# Assessment of the Perceived Effectiveness of Marketing Mix Strategies Pursued by Dashen Brewery

A thesis Submitted to the School of Graduate Studies of Jimma University College of Business and Economics in partial fulfillment of the Award of the Degree of Masters of Business Administration (MBA)

By:

## **Tamirat Tesema**



## JIMMA UNIVERSITY COLLEGE OF BUSINESS AND ECONOMICS MBA PROGRAM

MAY 2019 JIMMA ETHIOPIA

## Assessment of the Effectiveness of Marketing Mix Strategies Employed by Dashen Brewery

By:

**Tamirat Tesema** 

Under the Guidance of

Mr.: Gemechu Abdisa (Main Advisor)

And

Mr. Firew Mulatu (Co-advisor)



A thesis Submitted to the School of Graduate Studies of Jimma University College of Business and Economics in partial fulfillment of the Award of the Degree of Masters of Business Administration (MBA)

# JIMMA UNIVERSITY MBA PROGRAM

MAY 2019 JIMMA, ETHIOPIA

## DECLARATION

I hereby declare that this thesis entitled "Assessment of the perceived Effectiveness of Marketing Mix Strategies Pursued by Dashen Brewery" has been Carried out by me under the guidance and supervision of Mr. Gemechu Abdisa and Mr. Frew Mulatu.

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

## CERTIFICATE

This is to certify that the thesis entities ""Assessment of the perceived Effectiveness of Marketing Mix Strategies Pursued by Dashen Brewery"", 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. Tmirat Tesema, 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.

| Main Adviser's Name | Date | Signature |
|---------------------|------|-----------|
| Co-Advisor's Name   | Date | Signature |
|                     |      |           |

## Acknowledgment

First of all I would like to extend my heartfelt gratitude to my advisors Mr. Gemechu Abdisa and Mr. Frew Mulatu who made the beginning of the learning journey interesting by contributing immensely in terms provisions of necessary guidance and support without reservation throughout the course of this study. I am really indebted to their support .I hope this gracious guidance and support will remain fresh with for some time to come. I also would like to thank my friends and family for their moral support.

## Abstract

The main objective of this study is to assess the effectiveness of the marketing mix strategies Dashen Brewery has pursued to market its product in different parts of the country and judge effectiveness of the strategies in meeting the organization's marketing objectives. Using crosssectional survey study design the study will attempt to answer basic research questions by collecting data mainly through interview and questionnaire from a total sample of 118 research participants. Data regarding marketing mix effectiveness collected both from internal sources – company employees and external sources mainly customers and competitors. Then the data will go through three series steps of analysis. First internally sourced data collected on firm's promotion activities calculated and average point computed. Second external data collected from customers and competitors regarding the quality of offer and delivery (product, price and place) similarly analyzed using mean, standard deviation. Then the firm's communication effectiveness and effectiveness of the quality of offer and delivery judged or measured based on the average mean value and its significance based on Chi-square statistics. The results show that the perceived effectiveness of marketing mix strategies are found moderate or average. Moreover, the study found positive moderate relationship between marketing mix activities and location. Location focused promotion activities and distribution need more attention than product quality and price.

*Key words*: marketing mix effectiveness, marketing mix strategies, marketing objective, assessment

## **Table of Contents**

| DECLARATION                                     | i     |
|---|-------|
| Acknowledgment                                  | iii   |
| Abstract  | iv    |
| Table of Contents                               | v     |
| Table of figures                                | . vii |
| CHAPTER ONE                                     | 1     |
| INTRODUCTION                                    |       |
| 1.1 Background of the study                     |       |
| 1.2 Statement of the problem                    |       |
| 1.3 Objective of the study                      |       |
| 1.4 Scope of the study                          |       |
| 1.5 Significance of the study                   |       |
| 1.6 Limitation of the study                     |       |
| 1.7 Organization of the study                   |       |
| 1.8 Definition of key terms                     |       |
| CHAPTER TWO                                     |       |
| LITERATURE REVIEW                               |       |
| 2.1 Theoretical review                          |       |
| 2.1.1 Marketing mix strategies                  |       |
| 2.1.2 Components of marketing mix               |       |
| 2.2. Marketing through the Product Life Cycle   |       |
| 2.3. Effectiveness of marketing mix strategies  |       |
| 2.3.1. Measuring effectiveness of marketing mix |       |
| 2.4 Empirical review                            |       |
| 2.5. Conceptual framework                       |       |
| 2.3.1 Conceptual model                          |       |
| CHAPTER THREE                                   |       |
| RESEARCH METHODOLOGY                            |       |
| 3.1 Research design                             |       |
| 3.2 population and sampling frame               | . 24  |
| 3.3 Sampling techniques                         |       |
| 3.4 Sample size determination                   |       |
| 3.5 Data collection techniques and procedure    |       |
| 3.6 Methods of data analysis                    |       |
| 3.7 Ethical consideration                       |       |
| CHAPTER FOUR                                    |       |
| ANALYSIS, RESULTS AND DISCUSSION                |       |
| 4.1 Preliminary analysis                        |       |
| 4.1.1 Examination of the data and response rate |       |
| 4.1.2 Reliability statistics                    |       |
| 4.1.3 Demographic profiles                      |       |
| 4.2 Descriptive statistics                      | . 32  |

| 4.3 Chi-square test                    |    |
|--|----|
| 4.3.1 Marketing mix effectiveness      |    |
| 4.3.2 Offer and delivery effectiveness |    |
| CHAPTER FIVE                           |    |
| CONCLUSION AND RECOMMENDATIONS         |    |
| 5.1 Conclusion                         |    |
| 5.2 Recommendation                     |    |
| References                             |    |
| Appendix                               | 44 |
| **                                     |    |

# Table of figures

| Table 1: Reliability test  | 30 |
|--|----|
| Table 2: Demographic information                                 | 31 |
| Table 3: Effectiveness of marketing mix strategy                 | 32 |
| Table 4: Effectiveness of marketing mix strategy(external data)  | 33 |
| Table 5 customers view of Dashen beer relative to market leaders | 33 |
| Table 6 : marketing mix effectivenes in tems of location         | 35 |
| Table 7 chi-square test  | 35 |
| Table 8 Marketing mix effectiveness other than promotion         | 36 |
| Table 9 chi -aquare statistics                                   | 36 |
| Table 10 offer and delivery relative to Heineken                 | 37 |
| Table 11 offer and delivery relative to BGI                      | 37 |
|  |    |

| Figure 1: | Conceptual | model developed | from literature |  |
|-----------|------------|-----------------|-----------------|--|
|-----------|------------|-----------------|-----------------|--|

# CHAPTER ONE INTRODUCTION

## 1.1 Background of the study

In today's globalized world local businesses and industries providing goods and services for local markets are no longer immune to external competition as multinational organizations increasingly transcending borders and putting pressure on them. To survive and sustain their competitive edge in these dynamics business organizations need to continually manage and most importantly evaluate their marketing activities (Irena, Valainis, and Vilkaitė 2011). Attaining company's marketing objectives such as market share, sales volume or return on investment requires evaluation of marketing efforts and effectiveness. According to Wyner (2008) marketing effectiveness is an ongoing process and its effectiveness largely depends on excusion of the chosen strategy and tactics. These include the decision and implementation of what to offer, who to target, and how to address the target audience.

Over the course of the time components of marketing mix strategies has grown in numbers from 4Ps to 7Ps however the former one remains the corner stones of the marketing mix strategies. An effective marketing program blends each marketing mix element into an integratedmarketing program designed to achieve the company's marketing objectives by delivering value to consumers(Kotler& Armstrong 2012). The marketing mix constitutes the company's tactical tool kit for establishing strong positioning in target markets.

Competition has been fierce since the involvements of multinational organizations in the Ethiopian beer industry. Every company is scrambling for the slice of market share. 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 WAAS international audit report of 2017 demonstrates that Dashen beer was doing badly in terms of marketing its products in some parts of the country especially in Amhara regional state where its two factories are located. To make matters worse some online news outlets have reported that the

recent social unrest specifically harming the company's marketing activities in some parts of the country.

The rationale for this study is that marketing activity can be viewed as a prerequisite for survival in the competitive field of business environments. Thus, research which assesses and measure the effectiveness of marketing activities of the elements of the marketing mix will have high implications in terms of creating opportunity for the company and relevant as well. Today's customers are becoming harder to please. They are smarter, more price conscious, more demanding, less forgiving, and many more competitors with equal or better offers approach them. The challenge, according to Gitomer (1998), is not to produce satisfied customers; several competitors can do this. The challenge is to find and produced alighted and loyal customers (Kotler, 2003). By exploring the research questions listed below, this study will hopefully assist in strengthening Dashen Brewery's future marketing efforts.

## **1.2 Statement of the problem**

The primary aim of this study is to assess the effectiveness of the marketing mix strategies (product, price, place and promotion) Dashen Beer Company employed in pursuing the company's marketing objectives. Dashen Brewery is one of the companies in this industry established in1990s(Zavatta, Samuel, F 2009). It is owned 48% by an Amhara Endowment fund –Tiret Corporate and the remaining 52% by England multinational company called Duet Vasari Group. Though the company stands third in terms of market share it lags far behind the dominant forces: BGI and Heineken in the industry. Quantitative empirical studies providing reason for this by measuring marketing mix effectiveness of the company is hard to come by though numerous studies have been done on marketing mix strategies of Dashen Brewery.

Most earlier studies made on Dashen Brewery regarding its marking mix strategies were qualitative in approach and the assessment of the effectiveness of the elements of marketing mix were largely made through reasoning and researchers' judgments rather than detailed empirical evidences. about lacks objectivity. Dejene Alemu(2016) for instance studied factors influencing promotion mix strategy on sales in Nekemte while Robel Zewdie(2013) studied factors affecting market share. Although, 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. What is common to all these studies is that they are all categorized as conceptual studies. From this we can understand that earlier literature lacks empirical research. Generally little effort has been made either to measure or assess the effectiveness of marketing mix strategies Dashen Brewery has employed in empirical studies using both qualitative and quantitative approaches. Therefore, this study will attempt to address this by assessing and measuring the effectiveness of marketing mix strategies using mixed method approach.

Thus it will be significant in informing and demonstrating what works well and what changes need to be introduced at the marketing mix level so as to achieve the marketing objectives of the company. The study will also be significant in either refuting or consolidating the results of earlier assessment made from subjective orientation by bringing objective dimension into the literature. Using cross-sectional survey study design the study will attempt to answer basic research questions listed below by using both qualitative and quantitative data. In short the study will assess and measure the effectiveness of marketing mix strategy by categorizing its elements into two main variables: communicating the offer (promotion activity) and offer and delivery (product, price, and place) and marketing objectives.

