed that there is an optimal way of allocating budgets for the different elements within the promotional mix to achieve best marketing results, and the challenge for marketers is to find the right mix of them. Kotler, (2007) discovers that Promotions have become a critical factor in the product marketing mix which consists of the specific blend of advertising, personal selling, sales promotion, public relations and direct marketing tools that the company uses to pursue its advertising and marketing objective. Previous researches (Amine and Cavusgil, 2001; Francis and Collins-Dodd, 2004) have established significant relationship between promotion and business performance.

Marketing communication is also known as promotion mix consists of five promotion mix elements such as: advertising, sales promotion, personal selling public relations and direct marketing (Onditi 2012; Adebisi 2006). Effective implementation of promotion mix helps the organization in reaching its target consumers, informing, influencing and persuading them for buying products or services.

2.1.6.1 Advertising strategy

According to Kotler& Armstrong (2010), an identified sponsor defines Advertising as “any paid form of non-personal presentation and promotion of ideas, goods and services”. It is the dissemination of information by marketer relating to a product, service or an idea through different channel of communication or medium, such as newspaper, radio, television, billboards or magazines by a recognized source Akanbi and Adeyeye (2011). Certain forms of advertising (TV advertising) typically require a large budget, whereas other forms (newspaper advertising) can be done on a small budget. In developing an advertising program, successful firms start by identifying the target market and buyer motives. Then they can make five critical decisions, known as the five Ms: Mission: What are the advertising objectives? Money: How much can be spent? Message: What

message should be sent? Media: What media should be used? Measurement: How should the results is evaluated?

2.1.6.2 Personal selling strategy

Personal selling is the process of helping and persuading one or more prospects to purchase a good or service or to act on any idea through the use of an oral presentation, often in a face-to-face manner or by telephone. Examples include sales presentations, sales meetings, sales training and incentive programs for intermediary salespeople, samples, and telemarketing. Personal selling is used to increase the satisfaction of the customer after purchasing the company's product and provide guidance to taking corrective measure (Brassington & Pettitt, 2000), as the marketer can see the advantageous or disadvantageous reaction of the consumer and adjust the message accordingly, Belch & Belch (2003) and thus it helps seller in creating long term profitability relationship with consumer based on mutual confidence, understanding and trust (Brassington & Pettitt, 2000)

2.1.6.3 Sales Promotion Strategy

Sales promotion is an incentive-based tool used for a pre-determined limited time to increase consumer demand, stimulate market demand or improve product availability. Examples include, coupons, sweepstakes, contests, product samples, rebates, tie-ins, self-liquidating premiums, trade shows, trade-ins, and exhibitions. Furthermore, sales promotion have greater effect on organizational profitability as it stimulate and inspire the customer to purchase a product in large quantity, offers an opportunity to organization to generate trials of the product by non-users, motivate the retailers to stock greater number of items or products, motivate the consumers to make buying in off seasons and starting the brand loyalty. They further enhance that if the sales promotions are effectively executed, it can give new life to failing product and improve its sales as well as profits of the organization. Sales promotion benefits the organization at all stages of life cycle of a product and in particular at initial and growth stage.

2.1.6.4 Public Relations Strategy

Brassington & Pettitt (2000) defined Public relations as the marketing function, which assesses public attitudes, recognizes the policies and procedures of an individual consumer or organization with the public interest, and implements program of action to earn public acceptance and understanding. If the virtues of the organization and value offered by

Public relations efforts meet the expectations of the consumer, it can lead to establishing long term relationship and strengthening of the consumer loyalty (Hsieh & Kai Li 2008; Hanzae et al, 2011). Those corporations, which commence cause-oriented marketing promotions, distinguish themselves in cut through competition and get better their image which results in improved profits (Serban et al, 2012). It includes efforts such as employee relations, community relations, media relations, corporate social responsibility, and free publicity as well as paid efforts to stimulate discussion and interest in the organization. It can be accomplished by planting a significant news story indirectly in the media, or presenting it favorably through press releases or corporate anniversary parties. Examples include newspaper and magazine articles, television and radio presentations, charitable contributions, speeches, and seminars.

2.1.7 Concept of Organizational profitability

According to www.businessdictionary.com, a profit is a financial gain especially the difference between the amounts earned and amount spent in buying, operating, or producing something. Profit can also be seen as surplus remaining after total cost are deducted from total revenue and the basis on which tax is. Profit is the primary goal of all business ventures. Without profit, the business will not survive in the long run (Simons, 1999). Therefore, measuring current and past profitability and projecting future profitability is very important. Profitability is 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. The other three are efficiency, solvency, and market prospects. Investors, creditors, and managers use these key concepts to analyze how well a company is doing and the potential it could have if operations were managed properly. The two key aspects of profitability are revenues and expenses (Ambler, Kokkinaki and Puntoni, 2004). Revenues are the business income. This is the amount of money earned from customers by selling products or providing services. Generating income is not free, however. Businesses must use their resources in order to produce these products and provide these services. Resources, like cash, are used to pay for expenses like employee payroll, rent, utilities, and other necessities in the production process. Profitability looks at the relationship between the revenues and expenses to see, how well a company is performing and the future potential growth a company might have. There are many reports to use when measuring the profitability of a company, but external users typically use the numbers reported on the income statement. The financial statements list

the profitability of the company in two main areas. The first signs of profit show in the profit margin or gross margin usually calculated and reported on the face of the income statement. These ratios measure how well the company is using its resources to generate profits. The second sign of profit is not really a sign; it is more like the real thing. The income statement always reports the net income at the bottom of the report. This is often the true sign of profitability because it shows external users the total amount of revenues that exceeded the expenses during the period.

2.1.8 Marketing mix strategies and profitability

The marketing mix strategy is a long-term plan on action, which is used in order to help a firm to gain its competitive advantage over its competitors. The competitive advantage is sustainable when competitors cannot imitate their source of competitiveness or when no other firm conceives a better offering (Baron, 2010). In a study by Riordan et al (2012) asserted that profitability is viewed as a multidimensional construct and that the level of performance of a firm differs based on a number of factors that characterize the industry . It has been argued that the use of marketing mix strategies has been done so as to have a more direct related marketing practice with the outcomes. Effective marketing mix strategies have greatly contributed towards improved business profitability in different aspects of a firm such as the growth in sales volume, the level of the return on investment as well as maintenance of the goodwill. This implies that effective marketing mix strategies strengthen the level of competitiveness and the market share. In another study by Kurtz & Boone (2011), effectiveness of marketing mix strategies affects the level of the application of strategies that influence profitability of firms. The study argued that challenges which marketers face are in terms of their inability of showing the level of effectiveness of their marketing mix strategies.

2.2 Empirical Review

Mac-Kingsley & Pokubo, (2019) studied the effect of marketing mix strategies on performance of small and medium enterprises in Rivers State. A theoretical framework is developed to examine the association between marketing mix strategies and profitability of Small and Medium Enterprises (SMEs) in Nigeria. The study adopted descriptive survey and exploration design methods for the collection of vital information from sample SMEs in Port Harcourt Rivers State of Nigeria. Primary data were collected through the use of questionnaires administered to 210 Small and Medium Enterprises selected through

a simple random sampling technique. The ANOVAs were applied to data collected. Results revealed a significant relationship between marketing mix strategies and profitability in SMEs in Rivers State of Nigeria. The study recommends that Nigerian SME, s should emphasize more on the marketing mix strategies that exerts maximum influence on profitability and suggests that further studies be carried on other industries other than the SME,s Industry to verify the results of this study.

Daniel (2018) Carried out a study on the effects of Marketing Strategies on Organizational Performance; A Study of Nigeria Bottling Company Kaduna, including Production strategy, pricing strategy, promotion strategy and place strategy, that eventually influences Marketing strategies on performance. This research therefore covers the selected Nigerian Bottling Company in Kaduna. Secondary data were obtained through books, journals, and internet. Empirical works of other scholars were consulted. A simple size of 245 was obtained from the population of 635 at 5% error tolerance and 95% degree of freedom using Yamane's statistical formula $245(100\%)$ of the questionnaires distributed 213(87%) were returned and 32(13%) were not returned. The questionnaire was designed in Likert scale format. The researchers conducted a pre-test on the questionnaire to ensure the validity of the instrument. Pearson Moment Product Correlations coefficient was used to test the hypotheses. The study revealed that there is no significant relationship between product strategy and the level of profit. There is no significant relationship between promotional strategy and the sales volume. There is no significant relationship between price strategy and the market share and lastly there is no significant relationship between place strategy and the level of customer loyalty in Nigeria Bottling Company, Kaduna.

Ebitu (2016) did a study on Marketing strategies and the performance of enterprises in Akwa- Ibom State, Nigeria. The study was motivated by the fact that SMEs in Akwa Ibom State find themselves in a competitive environment and may not know which marketing strategy is effective in improving their business performance. The study adopted the survey method. 240 questionnaires were issued to SMEs in the three senatorial districts of the State. The study revealed that there is a significant impact of product quality strategy and relationship marketing strategy on the profitability and increased market share of SMEs in Akwa Ibom State.

Hassen Adago (2014) assessed the practices of marketing mix strategy Dashen Brewery Share Company used in Gonder. The study employed descriptive research design and collected both primary and secondary data from both consumer and marketing staff of the company through interviews and questionnaires. The descriptive analysis of both tools showed that consumers believe that the company provides quality products and this was the main reason for the consumers to prefer the Dashen products. In addition, participation into different developmental activities also benefits the company in building good public relation. With regard to the price, the study found that price and amount of consumption is indirectly proportional. Meaning, when the price sores the amount of consumption will decrease.

Adewale (2013) research on Impact of Marketing Strategy on Business Performance in Small and Medium Enterprises (Smes) in Oluyole Local Government, Ibadan, Nigeria. The study mainly focuses on the independent variables (i.e Product, Promotion, Place, Price, Packaging and after sales service) and dependent variables of business performance in term of profitability, market share, return on investment, and expansion. The researcher found out that marketing strategies (product, place, price, packaging, and after sales service) were significantly independent and joint predictors of business performance. The study however, discovered that promotion has no positive significant effect on business performance.

Kisaka (2012) carried out a study on relationship between marketing strategies and the performance of savings and credit societies in Mombasa district. The study used a descriptive research design to evaluate the effects of the marketing strategies on the performance of SACCOs. The target population constituted the chief executive officer, the marketing manager and the loans manager/officer. A census population of 84 respondents was considered for this study. The findings of the study revealed a causal relationship between marketing strategies and the profitability of SACCOs. Most of these organizations pursue strategies like product differentiation, niche marketing as they pursue to be perceived as the cheapest in the markets in terms of cost.

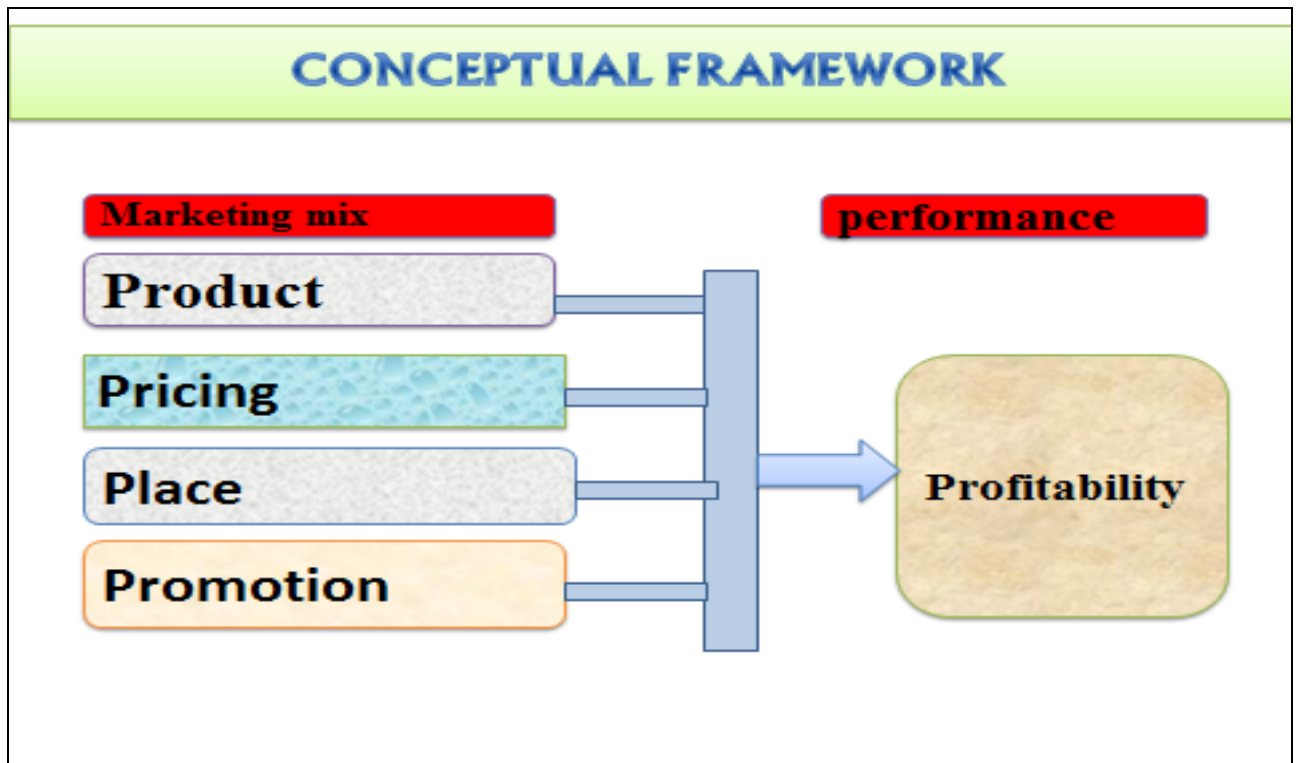
Locally, studies have been done on Market strategies; however, from the above literature little has been done on effects of marketing mix strategies on profitability of Dashen breweries hence the research gap. Thus, it will be significant in informing and demonstrating what works well and what changes need to be introducing at the marketing

mix strategy level to achieve the marketing objectives of the company. The study will also be significant in either refuting or consolidating the results of earlier studs made from subjective orientation by bringing objective dimension into the literature.

2.3 Conceptual framework

Marketing operates within a volatile and uncontrollable external environment that includes its customers, competitors and legislators. Thus, measureable effects on business profitability cannot be directly attributable to the firm's own activities. Equally, marketing operates within an internal environment, which is subject to constraint and change thus low marketing effectiveness could be the result of poor strategic direction rather than poor marketing (Sheth et al., 2009). Similarly, short-term executive decisions regarding marketing resources/budgets could lead to sub-optimal effectiveness.

The marketing mix or the four Ps consists of tactical marketing tools blended into an integrated marketing program that actually delivers the intended value to target customers. Marketing mix is one of the major concepts in modern marketing. It is everything the firm can do to influence the demand for its product. The various elements discussed under this heading include marketing mix strategy (product strategy, pricing strategy, place strategy and promotion strategy) and marketing profitability. Below is the model of the literature review.



Figures-1

CHAPTER THREE

3. RESEARCH DESIGN AND METHODOLOGY

3.1 Research Design

Survey design was used with particularly explanatory method was used for this study. The mixed data collecting approaches, quantitative and qualitative approaches was used, Using mixed research method can neutralize or cancel the biases of any single method, and it is used as a means for seeking convergence and integrating qualitative and quantitative data (Creswell, 2009).

The descriptive survey design was used in this study for its appropriateness to gather adequate and relevant data on the effect of marketing mix strategy (product, price, place and promotion) affect profitability in Dashen Breweries.

The rationale for choosing this method is to attempts to explain while providing additional information about the research topic. This is where research is trying to describe what is happening in more detail, filling in the missing parts and expanding understanding on the theme.

Similarly, Best and Kahan (2003) noted that descriptive research design helps to describe and interpret the current condition. It is concerned with the conditions or relationships that existed opinions that are held, processes that are going on, the effects that are evident, or trends that are developing.

3.2. Instruments of Data Collection

There are two sources of data namely, primary and secondary source. The primary data were collected through questionnaire, which is distributed, to employees of the company.

Questionnaire: There is 33 close-ended questionnaires in a 5-point likert scales was used to collect data from the sample respondents. The questionnaire had 5 rating scales ranging from 1- strongly disagree to 5 strongly agree. Data gathered through questionnaires were simple and clear to analyses and it will allow for tabulation of responses and quantitatively analyzes certain factors. Furthermore, it is time efficient for both the respondents and researcher. The questionnaire was structured in such a way that it includes all relevant parts of information to clearly inform the respondents. Journal articles, written documents, websites on the Internet, and reports on the Dashen breweries S.C document have been referred to use as secondary sources.

3.3 Sampling techniques

Sampling is the process or technique of selecting an appropriate sample for the purpose of determining the parameters or characteristics of the population as a whole. In order to carry out a study, one might consider the size of the sample and whether the size is statistically justified and, finally, the method of sampling to be used (Saunders et al. 2007).