### **Basic research questions;**

- Does the marketing mix strategy employed by Dashen Brewery effective to pursue company's marketing objectives?
- How do customers and competitors view Dashen Brewery's offer and delivery compared to market leaders?
- Which marketing mix component or element requires remedial action to improve marketing mix effectiveness?

## 1.3 Objective of the study

## General Objective:

The main purpose of this study is to assess the effectiveness of Dashen Brewery's marketing mix strategy in pursuing the company's marketing objectives in the target markets.

## Specific objectives:

- To examine effectiveness of the marketing mix strategy employed by Dashen Brewery in marketing its product in the target markets.
- To identify customers' and competitors' perception about company's offer and delivery in comparison to market leaders.
- To identify components of marketing mix strategy that requires remedial action for improvement of marketing activities.

## 1.4 Scope of the study

In terms of geographic scope the study will conduct study on Dashen Brewery specifically on marketing department employees. Different models of marketing mix comprising various components have been used over the years in many studies. However, this study sticks to Kotler and Armstrong's model of marketing mix which comprise 4Ps. Therefore, the study will look into the effectiveness of the marketing mix strategies in relation to the 4Ps (product, price, place and promotion) in achieving company's marketing objectives.

## **1.5 Significance of the study**

This study serves a number of purposes. First and foremost, 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 will encourage other researchers to conduct similar more research in the area.

## 1.6 Limitation of the study

In measuring marketing mix strategies this study did not use the common tools used to measure marketing mix effectiveness such as return on investment and sales volume data. Rather than measuring the study made judgment about the effectiveness of the marketing mix strategies. Thus communication effectiveness which is promotion mix strategy evaluated and judged based on internal company information or data obtained from employees of the company while the

effectiveness of offer and delivery( product, place and price) judged based on external information collected from customers of the company and competitors.

## 1.7 Organization of the study

This study organized into five chapters. The first chapter classified into sub topics but mainly establishes background of the study by highlighting the research gap, research objectives and rationale for the current study. The second chapter deals with review of the related literature. This part further sub divided into two main sections: theoretical and empirical review. The third chapter will focus on the research design and methods. Fourth one deals with presentation, analysis and interpretation of the result. The final chapter presents the summary, conclusions and recommendations of the study.

## **1.8 Definition of key terms**

The following definitions of the key terms used in the study are working definition of the terms applied thought the study.

**Marketing effectiveness:** An effective marketing program blends each marketing mix element into an integrated marketing program designed to achieve the company's marketing objectives by delivering value to consumers. The marketing mix constitutes the company's tactical tool kit for establishing strong positioning in target markets.

**Marketing mix strategy:** The set of tactical marketing tools—product, price, place, and promotion—that the firm blends to produce theresponse it wants in the target market (Kotler& Armstrong 2012)

**Right marketing mix strategies:** Application of the right marketing mix ensures provision of the right product, at the right price, in the right place thus, ensures that resources are efficiently and effectively utilized.

Marketing objectives: refers to market share or sales volume

# CHAPTER TWO LITERATURE REVIEW

## 2.1 Theoretical review

Review of literature mainly subdivided into three parts: theoretical, empirical and conceptual framework. The theoretical part presents background understanding about important concepts (variables) of the study. Specifically it describes briefly definition of important terms, theories and models. The second part, presents review of recent empirical studies conducted on topics related to the current study. Finally, conceptual framework shows theoretical direction the current study employ to guide the study.

## 2.1.1 Marketing mix strategies

McCarthy (2011) defines strategy as a direction and scope for an organization in meeting long term objectives by configuring its resources in the present dynamic business environment. According to Nagle & Holden (2012) strategy is an underlying concept in strategic management. However, the marketing mix is a set of controllable or the tactical tools in marketing which are used by an organization so as to meet the needs and demands in the target market. Therefore, the marketing mix strategies include all the responses of a firm in ensuring that the target market positively influences 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 performance.

The marketing mix measures are the actions and measures necessary to achieve marketing goals. Marketing elements: product, price, place and promotion are used for marketing objectives. These instruments operate most efficiently when all the elements are combined and working together (Išoraitė, M.2016).

As stated by Kotler (2003) "Marketing mix describes the set of tools that management can use to influence sales". In order to maximize sales we have different kind of tools. The formulation is called the 4Ps-prodct, price, place and promotion.

It is a planned mix of the controllable elements known as a "mix" because each ingredient affects the other and the mix must overall be suitable to the target customer. Kotler (2003) also added

other three Ps-People, Process and physical evidence. A profitable formula for marketing operation is mostly that marketing mix changes as per marketing conditions and with changing marketing factors.

The marketing tools are classified in to four broad groups, called the four Ps of marketing: products, price, place and promotion. To deliver on its value proposition, the firms first create a need satisfying market offering (product). It must decide how much it will charge for the offering (price) and how it will make the offering available to target consumers (place). Finally, it must communicate with target customers about the offering and persuade them of its merits (Kotlerand Armstrong, 2012).

## 2.1.2 Components of marketing mix

Different ranges of marketing mix elements were evolved over the years. The element of marketing mix is originating from the single P (price) of microeconomic theory (Chong, 2003). McCarthy (1964) offered the "marketing mix", often referred to as the 4Ps: product, price, place and promotion, as a means of translating marketing planning into practice (Bennett, 1997). Later some scholars criticized the 4Ps and added three more different Ps.

Borden's original marketing mix had a set of 12 elements namely: product planning; pricing; branding; channels of distribution; personal selling; advertising; promotions; packaging; display; servicing; physical handling; and fact finding and analysis.

Some divided the marketing variables into two parts: the offering (product, packaging, brand, price and service) and the methods and tools (distribution channels, personal selling, advertising, sales promotion and publicity). On the other hand, some like Lazer and Kelly as cited by Goi, C 2009) suggested three elements of marketing mix: the goods and services mix, the distribution mix and the communication mix. Still some looked the marketing mix as a combination of all of the factors at a marketing manger's command to satisfy the target market. Inspire of its deficiencies, the 4Ps remain a staple of the marketing mix (Goi, Ch.2009).

Marketing mix is not a scientific theory, but merely a conceptual framework that identifies the principal decision making managers make in configuring their offerings to suit consumers'

needs. The tools can be used to develop both long-term strategies and short-term tactical programs (Palmer, 2004). The proportions in the marketing mix can be altered in the same way ingredients used in making cakes altered and differ from the product to product (Hodder Education, n.d). The marketing mix management paradigm has dominated marketing thought, research and practice and as a tool creating differentiation since itwas introduced in 1940s.

#### 2.1.2.1 Product strategy

Product strategy refers to all the goods and services that a company offers to the target market in order 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. Products are classified in two categories; tangible and intangible products (Kotler2013). The product is therefore more than a branded, packaged good offered for sale. Its definition has been widened to include services and benefits and the services that can be achieved from the product.

Product strategy consists of elements such us packaging, branding labeling and product attributes that are of good quality, style, features and design. Strong brand preference is an added feature to the product. A product consist of 4 life cycle stages i.e., introduction, growth, maturity and decline stage. New product development leads to a wide product range that influences attraction and retention of many customers.

The product mix of an individual company can be described in terms of width, length, depth, and consistency. The width refers to how many different product lines the company carries. The length refers to the total number of items in the mix. The depth of a product mix refers to how many variants of each product are offered. The consistency of the product mix refers to how closely relate the various product lines are in end use, production requirements, distribution channels, or some other way (Kotler, 2007).

Kotler (2000) defines that product is anything that can be offered to the market to satisfy a want or a need. Products include physical good, services, experiences, events, persons, places, properties, organization, information, and ideas. The customer will judge the offering by three basic elements: product features and quality, service mix and quality, and price appropriateness. As a result, marketers must carefully think through the level at which they set each product's features, benefits and quality.

A product, service is the starting point of all marketing activities. A product is a combination of different attributes. It comprises of physical factors such as color, design, features, performance and non physical factors like value, quality etc. Product planning involves a variety of decision to be taken firmly to bring the product in the market. When we think about product we have to take consideration: Design is very important in a today's world as it is all about gaining attention, focusing it on the product and influencing the purchase decision of the customers. The design is directly linked to show success and makes the difference; Technology must be used to develop user friendly products with product differentiation. Usefulness of product can increase market share of the product as it is very essential component to have competitive advantage in the market a product should be developed keeping extra uses in comparison to same type of product available in the market. Product differentiation is established in the market by increasing the usefulness of a product. Value is something which is a look around of companies while developing a product so that if customers are paying then, they should not feel that they have been charged more than the manufacturing cost of the product. Hence high performance product which meets or exceeds a customer demand related to a product's performance should be developed.

Convenience is a factor related to usage of the product and the product should bring ease in life of customer. Quality product is one of the marketer's major tools (Kotler and Armstrong, 2012).

Packaging is used for raising the product's value. Packaging increases the perceptual experiences about the quality of the product. Packaging plays the role of attention-getter which starts the sales process. It provides information about product attributes such as price, quality, quantity, instruction for use and other product information (Koyade, 2014). Kotler, et.al. (1999) defines

Branding has become a central issue in a product strategy. On the one hand, developing a branded product requires a great deal of long term marketing investments, especially for advertizing, promotion and packaging. Branding usually assures high or at least consistent

quality and hence encourages repeat purchase. Warranties give an assurance to the customer about after sales service which assures the customer about the durability of the product and maintains satisfied customers in the market.

### 2.1.2.2 Pricing strategy

Price is considered as a value placed on a product or a service. Foss (2012) asserts thatthe when the effective product development, distribution and also promotion positivelyinfluence the firm success; so is the efficient pricing strategy. Critics argue that despite the fact that effective pricing strategy is not able to compensate for the poor execution onpromotion, distribution and product development, when there is ineffective pricing has anegative impact on the performance of firms (Palmer, 2011).

In addition, the of complexity in the pricing strategy in a firm is quite significant as a result of the high level of homegeity between the service groups as well as the shared service delivery and also the operating systems. Firms make use of different pricing strategies. This is based on the goals and objectives of the organizations as well as product stage in the market. They include: pricing strategies for new products i.e., penetration pricing strategy, pricing strategies for established products which is determined by competition, price flexibility strategy, price leadership strategy, and psychological pricing strategy. They offer critical evaluation on the price changes in organizations and how this is affected by the target market (Chisnall, 2011).

#### 2.1.2.3. 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 products 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.

The 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

begin 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 atarget profit.

### **B.** Competition Based Pricing

Consumers will base their judgments of a products 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 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 mach consumers' perceived value (Kotler, et.al 1999).