Random sampling or probability sampling is the most robust method of sampling (Creswell 2012). The study chooses a sample representative of the population using this method, so that conclusions or inferences can be made from the sample to the population. More specifically proportional stratified sampling technique was used to draw a proportionate representative sample from the different characteristics of the target population as indicated in the next section.

3.4. Sample Size

The study's target populations were the employee sample respondents, the workers in the marketing, sales and distribution, and the Dashen brewery management. According to Polit (2001), a sample size is a proportion of a population. Tustin, Ligthelm and Van (2005), state that sample size is a smaller set of the larger population. Use of a sample enables a researcher to save time and money hence get more detailed information for its respondents and using this process, the researcher selects a sample representative of the population so that claims or inferences can be drawn from the sample to the population. More importantly, proportionate stratified sampling techniques employed to draw proportionate representative sample from different characteristics of the target population.

A more important problem in the calculation of sample size is how to determine whether the sample size is sufficient in relation to the research goals. Statistical analyses such as significance tests are important for this to determine if the sample size is sufficient for the appropriate study. An estimation of population proportion is also required to estimation sample size.

Here in this study I used Yamane's (1967) simplified formula to calculate sample size. With 50% of population proportion, at 95% degree confidence level and 5 percent margin of errors the actual sample size or valid sample size can be computed follows;

$$n = \frac{N}{1 + N(e^2)}$$

Where

n is the required sample size

N is the total population.

E is the margin of error required

$$n = 145 / 1 + 145(.05)^2 = 145 / 1.3625 = 106$$

Therefore, the required minimum sample size is 106 individuals but since the population size is small, it is advisable to adjust the minimum sample size using the following formula.

$$n' = \frac{n}{1 + \left(\frac{n}{N}\right)}$$

Where

n' is the adjusted minimum sample size

n is the minimum sample size (as calculated above)

N is the total population.

$$n = 106 / 1 + (106/145)$$

$$n = 106 / 1.7310 = 61$$

The adjusted minimum sample size 61 + 10% response rate error will be the final sample size of the study. This is $(61 * 10/100) = 61 + 5 = 66$. Thus, 66 participants will be involved in the study to obtain data from internal sources. As illustrated in the table below proportionate sample size would be drawn from each strata or characteristics of the study population.

Table 3.1 Sample size

Marketing and sales staff	Number	Minimum sample size	Adj. min. Sample drawn from Strata
Head office marketing staff	15	9	6
Head office sales staff	8	6	3
Regional marketing managers	7	6	3
Regional sales managers	7	6	3
Regional Sales supervisors	12	8	5
Distribution dev't partners	7	6	3
Field sales representatives	89	65	43
Total	145	106	66

Source: (Survey Data, 2020)

3.5 validity and reliability

3.5.1 Validity

To achieve validity the researcher used standardized questionnaire, so, the instrument is already valid and tested. Content validity was further ensured by consistency in administering the questionnaires .All questionnaires were distributed to subjects by the researcher personally the questions were formulated in simple language for clarity and ease of understanding clear instructions were given to the subjects. All the subjects were completed the questionnaires in the presence of the researcher. This was done to prevent subjects from giving questionnaires to complete on their behalf.

3.5.2 Reliability

As multiple items in all constructs were used the internal consistency (reliability of marketing mix practices and organizational profitability were assessed with Cronbach's alpha and the reliability of value for all constructs are all greater than 0.70 which are considered acceptable Summery of reliability of marketing mix practice and organizational profitability is on the table below

Table 3.2: Cranach's alpha value

Variable	Item	Cronbach
Product	8	0.702
Price	7	0.814
Promotion	7	0.869
Place	4	0.806
Profitablity	8	0.926
Overall	34	0.966

Source: (Survey Data, 2020)

Table 3.2 Reliability Cronbach"s alpha

3.6 Methods of data analysis

The data collected were analyzed and interpreted using quantitative techniques. The data collected by closed questionnaires were quantitatively analyzed using SPSS (v 20). Various types of statistical methods, including descriptive statistics (frequency, percentage, mean and Standard deviation) and inferential statistics (person correlation and multiple regressions), have been used to analyze the data.

3.7 Model specification

The data obtained through the questionnaires were first check for completeness. The questionnaires found correctly filled and fit for analysis was coded and all the data entered into statistical package for social sciences and analyzed using descriptive statistics. The descriptive statistics used included mean and frequency to analyze the general information to investigate the marketing mix practice and Pearson correlation regression model was used to assess the impact of marketing mix practice on the case company's profitability. These were then present using tables, which was easier interpretation.

The general form of the model for the multiple regressions can be specified as:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$$

The left-hand variable, Y, represents the dependent variable in the model, which is the organizational profitability. X contains the set of explanatory variables in the estimation model, β_0 is the constant, β represents the coefficients and e is the error term.

Therefore, the model for the multiple regressions is given as follows:

$$PRF = \beta_0 + \beta_1(PDT) + \beta_2(PRC) + \beta_3(PRO) + \beta_4(PLA) + e \text{ -----(1)}$$

Where: PRF = Profitability, PDT = Product, PRC= Price, PRO =Promotion, PLA = Place

3.8 Ethical consideration

While conducting the study, ethical issues were primarily considered. Before conducting the data collection all the necessary information about the study was provided to the sample respondents, i.e. who is conducting the study, for what purpose, and the like, this has helped them to decide whether or not to participate in this study. They were also notified that their participation in the study is voluntary; they are not harmed as a result of

their participation or non-participation in the study. They were also aware that anonymity and confidentiality of their response are guaranteed.

CHAPTER FOUR

4. Data Analysis Interpretation and Discussions

4.1 INTRODUCTION

In this chapter, data that were collected to examine the relationship between organizational profitability and marketing mix strategy practice are interpreted and analyzed using SPSS (version 20). The data was collected by using the questionnaire that were developed in five scale ranging from five to one where 1 strongly disagree ,2 disagree ,3 neutral,4 agree and 5 strongly agree. Out of 66 questionnaires were distributed to employees of Dashen brewery and 60 or 91% questioners were obtained valid and used for analysis. This chapter mainly contains data analysis interpretation and discussion.

4.2 Profile of Respondents

Table 4.1 Demographic information of respondents

Descriptions of Respondents	Frequency	Percentage
A) Gender		
Male	41	68.3
Female	19	31.7
Total	60	100
B) Age(years)		
20-25	14	23.3
26-30	32	53.3
31-35	9	15
36-40	4	6.7
41-45	1	1.7
Total	60	100
C) Martial Status		
Single	32	53.3
Married	28	46.7
Total	60	100

D) Educational level		
Bachelors	38	63.3
Masters	22	36.7
Total	60	100
E) Position		
Marketing officer	7	11.7
Regional Manager	3	5
Distribution partner	3	5
Brand manager	1	1.7
Sales Supervisor	46	76.7
Total	60	100
F) Service years		
3-6	30	50.0
7-10	24	40.0
11-14	2	3.3
>15	4	6.7
Total	60	100

Source: (Survey Data, 2020)

From the above information, about 68.3% employees were male and the least amount 31.7% staffs were females. The age of majority employees were between 26 and 30 years old that accounts 53.3%. Employees who were under 25 years were 23.3% and from 31 to 35 years old were 15% and from 36 to 40 years were 6.7% and 41 years and above 1.7%. This indicates that there is a potential advantage for working by young employees especially to achieve future objectives of the company's marketing mix strategy and the young employees are more eager to work. The researcher sought to investigate the marital status of the respondent's and the findings revealed that 28 respondents were married this represents 47% of the total population and 32 respondents were single this represents 53% of the total population. When we saw the level of education, 63% of the respondents were BA/BSC holders and 37% were second-degree holders. Here, we can concluded that all the

respondents are educated and more. This implies that it is a good advantage for marketing mix strategy application and gives the organization a competitive advantage because nowadays the companies compete with international beer companies. In addition to, all respondents were expected to understand the questionnaire and respond correctly. With respect to the position of the respondents, 77% were senior sales supervisor, 12% were marketing office and 5% were distribution partner, Regional manager were 5% and Brand manager were 2%. This indicates that, it is a fact that in every organization, there are few managers and many employees that signify a few managers plan the activity and ordered the lower level employees of the company to do it. To end, the highest number of respondents (50%) have experienced of 3 to 6 years in the company. (40%) of the respondents had 7 to 10 years of experience, (3%) respondents had 11 to 14 years experience and 7% of respondents had 15 years and above experience. Generally, senior officers and managers are knowledgeable about the marketing mix strategy practices and activities of the company.

4.3 Descriptive Statistics

Marketing mix strategy is a crucial determinant of successful firm profitability. However, good strategy planning alone does not guarantee success. Successful strategies also involve robust and effective implementation, evaluation, and control mechanisms.

The data collected are tabulated in which it shows the frequency/percentage of respondents and the mean and standard deviation from the total 60 respondents. The measurement instrument used to calculate product, price, promotion, place and profitability. This section of the questionnaire sought to get from the respondents following regarding the effect of marketing mix strategies on the profitability of the company.

4.3.1 Extent of product strategy practices in Dashen Breweries S.C

Seven questions which help to gather information about the extent of product strategy practice was distributed to the employees of the case company and the result gained was summarized in the table below.

Table 4.3.1 Product strategy

No	Product element	N	Mean	Std. Deviation
1	Your organization produces varieties of product in meeting customers satisfaction	60	4.35	0.547
2	The brand name influences organizational profitability	60	4.55	0.565
3	Customers complain about the quality of your products	60	4.43	0.722
4	Your products meet customer's requirements	60	4.47	0.724
5	The packaging is effective	60	4.48	0.567
6	In your opinion the company products quality is very good	60	4.57	0.50
7	Other departments in the company cooperate with the marketing department to ensure quality products are exchanged to customer	60	4.50	0.624

Source: (Survey Data, 2020)

Table 4.3.1 summarizes the responses of participants on the product, using a scale where 5 representing “Strongly Agree”, 4 representing “Agree”, 3 representing “Undecided”, 2 representing “Disagree” or representing 1 “Strongly Disagree”.

From the study results, the company were produces varieties of products in meeting customers satisfaction (Mean = 4.35, STD dev = 0.547) and the brand name influences organizational profitability (Mean = 4.55, STD dev = 0.56) and Customers complain about the quality of products (Mean = 4.43, STD dev = 0.722). This indicates that some products failed to meet the expectation of the consumers. Your products meet customer's requirements (Mean = 4.47, STD dev = 0.72); the packaging is effective Mean = 4.48, STD dev = 0.567); in your opinion the company products quality is very good (Mean =

4.57, STD dev = 0.5) other departments in the company cooperate with the marketing department to ensure quality products (Mean = 4.5, STD dev = 0.624). The results indicate that product element enabled the company to meet customer needs above average. The findings are in support of the research by Chartered Institute of Marketing (2009), the perfect product must provide value for the customer which means that the company should give its customers what they want not what they think their customers want. The findings also conform to Paste researchers have suggested that product influences have a significant effect on business profitablity (KazemandHeijden, 2006; Kemppainen, Vepsäläinen, andTinnilä, 2008; Ogunmokun and Esther, 2004; Owomoyelaet al, 2013).

4.3.2 Extent of pricing strategy practices implement in Dashen Breweries S.C

Seven questions which help to gather information about the extent of pricing strategy practice was distributed to the employees of the case company and the result gained was summarized in the table below.

Table, 4.3.2 Pricing strategy

No	Pricing element	N	Mean	Std. Deviation
1	Prices of the products are appropriate	60	4.40	.527
2	The pricing decisions allow for discounts	60	4.45	.502
3	The pricing decisions allow for payment period	60	4.32	.701
4	The pricing strategy gives room for large customers base	60	4.47	.700
5	Applying strategies to the prices leads to increase in profit, thereby contributing to the achievement of objective	60	4.40	.643
6	The pricing decision allows for credit terms	60	4.37	.688
7	The company uses pricing skills and systems to respond quickly to market changes	60	4.43	.647

Source: (Survey Data, 2020)

Table 4.3.2 summarizes the responses of participants on the price, using a scale where 5 representing “Strongly Agree”, 4 representing “Agree”, 3 representing “Undecided”, 2 representing “Disagree” or representing 1 “Strongly Disagree”.

From the study results, majority of the respondent agreed that the price of the product are appropriate (mean = 4.42, STD dev = 0.527) and the pricing decision allow for discounts (mean = 4.45, STD dev = 0.502) and the pricing decision allow for payment period (mean = 4.32, STD dev = 0.701) and the pricing strategy gives room for large customers base (mean =

4.47,STD dev = 0.700) and the pricing strategies contribute to the achievement of objective/profitability (mean = 4.42, STD dev = 0.643) and the company uses pricing systems to respond quickly to market changes (mean = 4.43, STD dev = 0.647). From the results, the companies pricing strategy considers other beer companies before deciding the selling price of the company products, this will enable the customers to purchase the products of the company, as the cost is comparative with the competitors. The study further revealed that, respondents disagreed the pricing decisions allow for payment period (mean = 4.32, STD dev =0.701) and the pricing decision allows credit terms (mean = 4.37, STD dev =0.688). In the studies of Colpan,(2006); Dooleet al., (2006) and Owomoyelaet al, (2013) they establish a significant relationship between price and business performance. The price you set for your product or service plays a large role in its marketability.

4.3.3 Extent of promotion strategy practices implement in Dashen Breweries S.C

Seven questions which help to gather information about the extent of promotion strategy practice was distributed to the employees of the case company and the result gained was summarized in the table below.

Table 4.3.3 Promotion strategy

No	Promotion element	N	Mean	Std. Deviation
1	People know your products based on your promotional strategy	60	4.50	.567
2	Your organization applies advertising as one of the promotional strategy	60	4.47	.596
3	Your organization applies sales promotion as one of the promotional strategy	60	4.42	.645
4	Your organization applies personal selling as one of the promotional strategy	60	4.37	.663
5	Your organization applies publicity as one of the promotional strategy	60	4.35	.547
6	Your organization applies direct marketing as one of the promotional strategy	60	4.33	.542
7	Your promotional strategy influences the profitability positively	60	4.47	.566

Source: (Survey Data, 2020)

Table 4.3.3 summarizes the responses of participants on the promotion, using a scale where 5 representing “Strongly Agree”, 4 representing “Agree”, 3 representing “Undecided”, 2 representing “Disagree” or representing 1 “Strongly Disagree”.

From the study results, majority of the respondent agreed that the company applies advertising as one of the promotional strategy (Mean = 4.47, STD dev =0.596); the company applies sales promotion is one of the promotional strategy (Mean = 4.48, STD dev =0.645); the company applies personal selling as one of the promotional strategy (Mean = 4.49, STD dev =0.663); the company promotional strategy influences the profitability positively (Mean = 4.47, STD dev =0.566). The results show that the company promotional strategies play a vital role in the creation of awareness and this influence the company profitability positively. The findings are in support of the research by Ong“ong”a (2014), who concludes that the enterprises should focus more of its effort on promotion strategy because there was a significant level of effect of promotion strategy on the number of customers, customer loyalty and quality of service.

The study further revealed that the use of promotion by the company that strategy caret product awareness disagreed by the respondent (Mean = 4.50, STD dev =0.567), the company applies publicity as one of the promotional strategy ((Mean = 4.45, STD dev =0.547) and the company applies direct marketing as one of the promotional strategy (Mean = 4.45, STD dev =0.542). Previous researches (Amine and Cavusgil, 2001; Francis and Collins-Dodd, 2004) have established significant relationship between promotion and business profitability.

4.3.4. Extent of place/Distribution strategy practices implement in Dashen Breweries S.C

Four questions which help to gather information about the extent of promotion strategy practice was distributed to the employees of the case company and the result gained was summarized in the table below.

Table 4.3.4 Distribution strategy

No	Place element	N	Mean	Std. Deviation
1	Your products get to the target customers through your distributional channels	60	4.43	0.533
2	Locations of the products aid accessibility	60	4.32	0.469
3	The channel coverage is effective	60	4.22	0.613
4	Transportation system is effective	60	4.2	0.605

Source: (Survey Data, 2020)

Table 4.3.4 summarizes the responses of participants on the promotion, using a scale where 5 representing “Strongly Agree”, 4 representing “Agree”, 3 representing “Undecided”, 2 representing “Disagree” or representing 1 “Strongly Disagree”.

From the study results, majority of the respondent agreed that place strategy enables the customers get products through distribution channels (Mean = 4.43, STD dev = 0.533). and Locations of the products aid accessibility (Mean = 4.32, STD dev = 0.469). The study further revealed that the channel coverage is moderately effective (Mean = 4.22, STD dev = 0.613). This show that the company fail in customer satisfaction related to channel coverage; the transportation system is effective (Mean = 4.20, STD dev = 0.605). The findings are in line with the research by Cavusgil & Zou, (2014) the location of the firm in relation to its target market is very critical. These elements help in ensuring that a firm has provided the customers with quality customer service that influences the level of customer satisfaction (Muchiri, 2016). Owomoyela et al, (2013); Amine and Cavusgil, {2001}; and McNaughton,(2002) agree that place has a significant effect on business profitability.