### 2.1.2.4 Distribution strategy

Distribution strategy is the method a firm uses to get products and services to different channels and networks with objective to reach the end customer, either directly or indirectly. The intermediaries include the agents, wholesalers, distributors and also retailers. These elements help in ensuring that a firm has provided the customers with quality customer service that has an influence on the level of customer satisfaction (Palmer, 2011). Customer requires convenience for the product offering such as the physical access. Distribution channels are important in a firm's level of competitiveness.

This is because they affect the time when the product reaches the customer as well as final price of the product. Through distribution strategy, an organization gets to understand the sales channels through enhanced knowledge, better segmentation on the distribution within the sales channels, the roles plated by the intermediaries on the sales process, getting to understand centers of influence on the sales channel as well as the position of a firm in relation to the sales channel (Whetton, 2011).

Distribution is the physical movement of goods from producer to wholesaler, from wholesaler to retailer and from retailer to consumer (Manmohan, 2012). It includes distribution channels, warehousing facilities, mode of transportation and inventory control management thus it is a mechanism through which goods and services are moved from the service provider and manufacturer to consumer. If the product is a business product then a business team is required to interact with different clients and ensure the availability of the product for them. Distribution has a huge effect on the profitability therefore a firm should have excellent supply chain and logistics management plan for distribution. All the four variables of marketing mix are interconnected. By increasing the price of the product, the demand of the product will be lessee redistribution points will be required. Kotler(2003) recognized that distribution channels are dynamic and they can create a competitive advantage when used right, but become a competitive liability when used liability. The overall marketing mix can result in dynamic modeling based on customer feedback for improving a product and the same can be launched as the upgraded product.

#### 2.1.2.5 Channel of Distribution

Channel of distribution consists of a network of intermediaries those managers that manage the flow of goods and services from the producer to the final customer. The distribution system consists of channel intermediaries that provide a link between producers and final consumers.

The idea that marketing system uses channels that maximizes efficiency and effectiveness, minimizes costs, and delivers the greatest customer satisfaction (Kotler and Armstrong, 2010).

Merchant middlemen: include merchant wholesalers and retailers who take title to and resell the goods. Agent middlemen: include agents, brokers and manufacturer's sales branches and offices who do not take title to the goods involved. They rather negotiate purchase, sales or both.

The longest most indirect channel includes producer, one or more wholesalers or agents, retailers and consumers. This channel is the most appropriate when the producer's objective is to achieve maximum market penetration with intensive distribution.

The shortest channel, from producer to consumers, offers the most direct and quickest distribution route because no intermediaries are involved. It is easiest to manage and control

(Anderson and Vince, 2000).Ferrell and Hartline, 2011 Industrial users shop differently and have different needs than consumer; they use different channels of distribution. The five common channels for business goods

#### 2.1.2.6 Promotion strategy

Promotion means activities that communicate the merits of the product and persuade target consumers to buy it (Kotler and Armstrong 2012). Promotion helps the trader and sales force to represent the product the consumers in an effective manner and bring them to buy. Promotion consists of different blends of its components which are used to achieve the company's marketing goal.

Promotion and communication strategy is a major component in the marketing mix strategy. It helps firms to communicate on their product or services to the customers. Promotional strategy constitutes a number of elements that include personal selling, sales promotion, advertising, public relations and direct marketing. These elements have an influence on the relationship of the customer and the firm that is essential towards improving the sales of a product or service (Lehtinen, 2011). Integrated Marketing Communication (IMC) implies combining all the elements of promotion together to make a complete picture. This is so that a consistent message is transmitted by all marketing communications. A promotional mix specifies how much attention to pay to each of the five subcategories, and how much money to budget for each.

The product lifecycle, among other marketing objectives determines the extent to which these elements are used. Kurtz& Boone (2011) talked about advertising and considered this factor to be a major aspect for the firms in any industry. One of the reasons is that effective advertising helps firms to attract and ensure loyalty of the customers within the current changing business

environment. In addition, reports by Lehtinen (2011) indicated that 50 % of the consumers remembered seeing or hearing of the aspect of advertising in firms.

#### 2.1.2.6.1. Promotional Mix

According to Andrew (2010) the elements of promotional mix are: personal selling, sales promotion, public relation, and advertising. Advertising is a key component of promotion and is usually one of the most visible elements of an integrated marketing communications program. Advertising is paid, non-personal communication transmitted through media such as television, radio, magazines, newspapers, direct mail, outdoor displays, the Internet, and mobile devices. Advertising promotes all types of products, including goods, services, ideas, issues, people, and anything else that marketers want to communicate to potential customers. Whether used in consumer or business markets, there are two basic types of advertising:

#### A. Institutional and product advertising

Institutional Advertising Institutional advertising promotes a firm's image, ideas, and culture, with the goal of creating or maintaining an overall corporate image.

Product Advertising Product advertising promotes the image, features, uses, benefits, and attributes of products. Product advertising comes in many different forms. (Ferell and Hartline,2011)In developing an advertising program, marketing managers must always start by identifying the target market and buyer motives. Then they can make the five major decisions, known as "the five Ms": Mission: What are our advertising objectives? Money: How much can we spend and how do we allocate our spending across media types? Message: What message should we send? Media: What media should we use? Measurement: How should we evaluate the results? (Kotler and Keller, 2012)

#### **B.** Personal Selling

Personal selling: any oral presentation in a conversation with one or more prospective purchaser for the purpose of making sales (Kayode, 2014).Personal selling is an effective way to manage personal customer relationships. The sales person acts on behalf of the organization. They tend to be well trained in the approaches and techniques of personal selling. Personal selling is highly persuasive and is often used in markets where personal choice figures strongly in the purchase.

(Andrew, 2010.)Compared to other types of promotion, personal selling is the most precise formof communication because it assures companies that they are in direct contact with an excellent prospect. Though one-on-one contact is highly advantageous, it does not come without disadvantages. The most serious drawback of personal selling is the cost per contact. Personal selling is also expensive due to the costs associated with recruiting, selecting, training, and motivating salespeople. (Ferrell and Hartline, 2011).

### **C. Sales Promotion**

Sales promotion, a key ingredient in marketing campaigns, consists of a collection of incentive tools, mostly short term, designed to stimulate quicker or greater purchase of particular products or services by consumers or the trade. Whereas advertising offers a reason to buy, sales promotion offers an incentive. Sales promotion includes tools for consumer promotion (samples, coupons, cash refund offers, prices off, premiums, prizes, patronage rewards, free trials, warranties, tie-in promotions, cross-promotions, point-of purchase displays, and demonstrations), trade promotion(prices off, advertising and display allowances, and free goods), and business and sales force promotion(trade shows and conventions, contests for sales reps, and specialty advertising). Sales promotions in markets of high brand similarity can produce high sales response in the short run but little permanent gain in brand preference over the longer term. In markets of high brand dissimilarity, they may be able to alter market shares permanently. (Kotler and Keller, 2012). Sales promotion involves activities that create buyer incentives to purchase a product or that add value for the buyer or the trade. Sales promotion can be targeted toward consumers, channel intermediaries, or the sales force. Sales promotion includes broad assortment of promotional elements because it encompasses activities other than advertising, public relations, and personal selling. (Ferell and Hartline, 2011)

#### **D.** Public Relations

Public relation is defined as the deliberate, planned and sustained effort to establish and maintain mutual understanding between an organization and its publics, institute of public relations.

Public relations can be split into proactive communications designed to build understanding and reactive communications designed to counter misunderstanding. (Andrew, 2010.)Not only must the company relate constructively to customers, suppliers, and dealers, it must also relate to a large number of interested publics. A public is any group that has an actual or potential interest in or impact on a company's ability to achieve its objectives. Public relations include a variety of programs to promote or protect a company's image or individual products. The wise company takes concrete steps to manage successful relationships with its key publics.(Kotler and Keller,2012).

#### 2.1.2.6.2. Promotional Tools

The media communication is very important in our society. Through media, we can be influenced. Media can make a person drink a certain juice or alcohol or go to a certain store. Commercials and constant attention and interest in something in particular, in the end, make others follow it or try it (McGraw, 2004). Some of a few types of media communication as depicted bellow.

#### A. Televisions-

Television news usually tells fewer stories in few worlds. And the producer decides which stories to include in news casts, how long they should be and in what order they appeal.

#### B. Radio

Radio stations can be great for reaching a wide audience their news departments usually covers news with the smallest staffs, in the shortest time for each story, and with the most frequent deadlines.

#### C. Magazine and other publication

Magazine and other publication are a way to read a very specific audience with a story. These publications are typically organized around an interest group such as business, health care or higher education.

#### **D.** Newspaper and Internet

It is the most simple and cheap way to find out latest news. To support the above idea, communication through the media indicates the public and the information we gather and sent to the public. The mass media can influence an entire nation very easily. Therefore, the company using these media should care in transferring their products.

### **E. Trade Fairs and Exhibitions**

The purpose of trade fairs and exhibitions is to increase awareness and to encourage trial, largely through face to face contact of supplier and customer. They offer the opportunity for companies to meet with both the trade and the consumer, for both to build relationships outside traditional sales meetings. They are heavily used with business to business marketing, especially within technology and engineering based products. (Andrew, 2010.)

### 2.2. Marketing through the Product Life Cycle

In today's highly dynamic marketing environment, a company's marketing strategy must change as the product, market, and competitors change over time. Here, we describe the concept of the product life cycle (PLC) and the changes that companies make as the product passes through each stage of the life cycle. Kotler (2007), says that a product has a life cycle is to assert four things: Products have a limited life,Product sales pass through distinct stages with different challenges, opportunities, and problems for the seller,Profits rise and fall at different stages of the product life cycle,Products require different marketing, financial, manufacturing, purchasing, and human resource strategies in each stage.

#### A). Marketing Strategies: Introduction Stage

Because it takes time to roll out a new product and fill dealer pipelines, sales growth tends to be slow at this stage. There are several causes for the slow growth: delays in the expansion of production capacity, technical problems ("working out the bugs"), delays in obtaining adequate distribution through retail outlets, and customer reluctance to change established behaviors. Kotler and Armstrong (2012) insist that introduction stage is a period of slow sales growth as the product is introduced in the market. Profits are nonexistence in this stage because of the heavy expenses of product introduction.

#### **B).** Marketing Strategies: Growth Stage

The growth stage is marked by a rapid climb in sales and attracted by the opportunities; new competitors enter with new product features and expanded distribution. Prices remain where they are or fall slightly, depending on how fast demand increases. Companies maintain or increase their promotional expenditures to meet competition and to continue to educate the market.

Kotler (2007) suggests that in the growth stage firms may use six strategies to make sustainable

growth in the market: improving product quality and adding new product features and improved styling, adding new models and flanker products, entering new market segments, increasing distribution coverage and entering new distribution channels, shifting from product awareness advertising to product preference advertizing and lowering prices to attract the next layer of price sensitive buyers.