4.3.5 Extent of Profitability in Dashen Breweries S.C

Eight questions which help to gather information about the extent of promotion strategy practice was distributed to the employees of the case company and the result gained was summarized in the table below.

Table 4.3.5 Related to Company profitability

No	Profitability element	N	Mean	Std. Deviation
1	In the last three years your organization achieved maximum profitability as a result of the application of product strategy	60	4.15	.577
2	Your organization achieved maximum profitability as a result of the application of pricing strategy	60	4.22	.555
3	Your organization achieved maximum profitability as a result of the application of promotional strategy	60	4.25	.437
4	Your organization achieved maximum profitability as a result of the application of distribution strategy	60	4.20	.514
5	Generally, your organization achieved maximum profitability because of the application of strategies to the marketing mix.	60	4.20	.632
6	Customers derive satisfaction as a result of the application of strategies to the marketing mix.	60	4.27	.578
7	The application of strategies to placement gives room for product accessibility	60	4.25	.628
8	The application of strategies to promotional activities gives room for product awareness	60	4.25	.571

Source: (Survey Data, 2020)

Table 4.6 summarizes the responses of participants on the promotion, using a scale where 5 representing “Strongly Agree”, 4 representing “Agree”, 3 representing “neutral”, 2 representing “Disagree” or representing 1 “Strongly Disagree”.

In the last three years your organization achieved maximum profitability because of the application of product strategy (mean = 4.24, STD dev = 0.577). Your organization achieved maximum profitability because of the application of pricing strategy (mean = 4.22, STD dev = 0.555). Your organization achieved maximum profitability because of the application of promotional strategy (mean = 4.25, STD dev = 0.437). Customers derive satisfaction because of the application of strategies to the marketing mix (Mean = 4.27, STD dev = 0.578), the application of strategies to placement gives room for product accessibility (mean = 4.25, STD dev = 0.628), the application of strategies to promotional activities gives room for product awareness (mean = 4.25, STD dev = 0.571). Mac-Kingsley & Pokubo, (2019) results revealed a significant relationship between marketing mix strategies and performance in SMEs in Rivers State of Nigeria.

The respondent disagreed that your organization achieved maximum profitability a result of the application of distribution strategy (mean = 4.12, STD dev = 0.514), generally, your organization achieved maximum profitability because of the application of strategies to the marketing mix (mean = 4.20, STD dev = 0.632). Profit is the primary goal of all business ventures. Without profit, the business will not survive in the long-run (Simons, 1999). Therefore, measuring current and past profitability and projecting future profitability is very important.

4.4 Inferential Analysis

Like the descriptive statistical methods, i.e. demographic and other related factors, the scale typed questionnaire has been entered to the SPSS software version 20 and inferential statistics methods such as correlation and multiple regression methods has been employed to test the relationship and effect of the variable.

4.4.1 Relationship between Marketing Mix Strategies and Profitability

After the descriptive analysis, the study conducted Pearson correlation analysis to indicate a linear association between the predicted and explanatory variables or among the latter. It helps in determining the strengths of association in the model that is, which variable best explained the relationship between marketing mix strategies (product, pricing, promotion and place) and Dashen breweries profitability. The following show the Pearson correlation coefficient, model summary, ANOVA and coefficients of regression.

In this section we are going to analyze the linear relationship marketing mix strategy practices includes product, pricing, promotion and place strategy practice with the organization profitability.

Table 4.4.1 Correlation between marketing mix strategy practices and organizational profitability

		Product	Price	promotion	Place	Profitability
Product	Pearson Correlation	1	.131	.131	.331**	.529**
	Sig. (2-tailed)		.317	.317	.010	.000
	N	60	60	60	60	60
Price	Pearson Correlation	.131	1	1.000**	.331**	.462**
	Sig. (2-tailed)	.317		.000	.010	.000
	N	60	60	60	60	60
Promotion	Pearson Correlation	.131	1.000**	1	.331**	.462**
	Sig. (2-tailed)	.317	.000		.010	.000
	N	60	60	60	60	60
Place	Pearson Correlation	.331**	.331**	.331**	1	.434**
	Sig. (2-tailed)	.010	.010	.010		.001
	N	60	60	60	60	60
Profitability	Pearson Correlation	.529**	.462**	.462**	.434**	1
	Sig. (2-tailed)	.000	.000	.000	.001	
	N	60	60	60	60	60

Source: (Survey Data, 2020)

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

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

On the correlation of the study variable, the researcher conducted a Pearson correlation. From the finding in the table 4.4.1, the study found a strong positive correlation between profitability of Dashen beer and product strategies as shown by correlation factor of 0.529, this strong positive relationship was found to be statistically significant as the significant value was 0.000 which is less than 0.05. The study also found strong positive correlation between profitability of pricing strategies and profitability of Dashen beer as shown by correlation coefficient of 0.462; this was also found to be statistically significant at 0.000-confidence level. Wambua (2014), found a strong correlation (0.7) between the premium pricing strategy and firms' market share.

The study further found a strong positive correlation between promotion strategy and profitability of Dashen beer as shown by correlation coefficient of 0.462. This was also found to be statistically significant at 0.000 confidence level. Finally, the study also found a strong positive correlation between profitability of place strategies and profitability of Dashen beer as shown by correlation coefficient of 0.434 at 0.001 level of confidence. The findings concur with Kisaka (2012) a causal relationship between marketing strategies and the performance of SACCOs

4.4.2 Assumptions Testing in Multiple Regressions

The basic assumptions should be satisfied in order to maintain data validity and robustness of the regressed result of the research under the multiple regression models. Before the regression analysis, assumptions of variables were tested for checking errors. These are Normality, Multicollinearity, Homoscedasticity, Autocorrelation and Linearity. The result tables are presented as follows in table 4.8.1, 4.8.2 and Figure 4.8.3 and 4.8.4 respectively.

4.4.2.1 MultiCollinearity test

Multicollinearity is also known as co linearity and it is a phenomenon in which two or more predictor variables in a multiple regression model are highly correlated, if there is an existence of multicollinearity between variables it implies that one variable can be linearly predicted from the others with a substantial degree of accuracy.

Table 4.4.2 Collinearity statistics

Model	Tolerance	VIF
Product	0.89	1.124
Promotion	0.89	1.124
Place	0.806	1.241
Price	0.806	1.241.

Source: (Survey Data, 2020)

The result in the above table show that the co linearity between independent variables has no series problem Since the value of tolerance for all independent variable is greater than 0.1 and all VIF is less than ten ($VIF < 10$).

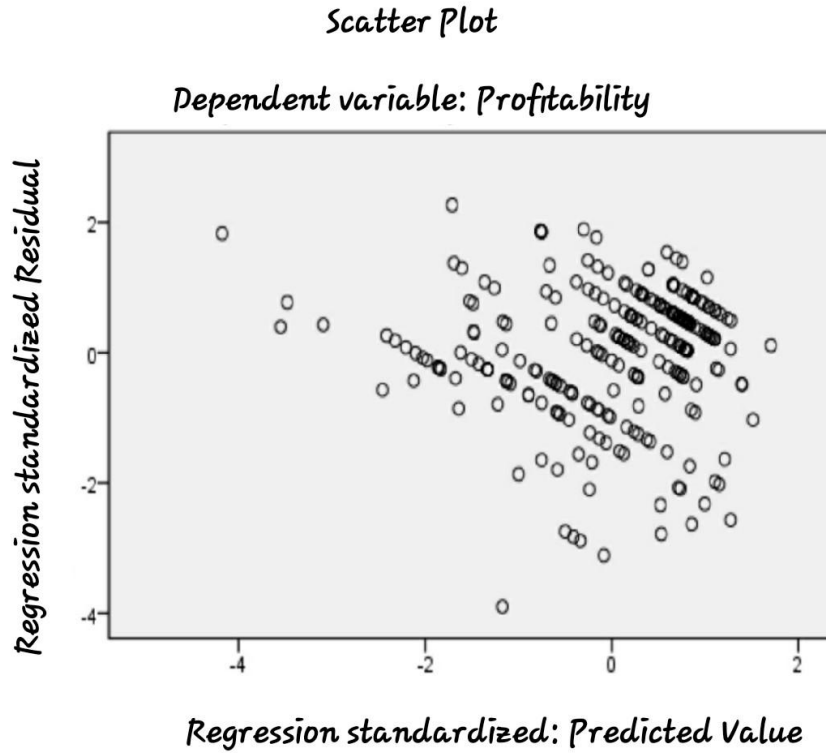
Table 4.4.2.2 Normality Test

Model	N	Skeweness		kurtosis	
		Statistics	Sta.Error	Statistics	Sta.Error
Product	60	-.442	.149	-.262	0.297
Price	60	-.801	.149	.916	0.297
Promotion	60	-.965	.149	.382	0.297
Place	60	-1.098	.149	.870	0.297
Profitability	60	-.614	.149	-.388	0.297

According to Kim (2013), for large sample size, the absolute values of skewness and kurtosis are used for interpretations of normality. And either an absolute skew value larger than or an absolute kurtosis larger than 7 used as reference values for determining

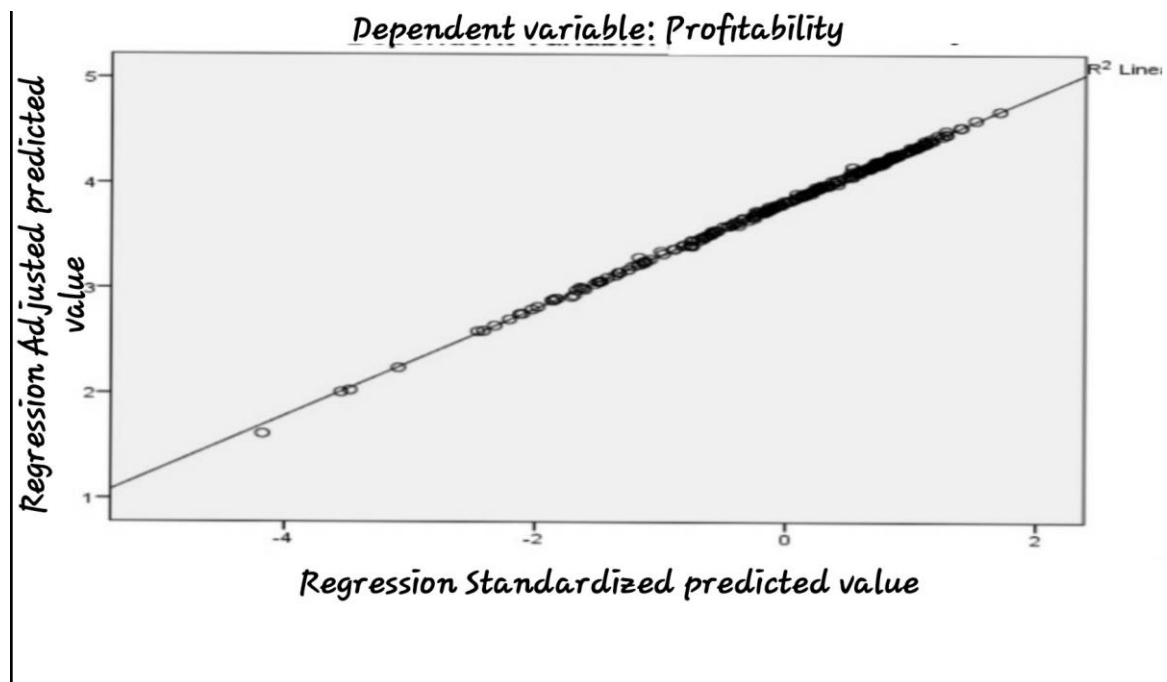
substantial non normality. Thus, based on the above normality table, the distribution confirmed to be normal and the data were qualified for the regression analysis.

4.4.4 Assumption of Homoscedasticity



Homoscedasticity refers to the assumption that the dependent variable exhibits similar amounts of variance across the range of values for an independent variable. In the above plot, the Assumption of Homoscedasticity is satisfied.

4.4. 2.3 Assumption of linearity



Looking at the above plot, we can simply notice that the assumption of the linearity is satisfied. The statistics that we will study now generally assume that the relationship between variables is linear, or they perform better if the relationships are linear. If a relationship is nonlinear, the statistics, which assume it is linear, will underestimate the strength of the relationship, or fail to detect the existence of a relationship.

The regression model presents how much of the variance in the measure of profitability is explained by the underlying dimensions of Marketing mix strategy. Adjusted R square was used to measure the percentage of variance in the Profitability explained by under the Product, price, place and Promotion.

Table. 4.4.6 Regression Analysis between Independent and Dependent Variables

Model	R	R square	Adjusted square	R	Std.Error of the estimate
	.666 ^a	0.444	0.436		0.57124

a. Predictors Product, Price, Place and promotion

b. Dependent Variable: purchase decision

(Source: survey result, 2020)

Based on table 4.4.6 above, the model or the predictor variables have accounted for 0.444 (adjusted R square of 44.0% with estimated standard deviation 0.57124) of the variance

in the criterion variable (profitability). The other variables that were not considered in this study contribute about 66% of the variability of profitability.

4.4.2.4 Regression Analysis

Multiple regression is a flexible method of data analysis that may be appropriate whenever a quantitative variable (the dependent or criterion variable) is to be examined in relationship to any other factors (expressed as independent or predictor variables). Regression analysis was conducted to know by how much the independent variable explains the dependent variable. It is also used to understand by how much each independent variable explains the dependent variable that is profitability.

Table 4.4.2.4.1 Analysis of Variance

Regression analysis ANOVA table between marketing mix strategy practices and Organizational profitability .

ANOVAa

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	396.177	3	132.059	16.077	.000 ^a
	Residual	460.007	56	8.214		
	Total	856.183	59			

Source: (Survey Data, 2020)

a. Dependent Variable: profitability

b. Predictors: (Constant), place, product, promotion, price (Marketing mix strategy practice of the Dashen breweries S.C)

The significance level is 0.00, which is less than 0 .01. This indicates that the model was statistically significant at the 5% level of significance. In the above ANOVA table F test and p value indicate the explanatory power of the independent variable, as it is shown in the above ANOVA table p- value for both is 0.000 and which is less than 0.05 and it is statically significant. Since the p-value is statically significant, we can say that there is supported relationship between marketing mix strategy practices and profitability.

4.4.2.5 Regression analysis Coefficient

To investigate the significant factors of marketing mix strategy that influence organizational profitability in Dashen brewery S.C, multiple regression models were computed (Pelham, A. M., & Wilson, D. T. 1995).

Table 4.4.2.5 Regression Coefficient

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-.395	4.951		-.080	.937
Product	.506	.124	.425	4.090	.000
Price	.370	.220	.350	3.438	.109
Promotion	.394	.118	.348	3.348	.001
Place	.360	.221	.178	1.629	.109

Source: (Survey Data, 2020)

According to the regression equation established, taking all the four marketing mix strategies in to account constant at zero, profitability of the case company will be 0.395. The data findings analyzed also shows that taking all other independent variables at zero. A unit increase in product strategy will lead to a 0.506 increase in profitability of the case of company; A unit increase in pricing strategy will lead to a 0.506 increase in profitability of the case of company; a unit increase in promotion strategy will lead to a 0.394 increase in profitability of company and a unit increase in place strategy will lead to a 0.360 increase in profitability of the case company. Finally, the model fit regression equation of profitability of the company

$$\hat{Y} = -0.395 + 0.506 X_1 + 0.370 X_2 + 0.394 X_3 + 0.360 X_4$$

CHAPTER FIVE

5. SUMMERY, CONCLUSIONS AND RECOMMENDATIONS

From the analysis and data collected, the following discussions, conclusion and recommendations were made. The responses were based on the objectives of the study. The sought to establish the effect of marketing strategies on the profitability of Dashen Breweries.

5.1. Summary of the Findings

The study findings show that product element enabled the company to meet customer needs above average. There existed a strong positive significant correlation between profitability and product strategies, Dashen breweries are efficient in meeting customer wants. The findings are in support of the research by the Chartered Institute of Marketing (2009), the perfect product must provide value for the customer which means that the company should give its customers what they want not what they think their customers want. The findings also conform to the product is an important component of the marketing mix because it determines whether the organization survives or dies (Daniel, 2018). The study also confirms with Otieno (2015) that organization should learn, adopt and reorient itself to the changing environment and product lifecycle process. Paste researchers have suggested that product influences have a significant effect on business profitability (KazemandHeijden, 2006; Kemppainen, Vepsäläinen, andTinnilä, 2008; Ogunmokun and Esther, 2004; Owomoyelaet al, 2013).

Results obtained that the companies pricing strategy considers other beer companies before deciding the selling price of the company products, this will enable the customers to purchase the products of the company, as the cost is comparative with the competitors. Inferential statistics show that there existed a moderate positive significant correlation between profitability of Dashen beer and pricing strategies. The findings contradict with the research by Danriel (2018) there is no significant relationship between price strategy and the market share. The study further revealed that it is forces that have effects on pricing component of a marketing strategy by control effects on marketing, distribution, and transportation costs, taking into consideration of market structures and demand also tariffs, taxes, and other financial trade barriers of different countries affect the pricing strategy. The competitors' pricing practices; and costs and margins of distribution channels all have a significant effect on the pricing strategy (Abdullah Saif, 2015). In the

studies of Colpan,(2006); Dooleet al., (2006) and Owomoyelaet al, (2013) they establish a significant relationship between price and business performance. The price you set for your product or service plays a large role in its marketability.