#### **C). Marketing Strategies: Maturity Stage**

At some point, the rate of sales growth will slow, and the product will enter a stage of relative maturity. This stage normally lasts longer than the previous stages, and poses alarming challenges to marketing management. Most products are in the maturity stage of the life cycle, and most marketing managers cope with the problem of marketing the mature products. Three strategies for the maturity stage are market modification, product modification, and marketing mix modification (Kotler, 2000).

#### **D). Marketing Strategies: Decline Stage**

As sales and profits decline, some firms withdraw from the market. Those remaining may reduce the number of products they offer. Kotler and Armstrong (2012) indicate that sales declines for many reasons, including technological advances, shift in consumer tests, and increased completion. As sales and profits declines, some firms withdraw firms the market. Those remaining may prune their product offerings. They may withdraw from smaller market segments and weaker trade channels, and they may cut their promotion budget and reduce their prices further.

#### 2.3. Effectiveness of marketing mix strategies

Marketing effectiveness is more than just return on investment (Wyner 2008). Quantifying the return achieved by marketing activities is a necessary but it is not in itself sufficient for understanding how marketing helps to achieve business objectives or how its contribution can be improved. Wyner(2008) further indicated that Improving marketing effectiveness requires clarifying the strategic intent of allthe marketing investments an organization makes, aligning the organization todeliver, and measuring the degree to which those objectives are met.

Effective marketing mix strategies have greatly contributed towards improved business performance 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 (Muchiri,M. 2016). 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 performance of firms. The study argued that challenges which marketers face are in terms of the irinability of showing the level of effectiveness of their marketing mix strategies. This makes it difficult on anticipation on the changes which take place in the marketing situation of a firm and evaluation of the whole of the market. It is clear, that there are no agreed conclusions about the marketing mix strategies and their relationship to the performance of firms.

## 2.3.1. Measuring effectiveness of marketing mix

A number of methodologies are used in measuring the effectiveness of the marketing mix elements in an organization. They include the shareholder based financial performance, the balanced score card and also triple bottom line. Much of the performance in the literature on business and economics has concentrated on financial returns, the return on investment, economic returns or the shareholder returns. Offering the maximum possible return to the shareholders is the major role of the managers. Balanced score card evaluates the performance of firms in relation to the finances, the customers, motivation and also learning as well as internal efficiency.

The triple bottom line constitutes of the societal interests. It relies on the idea that organizations need to measure their performance from the aspect of economic, environmental or the social added value. It is effective in terms of their ability in creating awareness on the performance of a firm on the eyes of the managers as well as helping in improving the level of accountability for the firms. Firms need to adopt the shared value as an approach to offer encouragement to create more profits and improved social benefits. Balanced score card and the triple line are often a multifaceted approach on the organizational performance since they are not only concerned with the financial figures but also on the other aspects that offer a healthier and a critical approach to measuring financial performance. The measuring processshould be aligned with the organization's goals and objectives.

Marketing effectiveness calls for managers to have sufficient information for the purposes of planning and effective resource allocation to varying markets, products and territories. Marketing effectiveness is also contingent upon the adeptness of managers to deliver profitable strategies from their philosophy, organization and information resources. Ultimately, marketing effectiveness depends on the ability to implement marketing plans successfully at various levels of the organization (Adu et al, 2001).

Faridyahyaie R. et al (2012) stated four basic dimensions of marketing effectiveness and five factors driving marketing effectiveness. The four dimensions are corporate – a company's budget, size and ability to make organizational changes; competitive – a company which operates in a certain category is not alone and it is monitored by many other companies, in a competitive market, marketers have to gain perfect information to act as successfully as their competitors; customers – Information of customers` behavior such as making purchasing decisions can help marketers to enhance their marketing effectiveness; and exogenous factors – Corporate, competitive and customer environmental factors can influence marketing effectiveness.

Factors that determine the level of marketing effectiveness that marketers can achieve are: Marketing strategy, marketing creativity, marketing execution, marketing infrastructure and exogenous factors. Marketing strategy is important for achieving organizational goals. It draws insights from market research and focuses on positioning a product mix correctly. Choosing and executing a superior marketing strategy will improve marketing effectiveness and lead to extraordinary results. Creative marketing can improve company's outcomes even without a change in its strategy. Creativity directly connected to growth rate. Marketing execution on the other hand refers to marketers' ability to improve marketing effectiveness by improving how they go to market. For example, optimization of the way they enter a market can achieve great results without making any changes in the marketing strategy or marketing creation. By making small changes in any or all of the 4Ps of the marketing mix, marketers can enhance their marketing effectiveness and revenue. (Noubar etal, 2011)

The concept of marketing effectiveness has also been extensively discussed because of its strong association with many valuable organizational outcomes such as stable, long-term growth, enhanced customer satisfaction, a competitive advantage, and a strong marketing orientation (Webster, 1995). Research of marketing effectiveness could be divided into two major viewpoints. According to the first viewpoint, scholars study the concept of marketing effectiveness and try to determine its components. In the second one, scholars study marketing effectiveness metrics and examine its measures.

#### **2.4 Empirical review**

Muchiri,M.(2016) studied effectiveness of marketing mix strategies on performance of KenolKobil an oil company in Kenya. He sought to determine marketing mix strategies applied by KenolKobil to determine the relationship between the marketing mix strategies and performance based on resource based theory and Competence based strategy theory. A case study was employed as a research design .qualitative data was collected through interview and the response analyzed using content analysis. The results indicate that the company offers variety of products and services which are specific to the demands and tastes of specific customers and uses integrated marketing communications strategy.

DejeneAlemu(2016) studied factors influencing promotion mix strategy Dashen Brewery used in Nekemte to enhance sales in the region. The study adopts both descriptive and explanatory research methodologies. Primary and secondary data collected through structured questionnaire, interview and from report and manual. Using census and convenience sampling methods219 respondents were participated in the study. The study found that lack of advertising activity, lack of incentive for sales promotion, absence of gifts, coupon, price discount and sample as sales promotion tools, less practice of product publicity, lack of building up a good corporate image, and lack of skills selling of sells force as factors influencing an enhancement of sales volume of Dashen beer in Nekemte town.

Chalachew Adege(2010) assessed the practice of marketing strategy employed by St. George Brewery or BGI an integrated framework. Using purposive sampling research method primary and secondary data collected via questionnaires and interviews from marketing staffs. The study found that the company practiced effective marketing strategy as the result of high employee commitment and smooth communication relation between marketing and other departments. The company provides quality products with affordable prices, effective advertising promotion and distribution.

Sychrová L.(2013 investigated the relationship between measurements of effectiveness of marketing activities and company size. Using a structure questionnaire primary data was collected from a sample consists 115 companies operating in the Czech environment chosen at random. Basically the study looked at two aspect of analysis. First it investigated the correlation between measuring the effectiveness of marketing activities and company size. The second part investigated the dependence between the choice of metrics used to measure the effectiveness and company size. The results of the research showed no correlation between measuring the effectiveness and company size. Also there was no dependency.

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.

## 2.5. Conceptual framework

Measuring marketing effectiveness is notoriously difficult for academics and consultants alike (Seggie et al., 2007; McDonald, 2010). This is because marketing activity has both tangible and intangible effects. Measuring a tangible element, like sales volume, is easy but intangibles, like brand equity, can only be estimated at best (Ambler, 2003). Marketing activity has both short-term and long-term (future) effects and history impacts current marketing effectiveness with a potentially distorting view (Sheth et al., 2009).

Marketing operates within a volatile and uncontrollable external environment that includes its customers, competitors and legislators. Thus measureable effects on business performance 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.

This study employed resource based view to guide the research as a framework to assess and measure the marketing mix strategies comprising 4ps. 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 many possibilities can be collected into four groups of variables—the four Ps. In this study the four Ps grouped into two categories: the offer and its delivery; communicating the offer. The former one involves product, price and place while the later one refers to promotion activities.

## 2.3.1 Conceptual model

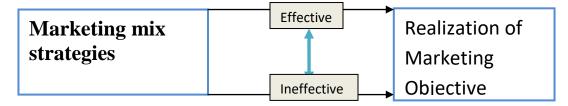


Figure 1: Conceptual model developed from literature

# CHAPTER THREE RESEARCH METHODOLOGY

## 3.1 Research design

A type of survey research designs i.e., cross-sectional survey design employed in the study. Survey research designs are procedures in quantitative research in which investigators administer a survey to a sample or to the entire population of people to describe the attitudes, opinions, behaviors, or characteristics of the population (Creswell, 2012). Although survey research has more in common with correlational studies, it mainly describe trends in the data and focus more toward learning about a population than relating variables or predicting outcomes, as is often the case in correlational research.

In a cross-sectional survey design, the researcher collects data at one point in time within short span of time. This design is chosen for this study because it is useful to assess and measure employees' current attitudes regarding the practices and effectiveness of marketing activities especially promotion mix strategies and the perception of customers and competitors regarding the effectiveness of Dashen Brewery's offer and delivery (product quality, price and place). Therefore, the design is relevant and ideal in achieving objective of the study.

## 3.2 population and sampling frame

Data for this study gathered from two sources; from company internal source and externally from customers and competitors. Internally study specifically targets employees involved in marketing, sales and distribution activities. These include head office marketing and sales staff, regional marketing and sales staff, field sales representatives and distribution development partners. Accordingly, the sample frame or total number of target population is 123. The sample frame for external sources cannot be determined or estimated so the rule of the thumb used to determine minimum sample size.

## 3.3 Sampling techniques

Sampling is the process or technique of selecting a suitable sample for the purpose of determining parameters or characteristics of the whole population. To carry out a study, one

might bear in mind what size the sample should be, and whether the size is statistically justified and lastly, what method of sampling is to be used (Saunders et al. 2007).

The most rigorous form of sampling is to use random sampling or probability sampling (Creswell 2012). 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 will be employed to draw proportionate representative sample from different characteristics of the target population as indicated in the next section.

## 3.4 Sample size determination

A more relevant issue in Sample size determination is how to judge whether the sample size is adequate in relation to the goals of the study. For this it necessary to statistical methods such as significance tests to check whether sample size is adequate for the analysis required. To estimate sample size, an estimate of the population proportion is also needed.