Results show that Dashen brewery had promotion strategies adoption of promotion strategies had a significant positive effect on profitability (correlation coefficient = 0.462, significant value = 0.00). Descriptive results show that the company promotional strategies play a vital role in the creation of awareness and this influence the company performance positively. The findings are in support of the research by Mahmud & Ahmadu,(2010), Promotion transcends the focus on merely gaining customer patronage, but broadly encompasses the goal of convicting, influencing, persuading, and shaping positive attitudes and behaviors towards an organization . The findings are in line with the research by Previous researches (Amine and Cavusgil, 2001; Francis and Collins-Dodd, 2004) have established significant relationship between promotion and business performance.

Adoption of place strategies had a significant positive effect on profitability (correlation coefficient = 0.434, significant value = 0.001). Descriptive results show that location of the enterprise affects performance and distribution of the product and that the company is accessible to customers. The findings are in support of the research Jones (2007) defines place as any way that the customer can obtain a product or receive a service. The study further revealed that Cavusgil & Zou, (2014) the location of the firm in relation to its target market is very critical, Goods are produced to be sold to customers; they have to be made ready for the customers at a suitable place where they can handily make deals. The findings are in line with the research by Işoraitè,(2016) the distribution may become a functioning complex system where producers, brokers, and independent trade and the interests of consumers wholly compatible with each other in a certain environment and a certain time .

5.2. Conclusions

Based on the finding of the study, there are a few key points that can be used to conclude this research paper. The major portion of the respondent is senior officer position, which indicates that they can provide valuable information. The finding of the study suggests that all four variables of marketing mix strategy (product, pricing, promotion and place) have strong and significant relationship with profitability. Mainly Place and promotion dimensions in the marketing mix contribute to the organizational profitability.

On Product Strategy, the study had the following conclusions: The study concluded that product strategy is a determinant of organizational profitability in Dashen breweries, since there is strong and positive relationship between product and organizational profitability.

On Pricing Strategy, the study had the following conclusions: Results indicate that pricing dimension of marketing mix strategy is very important for Dashen beer s.c profitability.

On Promotion Strategy, the study had the following conclusions: The study concluded that Dashen breweries s.c profitability is determined by promotional strategy effectiveness. The study result revealed that there is a strong positive and significant relationship between promotion strategy and organizational profitability.

On Place/Distribution Strategy, the study had the following conclusions: The study concluded that there is a strong positive and significant relationship between place/distribution strategy and organizational profitability. Effective place/distribution can have a dramatic impact on profitability. In general, it is possible to conclude that there is a positive relationship between marketing mix and profitability in Dashen breweries s.c. which is supported by many theoretical and empirical literatures.

The study conforms to the positions of Chilyaet al, (2009), Kisu (2015) and Owomoyela et al, (2013) which shows marketing mix have positive relation with organizational profitability even if the significance level doesn't much

5.3. Recommendations

This study attempts to examine the impact of marketing mix strategy on the profitability of Dashen breweries s.c. Based on the findings and conclusions reached in this study, the following recommendations are forwarded on each element of marketing mix in particular and relation marketing in general.

On Product Strategy, Even though there is positive relationship between product strategy and organizational profitability, the researcher forwards the following, recommendations on product strategy. Based on the study analysis the study recommends that Dashen Breweries S.c continually embrace product development strategy as this strategy provided a framework for creating new products or improving the profitability, cost or quality of existing products.

On Pricing Strategy, Even though there is strong positive relationship between price and organizational profitability, the researchers forward the following, recommendations on pricing. The Dashen brewery should continually adopt pricing strategies (market penetration pricing, premium pricing, price skimming and economy pricing) as these tactics were found to have a positive impact on profitability. Although a successful pricing strategy can increase revenue and profitability, careful planning is also essential to minimize the risk of costly mistakes related each specific strategy

On Promotion Strategy, the study also proved that there is positive and significant relationship between promotion and organizational profitability, the following recommendations are forwarded for further improvement on this variable. Dashen Breweries must continually embrace promotion strategies. This is based on the evidence that Promotional and marketing strategies helped the company utilize the skills of its employees and stakeholders especially in developing creative approaches to sales and customer service. Promotional and marketing mix strategies are also important for guiding the business into the development of financial goals.

Dashen Brewers should find a strategic market location; the location site must be convenient to the customer. The location must also be easily accessible and should provide the customer with a feeling of safety upon their arrival and exit.

5.4. Suggestions for further study

Even if this study has a limitation, the following suggestion for future study was arrived. This study is used only one case company that is Dashen breweries s.c and the finding was as described above .But the impact of marketing mix strategy on organizational profitability maybe influenced by contextual factors such as the type of industry, the size of organization etc. It is interesting to see the impact of marketing mix strategy on organizational profitability in other company case. Moreover, it is interesting to see the impact of marketing mix strategy practice on organizational sales or on the level of customer satisfaction.

Reference

- Access Capital: (2010), Investing in Ethiopia: Sector Report, Beer. Access Capital Research.*
- Shah, S. A., Azhar, S. M., & Bhutto, N. A. (2019). Halal marketing: a marketing strategy perspective. Journal of Islamic Marketing.*
- Kotler, P., & Caslione, J. A. (2009). Chaotics: The Business of Managing and Marketing in the Age of Turbulence.*
- Wilson, R. M., & Gilligan, C. (2012). Strategic marketing management. Routledge*
- Aremu, M. A., & Lawal, A. T. (2012). Exploring marketing strategy as a catalyst for profitability in Nigerian telecommunication industry. IJMBS, 2(4), 65-71.*
- Andersen, T. J. (2000). Strategic planning, autonomous actions and corporate profitability. Long range planning, 33(2), 184-200.*
- Yang, L., Sun, G. H., & Eppler, M. J. (2008). Making strategy work: A literature review on the factors influencing strategy implementation. Retrieved from www.knowledge-communication.org/pdf/making-strategy-work.pdf, 1(2), 3.*
- Maina, M. N. (2016). The Effectiveness of Marketing Mix Strategies On Profitability Of Kenol Kobil Limited (Doctoral dissertation, University Of Nairobi).*
- GbolagadeAdewale, A., & Oyewale, I. O. (2013). Impact of Marketing Strategy on Business Profitability A Study of Selected Small and Medium Enterprises (Smes) In Oluyole Local Government, Ibadan, Nigeria. Ibadan, Nigeria, 11(4), 59-66.*
- Sajuyigbe, A. S., Owomoyela, S. K., & Itiola, K. A. (2013). Exploring the relationship between job satisfaction and turnover intentions among Nigerian Banks' employees. A study of selected banks in Osogbo metropolis, south western Nigeria. International Journals of Marketing and Technology, 3(4), 167-176.*
- GbolagadeAdewale, A., & Oyewale, I. O. (2013). Impact of Marketing Strategy on Business Profitability A Study of Selected Small and Medium Enterprises (Smes) In Oluyole Local Government, Ibadan, Nigeria. Ibadan, Nigeria, 11(4), 59-66.*
- Lin, L. Y., & Chang, Y. H. (2012). The Relationship of Market Orientation, Product Innovation, Competitive Intensity and New Product Marketing Strategy: An Empirical*

Study of Taiwan Food Industry. International Journal of Research in Management, 3(3), 249-265.

Chao, M. C. H., & Spillan, J. E. (2010). The journey from market orientation to firm profitability. Management Research Review.

Ramli, A., & Razali, Z. L. (2019). Women's Micro-Enterprises: Factors Influencing Business Profitability. Archives of Business Research, 7(9), 268-283.

Theodosiou, M., & Leonidou, L. C. (2003). Standardization versus adaptation of international marketing strategy: an integrative assessment of the empirical research. International business review, 12(2), 141-171.

Leonidou, L. C., Katsikeas, C. S., & Samiee, S. (2002). Marketing strategy determinants of export profitability: a meta-analysis. Journal of Business research, 55(1), 51-67.

According to The Chartered Institute of Marketing (2009)

Obeid, M. Y. (2014). The effect of sales promotion tools on behavioral responses. International Journal of Business and Management Invention, 3(4), 28-31.

Kotler, P., & Armstrong, G. (2013). Principles of Marketing (16th Global Edition).

Alfian, G., Ijaz, M. F., Syafrudin, M., Syaekhoni, M. A., Fitriyani, N. L., & Rhee, J. (2019). Customer behavior analysis using real-time data processing. Asia Pacific Journal of Marketing and Logistics.