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

 $n = \frac{123}{1+123(.05^2)} = 123/1.3075 = 94$ 

Therefore, the required minimum sample size is 94 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′*= 53

The adjusted minimum sample size 53 + 10% response rate error will be the final sample size of the study. This is (53\*10/100) = 53 + 5 = 58. Thus 58 participants will be involved in the study to obtain data from internal sources. As illustrated in the table below proportionate sample size will be drown from each strata or characteristics of the study population.

| Marketing and sales staff   | Number | Minimum sample size | Adj. min.Sample drawn |
|-----------------------------|--------|---------------------|-----------------------|
|                             |        |                     | from each Strata      |
| Head office marketing staff | 12     | 9                   | 6                     |
| Head office sales staff     | 6      | 5                   | 3                     |
| Regional marketing managers | 7      | 5                   | 3                     |
| Regional sales managers     | 7      | 5                   | 3                     |
| Distribution dev't partners | 7      | 5                   | 3                     |
| Field sales representatives | 84     | 64                  | 40                    |
| Total                       | 123    | 94                  | 58                    |

When the population size is not known, as a case in estimating Dashen Beer's customer, rule of thumb is 'typically using minimum of thirty cases per variable. As the number of variables increase so does estimates of the sample size. This number rises rapidly if different subgroups of the population are included in the sample (Cohen, L., Manion, L. and Morrison, K. 2007, p.101).

Thus a minimum of 60 customers of Dashen brewery will be used in the study since we do have four variables constituting the marketing mix model. Hence the total sample size from of the study will make up 154(94+60) or 118(58+60) participants.

#### 3.5 Data collection techniques and procedure

The study make use of primary data that obtained through questionnaires and structured interviews. For this the Marketing Mix effectiveness developed based on a practitioner tool.

The practitioner tool has been developed to foster common ground between the marketing practitioner and business management to develop a more considered approach to future marketing decision-making. For practical reasons, the tool limits itself to 'judging' (rather than specifically measuring) marketing mix effectiveness. It separates information gathering into two areas; internally sourced (typically related to promotional activities) and externally sourced from customers, competitors, industry norms and practitioner knowledge. By contrasting the internal and external information, a final marketing mix effectiveness 'judgment' can be considered or made.

'Communications Effectiveness' is the term used within the tool to cover how well the firm uses marketing communications tools in the context of its market - customers, potential customers and competitors - and is assessed using internal information provided by the firm. This questions filled by marketing employees of the company with the expertise evaluate every elements of communication effectiveness such as advertising, brochure/printable material, direct marketing, sales force, telephone, sales promotions, press, web, exhibitions and conferences. Likert scale with five scales ranging from 1 very ineffective to 5 highly effective was used. This will show effectiveness of promotional activities.

The external information which covers the rest of the marketing mix gathered under offer and delivery effectiveness. This part of the tool address how well the firm uses the total marketing mix, excluding marketing communications in the context of its market - that is how attractive the firm's offer is viewed relative to customer needs and competitive propositions. The prime data source for this ranking is external information from customer structured interviews or survey and competitor analysis. Completeness of the offer, ease of purchase, offer quality, offer feature and

functions, price, image/brand reputation, customer care, proximity to customer and customer relationship depth are some of the variables of interest to be assessed. The participant give ranking score similarly.

#### 3.6 Methods of data analysis

The data obtained analyzed using procedure having three series steps. First preliminary analysis such as data cleaning, response rate, and reliability were conducted. Then the summarized descriptively to identify general trends: develop demographic profile of the sample; calculate and present a table of descriptive statistics. To provide answers for basic research questions the process of data analysis had gone through a series of three steps. First internally sourced data collected on firm's promotion activities calculated and general average or mean value computed. Thus the firm's communication effectiveness judged or measured against the average point. Then in the second step external data collected from customers and competitors alike analyzed. The quality of offer and delivery based on customer's perception analyzed based on descriptive tools such as mean, standard deviation. Finally the effectiveness of the promotion activities, quality of offer, price and distribution compared and analyzed through inferential statistical tool –analysis of through chi-square. At all stages, data management and analysis tool – SPSS 20 employed.

# 3.7 Ethical consideration

Ethical issues of concern to all parties involved in the study have been addressed. Hence in this study, first organization was notified through letter regarding the objective of the study to seek indirect consent from the participants. Confidentiality of the responses of the participants was also ensured.

# CHAPTER FOUR ANALYSIS, RESULTS AND DISCUSSION

This chapter presents analysis of the data, its interpretation, results and discussion. It mainly classified into four sub sections: preliminary analysis, descriptive statistical analysis, inferential statistical analysis and discussion of the results. Each sub sections developed logically to lead consequently to the findings of the study. The main purpose here is to analyze the effectiveness of Dashen Brewery's marketing mix strategy in pursuing the company's marketing objectives in the target markets based on promotion mix strategies using internally sourced data collected from company's employees and offer and delivery strategies using external data collected mainly from customers and competitors.

#### 4.1 Preliminary analysis

This part mainly concerned with preparing the data for analyses. It specifically includes examination of the data, response rate, reliability test and description of respondents' demographic information.

#### **4.1.1 Examination of the data and response rate**

156 questionnaires 74 and 80 aimed at collecting data from internal and external sources respectively were distributed. Among these about 130 were returned but some questionnaires were rejected due to overwhelming missing responses to question items. Finally 118 questionnaires were used in the study. Based on this the response rate stands at 75.6% which considered good

Following this the data was coded and fed into SPSS 20. Before analysis began the data was inspected visually, using plot and table to identify missing values, outliers and out of rage values. This is important to ensure that statistical assumptions were met for every analyses required.

#### **4.1.2 Reliability statistics**

The reliability statistics table shows the worthiness of the scale's internal consistency. In other words, this refers to the degree to which the items that make up a given scale measure the same

underlying construct. One of the most commonly used indicators of internal consistency is Cronbach's alpha coefficient.

#### Table 1: Reliability test

| Variables                                       | N of Items | Cronbach's Alpha |
|---|------------|------------------|
| Marketing mix strategies used by Dashen Brewery | 14         | .962             |
| marketing mix strategy effectiveness            | 11         | .949             |
| marketing mix strategy needs remedial action    | 8          | .914             |
| Customers' view of Dashen Beer                  | 20         | .897             |
|   |            |                  |

Items constituting the first three variables are based on internally sourced data. Meaning the data collected from employees of Dashen Brewery. As opposed to this items constituting the last variable in the table above are based on data collected from external sources mainly from customers and competitors. These items examine how customers' view Dashen Beer relative to other major competitors' products namely Heineken and BGI. The reliability test of all the items related to both internally and externally sourced data surpassed the minimum acceptable alpha value which is 0.7(Sanders et al, 2007; Creswell, 2012). Thus the items observed to have good internal consistency and appropriate to investigate the research problem.

#### 4.1.3 Demographic profiles

Demographic variables of interest included in this study are sex, age, education, occupation and position and location of the participants. Since data of the study collected from internal sources and external sources demographic information of the two types of participants likewise summarized simultaneously.

As can be seen below in the table in terms of sex the majority of the employees participated in the study are dominated by males. They group roughly account about 72% which is more than two-third of the total population. Females are fewer in number than their male counterparts and the figures show that they accounted for the remaining 28%. Age wise almost more than half of the employees (57%) participated in the study are young and within productive age group (21-30)

years), 28% also in the middle age (31-50 years) and only few employees about 15.5% can be categorized old age group(> 50).

#### Table 2: Demographic information

|       |                             | Sex            |          |               |                       |
|-------|-----------------------------|----------------|----------|---------------|-----------------------|
|       |                             | Frequency      | Percent  | Valid Percent | Cumulative<br>Percent |
| Valid | Male                        | 42             | 72.4     | 72.4          | 72.4                  |
| vanu  | Female                      | 16             | 27.6     | 27.6          | 100.0                 |
|       |                             | Age            |          |               |                       |
|       | < 20 years                  | 1              | 1.7      | 1.7           | 1.7                   |
| Valid | 21-30 years                 | 32             | 55.2     | 55.2          | 56.9                  |
| vanu  | 31- 50 years                | 16             | 27.6     | 27.6          | 84.5                  |
|       | > 50 years                  | 9              | 15.5     | 15.5          | 100.0                 |
|       |                             | Education S    | tatus    |               |                       |
|       | Diploma                     | 5              | 8.6      | 8.6           | 8.6                   |
| Valid | First Degree                | 45             | 77.6     | 77.6          | 86.2                  |
|       | MA and Above                | 8              | 13.8     | 13.8          | 100.0                 |
|       | C                           | Occupation and | position |               |                       |
|       | Top level Marketing Manager | 6              | 10.3     | 10.3          | 10.3                  |
|       | Top Level Sales Managers    | 3              | 5.2      | 5.2           | 15.5                  |
| Valid | Marketing Officers          | 3              | 5.2      | 5.2           | 20.7                  |
| vanu  | Regional Sales Managers     | 3              | 5.2      | 5.2           | 25.9                  |
|       | Distribution Dev't Partner  | 3              | 5.2      | 5.2           | 31.0                  |
|       | Filed Sales Representatives | 40             | 69.0     | 69.0          | 100.0                 |
|       |                             | Place of w     | ork      |               |                       |
|       | North Ethiopia              | 22             | 37.9     | 37.9          | 37.9                  |
|       | Central Ethiopia            | 17             | 29.3     | 29.3          | 67.2                  |
| Valid | South Ethiopia              | 11             | 19.0     | 19.0          | 86.2                  |
|       | Addis Ababa Head Office     | 8              | 13.8     | 13.8          | 100.0                 |
|       | Total                       | 58             | 100.0    | 100.0         |                       |

In terms of levels of education the overwhelming majority 86% processes first degree while MA or second degree and diploma holders are much fewer in number and respectively accounts for 13.8% and 8.6%. With regard to occupation and position, field sales representative are the dominant group with 69% share followed by top level managers accounting 10%. Top level sales managers, marketing officers and regional sales managers each had 5% share. When we see employees' place work 37.9% comes from north, 29% central, 19% from south and 14% from Addis Ababa. This is logical provided the location of the plant.

Looking at externally sourced data, about 92% Dashen customers were males. In terms of age, the company observed to have equal young (40%) and middle (43.3%) age customers. Among young age group by far high school complete are the majority (63.3) followed by first degree holds (18.3%). Equal number of respondents 20 each participated from south, central and northern part of the country.

### 4.2 Descriptive statistics

Table 3: Effectiveness of marketing mix strategy

| Variables                                 | Ν  | Minimum | Maximum | Mean   | Std. Deviation |
|---|----|---------|---------|--------|----------------|
| Marketing mix strategies used             | 58 | 1       | 5       | 3.0628 | .87972         |
| Effectiveness of Marketing mix strategies | 58 | 1       | 5       | 3.1364 | .84172         |
| Marketing mix strategies need remedy      | 58 | 1       | 5       | 3.5237 | .65287         |
| Valid N (listwise)                        | 58 |         |         |        |                |

Source: From own field survey data

The internally sourced data collected from employees of the organization assesses effectiveness of marketing mix strategies Dashen Brewey has been using by emphasizing mainly communication effectiveness. This is related to company's promotion activities. Every elements of communication effectiveness such as advertising, brochure/printable material, direct marketing, sales force, telephone, sales promotions, press, web, exhibitions and conferences were assessed based on five point likert scales ranging from 1 (strongly ineffective) to 5( strongly effective). Promotion mix strategies currently used, its effectiveness and components of the mix strategies needs remedial action for improvement were examined. According the descriptive statistics table above illustrates mean value of 3 and 3.1 for the first and second variables and a mean of 3.5 for the last variable. The statistics show that the marketing mix strategies especially communication strategies that the company employs are neither ineffective nor effective and some mix strategies need remedial action to be deemed effective. Thus most strategies needed more attention from the company.

As further illustrated in the table below in detail pricing, product, distribution and promotion strategies show middle ground, meaning effectiveness of marking mix strategies are average. However, comparatively product strategy (M=3.8, SD=.988) and promotion strategy(M=3.26, SD=.947) somehow shown to have been more effective than the pricing and distribution

strategies. Promotional mix strategies televisions, radio, magazines, newspaper, internet, trade fairs and exhibitions were better used and effective than, personal selling, sales promotion, public relation, and advertising have been used.

| Descriptive Statistics                      |    |       |       |       |         |         |  |  |  |
|---|----|-------|-------|-------|---------|---------|--|--|--|
| N Range Minimum Maximum Mean Std. Deviation |    |       |       |       |         |         |  |  |  |
| Offer & delivery relative to Heineken       | 60 | 19.00 | 11.00 | 30.00 | 20.5000 | 4.97962 |  |  |  |
| offer & delivery compared to BGI            | 60 | 17.00 | 11.00 | 30.00 | 19.1333 | 4.42438 |  |  |  |
| Valid N (listwise) 60                       |    |       |       |       |         |         |  |  |  |

## Table 4: Effectiveness of marketing mix strategy(external data)

< 15 Low, 15-24 Same and 25-30 strong

Effectiveness of marketing mix strategy evaluated using externally sourced data collected from customers and competitors emphasized mainly on offer and delivery effectiveness. This part of the tool addresses how attractive the firm's offer relative to customer needs and competitive propositions. Completeness of the offer, ease of purchase, offer quality, offer feature and functions, price, image/brand reputation, customer care, proximity to customer and customer relationship depth are some of the attributes of interest included in the assessment. Therefore, as illustrated in the table above Dashen Brewer is not significantly different from Heineken(M=20.5, SD=4.9) and BGI(M=19 SD=4.4) in terms of offer and delivery effectiveness. The customers see the quality of Dashen beer similar to the market leaders.

#### Table 5 customers view of Dashen beer relative to market leaders

| How do you view Dashen Beer relative to Heineken's and BGI |       |         |      |        |      |           |         |         |  |  |
|--|-------|---------|------|--------|------|-----------|---------|---------|--|--|
|  |       | N       | Mean | Median | Mode | Std.      | Minimum | Maximum |  |  |
|  | Valid | Missing |      |        |      | Deviation |         |         |  |  |
| Completeness of the product                                | 60    | 0       | 1.87 | 2.00   | 1    | .812      | 1       | 3       |  |  |
| Product Features & Functions                               | 60    | 0       | 1.90 | 2.00   | 2    | .706      | 1       | 3       |  |  |
| Product Quality  | 60    | 0       | 1.67 | 2.00   | 1    | .705      | 1       | 3       |  |  |
| Ease of Purchase   | 60    | 0       | 2.30 | 2.00   | 2    | .646      | 1       | 3       |  |  |
| Product price  | 60    | 0       | 2.07 | 2.00   | 2    | .578      | 1       | 3       |  |  |
| Customer Care  | 60    | 0       | 2.03 | 2.00   | 2    | .802      | 1       | 3       |  |  |
| Independence   | 60    | 0       | 2.03 | 2.00   | 2    | .802      | 1       | 3       |  |  |

| Customer Relationship Depth  | 60   | 0 | 2.07 | 2.00 | 3              | .821 | 1 | 3 |
|------------------------------|--|---|------|------|----------------|------|---|---|
| Proximity to Customer        | 60   | 0 | 2.30 | 2.00 | 2 <sup>a</sup> | .696 | 1 | 3 |
| Image/Brand Reputation       | 60   | 0 | 2.27 | 2.00 | 3              | .778 | 1 | 3 |
| a. Multiple modes exist. The | a. Multiple modes exist. The smallest value is shown |   |      |      |                |      |   |   |

\* 1 is low, 2 same and 3 strong or high

In summary the statistics show that the marketing mix strategies especially communication strategies that the company employs are neither ineffective nor effective (Mean=3.24 and SD= .79). Some mix strategies like valued pricing strategies the company has been pursuing found less effective and needs remedial action to be effective. In addition, elements of promotional mix such as personal selling, sales promotion, public relation, and advertising have observed to be less effective compared to other promotional tools televisions radio, magazine, trade fairs and exhibitions

## 4.3 Chi-square test

#### 4.3.1 Marketing mix effectiveness

The chi-square table below examines the effectiveness of marketing mix strategies based on four location of the country. Specifically it examines whether marketing mix activities significantly differ in the north, central, south and Addis Ababa based on the judgments of the employees working in respective areas. Basically as illustrated in the table below marketing mix activities were characterized as 46.6% moderately effective, 36.2% ineffective and 17.2% effective. The activities are mostly ineffective in the central part (20.7%) and tended to be more effective in the northern part (30%).

## Table 6 : marketing mix effectivenes in tems of location

|               | Location * market    | ing mix effecti | veness Cro | sstabulatior | ۱     |        |
|---------------|----------------------|-----------------|------------|--------------|-------|--------|
|               |                      |                 |            | mrktmefC     |       | Total  |
|               |                      |                 | Low        | moderate     | high  |        |
|               | North Ethiopia       | Count           | 4          | 12           | 6     | 22     |
|               | North Ethiopia       | % of Total      | 6.9%       | 20.7%        | 10.3% | 37.9%  |
|               | Control Ethiopia     | Count           | 12         | 5            | 0     | 17     |
| Place of work | Central Ethiopia     | % of Total      | 20.7%      | 8.6%         | 0.0%  | 29.3%  |
| FIACE OF WORK | South Ethiopia       | Count           | 5          | 6            | 0     | 11     |
|               | South Ethiopia       | % of Total      | 8.6%       | 10.3%        | 0.0%  | 19.0%  |
|               | Addis Ababa Head Off | Count           | 0          | 4            | 4     | 8      |
|               | Addis Ababa nead Oli | % of Total      | 0.0%       | 6.9%         | 6.9%  | 13.8%  |
| Total         |                      | Count           | 21         | 27           | 10    | 58     |
| TOTAL         |                      | % of Total      | 36.2%      | 46.6%        | 17.2% | 100.0% |

These differences are statistically significant,  $X^2(6, 58)=23.3$ , p< .001 based on observation in the table below. The phi value .634 indicates positive moderate relationship between marketing mix activities and location.

## Table 7 chi-square test

| Chi-Square Tests             |                     |    |                       |  |  |  |  |  |
|------------------------------|---------------------|----|-----------------------|--|--|--|--|--|
|                              | Value               | df | Asymp. Sig. (2-sided) |  |  |  |  |  |
| Pearson Chi-Square           | 23.318 <sup>ª</sup> | 6  | .001                  |  |  |  |  |  |
| Likelihood Ratio             | 28.492              | 6  | .000                  |  |  |  |  |  |
| Linear-by-Linear Association | .116                | 1  | .734                  |  |  |  |  |  |
| N of Valid Cases             | 58                  |    |                       |  |  |  |  |  |

# 4.3.2 Offer and delivery effectiveness

Cross tabulation

| C1035 t  |           |    |     |       |                    |                   |          |  |  |
|--|-----------|----|-----|-------|--------------------|-------------------|----------|--|--|
| Quality of offer and delivery relative to Heineken |           |    |     |       | y of offer and del | ivery relative to | BGI      |  |  |
| Observed N Expected N Residual                     |           |    |     |       | Observed N         | Expected N        | Residual |  |  |
| low  | 8(13.3%)  | 20 | -12 | Low   | 14(23.3%)          | 20                | -6       |  |  |
| same   | 32(53.3%) | 20 | 12  | same  | 38(63.3%)          | 20                | 18       |  |  |
| high   | 20(33.3%) | 20 | 0   | high  | 8(13.3%)           | 20                | -12      |  |  |
| Total  | 60        |    |     | Total | 60                 |                   |          |  |  |

Table 8 Marketing mix effectiveness other than promotion

The cross tabulation and chi-square statistics regarding the quality of offer and delivery of Dashen brewery relative to Heineken and BGI show that majority of the customers about 53.3% and 63.3% rate effectiveness of offer and delivery as similar. Few customers roughly 13.3% equally rated Dashen low than Heineken but strong than BGI.

A chi-square test of independence was performed to examine the how customers view the quality and effectiveness of Dashen Beer offer and delivery relative to Heineken and BGI and whether there exist statistically significant difference in customers' judgment between the two beer. Therefore, customers perception in terms of effectiveness of offer and delivery relative to Heineken and BGI were significant at  $X^2$  (2, N = 60) = 14.4, p <.001 and  $X^2$ (2 60)= 25.2 p<.000 respectively. Since the degree of freedom is 2 the chi-square critical value is 5.99 based on chi-square distribution table. Hence in both cases the  $X^2$  or chi-square values( $X^2$ = 14.4 &  $X^2$ =25.2) are greater than the critical value and p values are also less than 0.05 indicating significant customers' judgment difference between Dashen and Heineken and between Dashen and BGI.

## Table 9 chi -aquare statistics

| Test Statistics   |  |                                    |  |  |  |  |  |
|---|--|------------------------------------|--|--|--|--|--|
|   | offer and delivery relative to<br>Heineken | offer and delivery relative to BGI |  |  |  |  |  |
| Chi-Square  | 14.400 <sup>a</sup>                        | 25.200 <sup>a</sup>                |  |  |  |  |  |
| Df  | 2  | 2                                  |  |  |  |  |  |
| Asymp. Sig001 .00   |  |                                    |  |  |  |  |  |
| a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 20.0. |  |                                    |  |  |  |  |  |

The quality of offer and delivery of Dashen beer is viewed same (20%) with Heineken in central and northern parts of the country. However a sizable amount of customer in the north(10%) viewed it low relative to Heineken. But its quality is viewed higher in the south (16.7%). This is statistically significant, X2(4 60)=13.2, P<.01. Relatively it is perceived highest in the south

#### Table 10 offer and delivery relative to Heineken

|       | Crosstab    |            |       |                 |       |        |  |  |  |
|-------|-------------|------------|-------|-----------------|-------|--------|--|--|--|
|       |             |            | offe  | er and delivery | Н     | Total  |  |  |  |
|       |             |            | 1.00  | 2.00            | 3.00  |        |  |  |  |
|       | South       | Count      | 2     | 8               | 10    | 20     |  |  |  |
|       | South       | % of Total | 3.3%  | 13.3%           | 16.7% | 33.3%  |  |  |  |
| Taura | Control     | Count      | 0     | 12              | 8     | 20     |  |  |  |
| Town  | Central     | % of Total | 0.0%  | 20.0%           | 13.3% | 33.3%  |  |  |  |
|       | N I a utila | Count      | 6     | 12              | 2     | 20     |  |  |  |
|       | North       | % of Total | 10.0% | 20.0%           | 3.3%  | 33.3%  |  |  |  |
| Total |             | Count      | 8     | 32              | 20    | 60     |  |  |  |
| TOTAL |             | % of Total | 13.3% | 53.3%           | 33.3% | 100.0% |  |  |  |

When it comes to GBI Dashen's offer and delivery is comparatively judged low in the northern part(13.3%) and high or strong in the central part(10%). Majority of the customers in the south and central viewed the two product in the same way (23.3%).