Daniel, C. O. (2018). Effects of marketing strategies on organizational profitability. International Journal of Business Marketing and Management, 3(9), 1-9.

Gebregergs, h. (2015). Assessment of marketing strategy practices at tamrin international trading plc (Doctoral dissertation, ST. MARY'S UNIVERSITY).

Mustafa, H., Rehman, K. U., Zaidi, S. A. R., & Iqbal, F. (2015). Studying the phenomenon of competitive advantage and differentiation: Market and entrepreneurial orientation perspective. Journal of Business and Management Sciences, 3(4), 111-117.

(KazemandHeijden, 2006; Kemppainen, Vepsäläinen, andTinnilä, 2008; Ogunmokun and Esther, 2004; Owomoyela et al, 2013)

Sharma, S., & Sharma, P. A Study on the Impact of Marketing Strategies on Customer's Preferences of Investments with the Banks in Indore City.

GbolagadeAdewale, A., & Oyewale, I. O. (2013). *Impact of Marketing Strategy on Business Profitablity A Study of Selected Small and Medium Enterprises (Smes) In Oluyole Local Government, Ibadan, Nigeria. Ibadan, Nigeria, 11(4), 59-66.*

Suherly, H., Affif, F., Arief, H., & Guterres, A. D. (2016). *Marketing profitablity as the impact of marketing mix strategy (7p) with determination of market attraction and company's resources. International Journal. United Kingdom, 573-574.*

Bahador, M. H. H. *the effect of marketing mix on organizations profitablity.*

Kotler, P. (1999). *Marketing on Marketing: How to Create, Win and Dominate Markets. Free press.*

Al Karim, R., & Habiba, W. (2020). *Influence of 4P Strategy on Organisation's Profitablity: A Case on Bangladesh RMG Sector. International Journal of Entrepreneurial Research, 3(1), 8-12.*

Brown, X. T. (2020). *Effective Marketing Strategies of Profitable Small Businesses.*

Bahador, M. H. H. *the effect of marketing mix on organizations profitablity.*

Chung, C., Chatterjee, S. C., & Sengupta, S. (2012). *Manufacturers' reliance on channel intermediaries: Value drivers in the presence of a direct web channel. Industrial Marketing Management, 41(1), 40-53.*

(Muchiri, 2016). Owomoyela et al, (2013); Amine and Cavusgil, {2001};

Abeid, Y. (2019). *Promotion Strategy Prudence and the Sales Effect of Advertising: The Case of Zanzibar Insurance Corporation (Doctoral dissertation, Mzumbe University).*

Pai, P., & Sadeeq, K. *Impact of Marketing Strategies on the Business Profitablity of Small and Medium Enterprises in India.*

Pai, P., & Sadeeq, K. *Impact of Marketing Strategies on the Business Profitablity of Small and Medium Enterprises in India.*

Muhammed, A., & Yaseen, C. K. (2017). *A study on effect of promotional mix on consumer buying behaviour with special reference to fortune elastomer Pvt. Ltd. International Journal in Management & Social Science, 5(4), 207-220.*

Adeyeye, T. C., & Akanbi, P. A. (2011). *The association between advertising and sales volume: a case study of nigerian bottling company plc. Journal of Emerging Trends in Economics and Management Sciences*, 2(2), 117-123.\

TAFANA, N. (2018). *the effect of promotion mix on consumer purchase decision: the case of ethiopia telecommunication addis ababa (doctoral dissertation, st. mary's university)*.

Prasad, R. D. *Promotional marketing experiences on Leather Factories in Ethiopia (A Case study of Sheba leather Factory)*.

Mac-Kingsley, I., & Pokubo, I. M. (2019). *Marketing Mix Strategies Profitability: A Study of in SMEs in Rivers State of Nigeria. World Journal of Entrepreneurial Development Studies*, 3(1), 32-39.

Daniel, C. O. (2018). *Effects of marketing strategies on organizational profitability. International Journal of Business Marketing and Management*, 3(9), 1-9.

Ebitu, E. T. (2016). *Marketing strategies and the profitability of small and medium enterprises in Akwa-Ibom State, Nigeria. British Journal of Marketing Studies*, 4(5), 51-62.

Nimusima, P., & Karuhanga, N. (2019). *Does strategy matter for an enterprise market profitability? A theoretical review of marketing strategies and industry life cycle (ILC)*.

Adewale, G., Adesola, M. A., & Oyewale, I. O. (2013). *Impact of marketing strategy on business profitability: a study of selected small and medium enterprises (SEMS) in Oluyole local government, Ibadan, Nigeria. J. Bus. Manage*, 11(4), 59-66.

Adewale, G., Adesola, M. A., & Oyewale, I. O. (2013). *Impact of marketing strategy on business profitability: a study of selected small and medium enterprises (SEMS) in Oluyole local government, Ibadan, Nigeria. J. Bus. Manage*, 11(4), 59-66.

Creswell, J. W., & Creswell, J. D. (2017). *Research design: Qualitative, quantitative, and mixed methods approaches. Sage publications*.

Gituma, M. M. (2017). *Effects of marketing mix on sales profitability: A case of Unga Feeds Limited (Doctoral dissertation, United States International University-Africa)*.

Vaske, J. J., Beaman, J., & Sponarski, C. C. (2017). *Rethinking internal consistency in Cronbach's alpha. Leisure Sciences*, 39(2), 163-173.

Appendix A

JIMMA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS MANAGEMENT

Questionnaire for employees and managements

Dear, employees and management of Dashen, the purpose of this questionnaire is to obtain information about the effect of Marketing Mix Strategy on organizational Profitability in the case of Dashen brewery s.c. To achieve the intended objective of this study your responses are very important. Therefore, I kindly request you to provide your respected responses by marking tick on the space that has been provided for each item. Your responses will not be used for other purposes rather than for the objective of this study. Writing your name on this question paper is forbidden.

Section 1: Demographic Profile

(Please Tick): (✓) the appropriate answer

1. Gender: Male () Female ()

2. Marital status: Single () Married () Widow/divorced ()

3. Age _____

4. Qualifications

(A) Certificate () (B) Diploma () (C) Bachelors ()

(D) Masters () (E) others ()

5. Work Experience _____

6. Occupation and position _____

7. Place of work _____

Section 2:- In relation to Marketing mix Strategies of Dashen brewery.

Please, tick (√) the appropriate answer

1= Strongly Disagree, 2= Disagree, 3=Neutral, 4= Agree, 5= Strongly Agree.

Product

No	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Your organization produces varieties of products in meeting customers' satisfaction.					
2	The brand name influences organizational profitability					
3	Customers complain about the quality of your products					
4	Your products meet customers' requirements					
5	The packaging is effective?					
6	In your opinion the company products quality is Very good					
7	Other departments in the company cooperate with the marketing department to ensure quality products are exchanged to customers					

Pricing

No	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Prices of the products are appropriate					
2	The pricing decisions allow for discounts					
3	The pricing decisions allow for payment period					
4	The pricing strategy gives room for large customer base.					
5	Applying strategies to the prices leads to Increase in profit, thereby contributing to the achievement of objectives.					
6	The pricing decision allows for credit terms.					
7	The company uses pricing skills and systems to respond quickly to market changes					

Promotion

No	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	People know your products based on your promotional strategy.					
2	Your organization applies advertising as one of the promotional strategy					
3	Your organization applies sales promotion as one of the promotional strategy					

4	Your organization applies personal selling as one of the promotional strategy					
5	Your organization applies publicity as one of the promotional strategy.					
6	Your organization applies direct marketing as one of the promotional strategy					
7	Your promotional strategy influences the profitability positively					

Place/Distribution

No	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Your products get to the target customers through your distributional channels..					
2	Locations of the products aid accessibility					
3	The channel coverage is effective					
4	Transportation system is effective					

Section 3:- *Related to company profitability.*

Please, tick (√) the appropriate answer

1= Strongly Disagree, 2= Disagree, 3=Neutral, 4= Agree, 5= Strongly Agree.

No	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

1	In the last three years ,your organization achieved maximum profitability as a result of the application of product strategy.					
2	Your organization achieved maximum profitability as a result of the application of pricing strategy					
3	Your organization achieved maximum profitability as a result of the application of promotional strategy					
4	Your organization achieved maximum profitability as a result of the application of distribution strategy					
5	Generally Your organization achieved maximum profitability as a result of the application of strategies to the marketing mix.					
6	Customers derive satisfaction because of the application of strategies to the marketing mix.					
7	The application of strategies to placement gives room for product accessibility					
8	The application of strategies to promotional activities gives room for product awareness.					