Table 8: offer and delivery of Dashen relative to Heineken

## Table 11 offer and delivery relative to BGI

|       | Crosstab    |            |         |               |         |        |  |  |  |  |
|-------|-------------|------------|---------|---------------|---------|--------|--|--|--|--|
|       |             |            | offer a | nd delvery BG | il cata | Total  |  |  |  |  |
|       |             |            | 1.00    | 2.00          | 3.00    |        |  |  |  |  |
|       | South       | Count      | 6       | 14            | 0       | 20     |  |  |  |  |
|       | South       | % of Total | 10.0%   | 23.3%         | 0.0%    | 33.3%  |  |  |  |  |
| Taura | Control     | Count      | 0       | 14            | 6       | 20     |  |  |  |  |
| Town  | Central     | % of Total | 0.0%    | 23.3%         | 10.0%   | 33.3%  |  |  |  |  |
|       | N I a utila | Count      | 8       | 10            | 2       | 20     |  |  |  |  |
|       | North       | % of Total | 13.3%   | 16.7%         | 3.3%    | 33.3%  |  |  |  |  |
| Total |             | Count      | 14      | 38            | 8       | 60     |  |  |  |  |
| TUIAI |             | % of Total | 23.3%   | 63.3%         | 13.3%   | 100.0% |  |  |  |  |

Offer and delivery effectiveness which includes all marketing mix strategies other than promotion assessed how attractive the firm's offer relative to customer needs and competitive propositions. This includes completeness of the offer, ease of purchase, offer quality, offer feature and functions, price, image/brand reputation, customer care, proximity to customer and customer relationship depth. The quality of offer and delivery effectiveness similar to communication effectiveness found to be average (Mean=19.82 and SD=4.702).

# CHAPTER FIVE CONCLUSION AND RECOMMENDATIONS

## **5.1 Conclusion**

The findings show that the marketing mix strategies especially communication strategies that the company employs are neither ineffective nor effective (Mean=3.24 and SD= .79). Some mix strategies like valued pricing strategies the company has been pursuing found less effective and needs remedial action to be effective. In addition, elements of promotional mix such as personal selling, sales promotion, public relation, and advertising have observed to be less effective compared to other promotional tools televisions radio, magazine, trade fairs and exhibitions

On the other hand, offer and delivery effectiveness which includes all marketing mix strategies other than promotion assessed how attractive the firm's offer relative to customer needs and competitive propositions. This includes completeness of the offer, ease of purchase, offer quality, offer feature and functions, price, image/brand reputation, customer care, proximity to customer and customer relationship depth. The quality of offer and delivery effectiveness similar to communication effectiveness found to be average (Mean=19.82 and SD=4.702). Dashen Brewer is not significantly different from Heineken(M=20.5, SD=4.9) and BGI(M=19 SD=4.4) in terms of offer and delivery effectiveness. The customers see the quality of Dashen beer similar to the market leaders.

Further the chi-square statistics shows that the marketing mix activities especially promotion mix were mostly ineffective in the central part (20.7%) and tended to be more effective in the northern part (30%). The study found positive moderate relationship between marketing mix activities and location. Most customers rated the quality of offer and delivery of Dashen Brewery relative to Heineken(53.3%) and BGI (63.3%) as similar.

The quality of offer and delivery of Dashen beer is viewed same (20%) with Heineken in central and northern parts of the country. But its quality is viewed higher in the south (16.7%). When it comes to GBI Dashen's offer and delivery is comparatively judged low in the northern part(13.3%) and high or strong in the central part(10%). Majority of the customers in the south

and central viewed the two products in the same way (23.3%). Therefore, Dashen Beer has to increase its marketing mix activities in the north and central part of the country to gain competitive position.

# **5.2 Recommendation**

The effectiveness of marketing mix strategies are found generally average in terms of effectiveness. However, this varies based on location. To enhance the marketing mix activities the company needs to focus on the following recommendations;

- All marketing mix elements needed more attention. But some elements of promotion mix such as personal selling, sales promotion, public relation, and advertising needs priority.
- The marketing mix activities in the central and northern parts of the country need to be improved comparatively.
- promotion activities need to be improved in the north where the factories of the company located
- promotion mix activities and distribution need more attention compared to product quality and price.

#### References

Andrew W. (2010). Strategic Marketing. Ventus publishing. ApS.

Anderson and Vince, (2000). Principles of Marketing, 1st Ed, Oxford University pressNewYork. ChalachewAdege(2010).Assessment of Marketing Strategy Practices In The Case Of St. George Brewery (BGI). (Unpublished MA thesis), AAU.

Cohen, L., Manion, L. and Morrison, K.(2007). *Research Methods in Education*(6<sup>th</sup>edn). Routledge: London

Creswell, J.W. (2012) *Educational research: planning, conducting, and evaluating quantitative andqualitativeresearch* (4th edn.). Boston, Pearson Eduction.

DejeneAlemu(2016).Factors Influencing Promotion Mix In Enhancing Sales: A Case Of DashenBerewery S. C Nekemte Town Western Region(MA Thesis) Wolega University.

Education Service Group (n.d ). How to Measure Your Marketing: Metrics, Analytics and ROI, <u>www.educationservicesgroup.com</u>

Faridyahyaie R., Faryabi M., Bodaghi H.(2012). Identifying Marketingeffectiveness metrics : Case study East Azerbaijan's industrial units. *Poslovnaizvrsnostzagreb, god. Vi* (2012) br. 2

Ferell, Michael, & Hartline. (2011). Marketing Strategy (5thed.): USA, South-Western Cengage

learning.

Goi, Ch.(2009). A Review of Marketing Mix: 4Ps or More? International Journal of marketing studies, Vol.1,n.1

Išoraitė, M. (2016).Marketing Mix Theoretical Aspects. International Journal of Research, V.4, issue 6, **DOI:** 10.5281/zenodo.56533

HassenAdago(2014). Assessement marketing mix strategy: a case of Dashen Brewery Share Company used in Gonder. (unpublished MBA Thesis), JU.

Kotler Philip (1999). Marketing Management: Analysis, Planning, Implementation, andControl, New Kotler, P. (2000). Marketing Management Millennium edition, 10th Edition. New Jersey:

Kotler, P., Keller, L. (2012).Marketing Management(14thed.): New Jersey, Prentice publishing: one lake street, upper saddle river.

Kotler, P. and Armstrong, G.(2012). *Principles of marketing* (14<sup>th</sup>edn).Pearson Education: New Jersey.

Kotler, P. (2007). Marketing Management 12th edition. Prentice hall Inc.

Koyade, O. (2014). Marketing Communications 1'st edition. Ventus publishing Aps.

Kotler P and Armstrong G, (2010). Principles of arketing; Pearson Prentice Hall, 13th Ed. NewJersey, NJ.

Manmohan J. (2012). Essentials of Marketing Ventus publishing Ap.

McDonald, M. (2010), "A brief review of marketing accountability, and a research agenda", Journal of Business & Industrial Marketing, 25 (5), pp. 383-394.

Muchiri,M.(2016). The Effectiveness of Marketing Mix Strategies OnPerformance Of KenolKobil Limited (MA thesis).

RobelZewdie(2013).An Assessment of Factors Affecting Market Share OfDashen Brewery: ACaseStudyInAddisAbabaBeerMarket.(BAthesis)

Saunders, M., Lewis, P., and Thornhill, A. (2007). *Research Methods for Business Students* (4<sup>th</sup>edn). Pearson Education Limited: London

Sheth, J., Sisodia, R. & Sharma, A. (2009). The challenges of improving marketing productivity and performance, retrieved from http://www.jagsheth.net on 27/05/2009, pp. 1-35.

Sychrová L.(2013). Measuring the effectiveness of marketing activities use in relation to company size.*ActaUniversitatisAgriculturaeetSilviculturaeMendelianaeBrunensis*, 2013, LXI, No. 2, pp. 493–500

Wyner,G.(2008). MarketingEffectiveness:It's More ThanJust ROI. MILLWARD BROWN ' SPOV February 2008, www.millwardbrown.com

Zavatta, Samuel, F.(2009). Baseline Survey on Competitionand Markets in Ethiopia.Private Sector Development Hub/Addis Ababa Chamber of Commerce and Sectoral Associations, 2009

# Appendix

# JIMMA UNIVERSITY

# **COLLEGE OF BUSINESS AND ECONOMICS**

# **MBA PROGRAM**

## Dear respondents;

The purpose of this questionnaire is to carry out a research for the partial fulfillment of master's degree in Business Administration. Any information you present will be kept confidential and will be used only for academic purpose. Your cooperation and prompt response will be highly appreciated.

This questionnaire is used to gather data from company internal sources with regard to the effectiveness of marketing strategies. So it could be filled by marketing department personnel, different level sales and marketing managers and operation level officers of the company.

## **General Instruction**

- This questionnaire is to be filled by sales and marketing department managers and personels of the Dashen Brewery.
- You are not required to write your name.
- You are kindly asked to read carefully and respond to each question in the questionnaire.
- Please put a " $\checkmark$ " mark in the box of your choice.

## Thank you for your cooperation in advance!

# SECTION ONE: GENERAL INFORMATION

| 1. | Sex  |                     |        |                |  |
|----|------|---------------------|--------|----------------|--|
|    | Male |                     | Female |                |  |
| 2. | Age  |                     |        |                |  |
|    |      | Below 20 years      |        | 31- 50 years   |  |
|    |      | Between 21-30 years |        | Above 50 years |  |

3. Education Status

|    | Illiterate              |         | First Degree             |  |
|----|-------------------------|---------|--------------------------|--|
|    | Certificate             |         | Masters Degree and Above |  |
|    | Diploma                 |         |                          |  |
| 4. | Marital status:         |         |                          |  |
|    | Single                  | Married | If other (specify        |  |
| 5. | Occupation and position |         |                          |  |

6. Place of work \_\_\_\_\_

Instruction: Please read each statement and indicate your level of agreement (on the response scale 1 to 5) taking from the options provided as strongly agrees, agree, neutral, disagree, and strongly disagree. (Tick one from the given five scales.)

Response scale:

| 1                 | 2        | 3       | 4     | 5              |
|-------------------|----------|---------|-------|----------------|
| Strongly disagree | Disagree | Neutral | Agree | Strongly agree |

|    | A. The marketing mix strategies that have been used by Dashen              |   |   |   |   |   |
|----|--|---|---|---|---|---|
| No | Brewery to gain competitive advantage                                      | 5 | 4 | 3 | 2 | 1 |
|    | The set of marketing mix have been used as controllable or as the tactical |   |   |   |   |   |
|    | tools to meet the needs and demands in the target market of Dashen         |   |   |   |   |   |
| 1  | Brewery.   |   |   |   |   |   |
|    | The marketing mix strategies of Dashen Brewery has provided need           |   |   |   |   |   |
| 2  | satisfying market offering (product) in its marketing mix.                 |   |   |   |   |   |
| 3  | Cost Based Pricing strategy has been used as method by Dashen Brewery.     |   |   |   |   |   |
|    | Competition Based Pricing strategy has been used method by Dashen          |   |   |   |   |   |
| 4  | Brewery.   |   |   |   |   |   |
| 5  | Value Based Pricing strategy has been method used by Dashen Brewery.       |   |   |   |   |   |
|    | Product strategy has been used strategy to offer goods and services that   |   |   |   |   |   |
| 6  | satisfy the needs of the customer.   |   |   |   |   |   |
|    | Distribution strategy has been used to get products and services to        |   |   |   |   |   |
| 7  | different channels and networks with objective to reach the end customer   |   |   |   |   |   |
|    | Distribution channels, warehousing facilities, mode of transportation and  |   |   |   |   |   |
| 8  | inventory control management have been handled in the process of           |   |   |   |   |   |

|    | A. The marketing mix strategies that have been used by Dashen             |   |   |   |   |   |
|----|---|---|---|---|---|---|
| No | Brewery to gain competitive advantage                                     | 5 | 4 | 3 | 2 | 1 |
|    | distribution strategy.  |   |   |   |   |   |
|    | In the distribution strategy, distribution system consists of channel     |   |   |   |   |   |
| 9  | intermediaries that provide a link between producers and final consumers. |   |   |   |   |   |
|    | Promotion and communication strategy is a major component in the          |   |   |   |   |   |
| 10 | marketing mix strategy of Dashen Brewery.                                 |   |   |   |   |   |
|    | The elements of promotional mix, personal selling, sales promotion,       |   |   |   |   |   |
|    | public relation, and advertising have been used as Promotion strategy in  |   |   |   |   |   |
| 11 | Dashen Brewery.   |   |   |   |   |   |
|    | In the promotional strategy of Dashen Brewery, Televisions Radio,         |   |   |   |   |   |
|    | Magazine and other publication, Newspaper and Internet and Trade Fairs    |   |   |   |   |   |
| 12 | and Exhibitions as promotional tools.                                     |   |   |   |   |   |
|    | In Marketing Strategy, Introduction Stage, Growth Stage and Maturity      |   |   |   |   |   |
| 13 | Stage have been considered.   |   |   |   |   |   |
|    | Product, price, place and promotion have been used as a means of          |   |   |   |   |   |
|    | translating marketing planning into practice in marketing mix strategy of |   |   |   |   |   |
| 14 | Dashen Brewery  |   |   |   |   |   |

|    | B. Effectiveness of marketing mix strategies that have been used by                  |   |   |   |   |   |
|----|--|---|---|---|---|---|
| No | Dashen Brewery's   | 5 | 4 | 3 | 2 | 1 |
|    | Cost Based Pricing strategy has been used as method by Dashen Brewery as             |   |   |   |   |   |
| 1  | required.  |   |   |   |   |   |
|    | Competition Based Pricing strategy has been used method by Dashen Brewery at         |   |   |   |   |   |
| 2  | the required level.  |   |   |   |   |   |
|    | Competition Based Pricing strategy has been used method by Dashen Brewery            |   |   |   |   |   |
| 3  | effectively.   |   |   |   |   |   |
|    | Value Based Pricing strategy has been method used by Dashen Brewery                  |   |   |   |   |   |
| 4  | effectively.   |   |   |   |   |   |
|    | Product strategy has been used strategy to offer goods and services that satisfy the |   |   |   |   |   |
| 5  | needs of the customer at the required rate.  |   |   |   |   |   |
|    | Distribution channels, warehousing facilities, mode of transportation and inventory  |   |   |   |   |   |
|    | control management have been handled in the process of distribution strategy         |   |   |   |   |   |
| 6  | employed properly.   |   |   |   |   |   |
|    | In the distribution strategy, distribution system consists of channel intermediaries |   |   |   |   |   |
|    | that provide a link between producers and final consumers have been handled          |   |   |   |   |   |
| 7  | effectively.   |   |   |   |   |   |
|    | Promotion and communication strategy is a major component in the marketing mix       |   |   |   |   |   |
| 8  | strategy of Dashen Brewery that used effectively.                                    |   |   |   |   |   |
|    | The elements of promotional mix, personal selling, sales promotion, public           |   |   |   |   |   |
|    | relation, and advertising have been used as Promotion strategy in Dashen Brewery     |   |   |   |   |   |
| 9  | effectively.   |   |   |   |   |   |
|    | In the promotional strategy of Dashen Brewery, Televisions Radio, Magazine and       |   |   |   |   |   |
|    | other publication, Newspaper and Internet and Trade Fairs and Exhibitions as         |   |   |   |   |   |
| 10 | promotional tools as required.   |   |   |   |   |   |
|    | In Marketing Strategy, Introduction Stage, Growth Stage and Maturity Stage have      |   |   |   |   |   |
| 11 | been considered as required.   |   |   |   |   |   |

|    | C. Marketing mix components that requires remedial action to                 |   |   |   |   |   |
|----|--|---|---|---|---|---|
| No | improve marketing mix effectiveness  | 5 | 4 | 3 | 2 | 1 |
|    | Cost Based Pricing strategy not implemented as required so that it needs     |   |   |   |   |   |
| 1  | improvement.   |   |   |   |   |   |
|    | Competition Based Pricing strategy not implemented as required so that it    |   |   |   |   |   |
| 2  | needs improvement.   |   |   |   |   |   |
|    | Value Based Pricing strategy not implemented as required so that it needs    |   |   |   |   |   |
| 3  | improvement.   |   |   |   |   |   |
|    | Product strategy has not been used at required level so that it needs        |   |   |   |   |   |
| 4  | improvement.   |   |   |   |   |   |
|    | Distribution channels, warehousing facilities, mode of transportation and    |   |   |   |   |   |
|    | inventory control management have not been handled in the process of         |   |   |   |   |   |
|    | distribution strategy employed properly, so that action will be taken to     |   |   |   |   |   |
| 5  | improve.   |   |   |   |   |   |
|    | Promotion and communication strategy is a major component in the             |   |   |   |   |   |
|    | marketing mix strategy of Dashen Brewery that used was not effective so that |   |   |   |   |   |
| 6  | action will be taken to improve.   |   |   |   |   |   |
|    | In the distribution strategy, distribution system consists of channel        |   |   |   |   |   |
|    | intermediaries that provide a link between producers and final consumers     |   |   |   |   |   |
| 7  | have not been handled effectively so that action will be taken to improve.   |   |   |   |   |   |
|    | In Marketing Strategy, Introduction Stage, Growth Stage and Maturity Stage   |   |   |   |   |   |
| 8  | have not been considered as required so that action will be taken to improve |   |   |   |   |   |

If you have other opinions regarding the marketing mix strategy please specify here

Thank You!

## JIMMA UNIVERSITY

## **COLLEGE OF BUSINESS AND ECONOMICS**

## **MBA PROGRAM**

Questionnaire to be filled by **consumer** of the Dashen Brewery.

## Dear respondents;

The purpose of this questionnaire is to carry out a research for the partial fulfillment of master's degree in Business Administration. Any information you present will be kept confidential and will be used only for academic purpose. Your cooperation and prompt response will be highly appreciated.

This part of the questionnaire contains structured interview questions to be filled by interviewer by interviewing Dashen Brewery consumers/ customers and competitors. Unlike the first part it is meant to gather data from outside sources.

# **General Instruction**

- This questionnaire is to be filled by consumer of the Dashen Brewery.
- You are not required to write your name.
- You are kindly asked to read carefully and respond to each question in the questionnaire.
- Please put a " $\checkmark$ " mark in the box of your choice.

Thank you for your cooperation in advance!

## SECTION ONE: GENERAL INFORMATION

| 1. | Sex  |                     |        |                |  |
|----|------|---------------------|--------|----------------|--|
|    | Male |                     | Female |                |  |
| 2. | Age  |                     |        |                |  |
|    |      | Below 20 years      |        | 31- 50 years   |  |
|    |      | Between 21-30 years |        | Above 50 years |  |

49

# 3. Education Status

| Illiterate          | First Degree             |  |
|---------------------|--------------------------|--|
| Hag School complete | Masters Degree and Above |  |
| Diploma             |                          |  |
| 4. Town/Region      |                          |  |

## **Offer Effectiveness**

The items are about how the market views Dashen beer/offer relative to other major competitors' products. Two options to do this, Rate the items directly by using the scales indicated below or record the interview first, transcribe and then rate later.

High (Hi) Same (Sm)

Low (Lo)

| How do you view Dashen Brewery relative<br>to other major competitors' products |                                | Heineken Bre |    | Brewery | BGI      | Ethiopia | Brewery |
|---|--------------------------------|--------------|----|---------|----------|----------|---------|
|   |                                | Products     |    |         | Products |          |         |
| 10 01   | ner major competitors products | Hi           | Sm | Lo      | Hi       | Sm       | Lo      |
| 1   | Completeness of the product    |              |    |         |          |          |         |
| 2   | Product Features & Functions   |              |    |         |          |          |         |
| 3   | Product Quality                |              |    |         |          |          |         |
| 4   | Ease of Purchase               |              |    |         |          |          |         |
| 5   | Product price                  |              |    |         |          |          |         |
| 6   | Customer Care                  |              |    |         |          |          |         |
| 7   | Independence                   |              |    |         |          |          |         |
| 8   | Customer Relationship Depth    |              |    |         |          |          |         |
| 9   | Proximity to Customer          |              |    |         |          |          |         |
| 10  | Image/Brand Reputation         |              |    |         |          |          |         |

If you have other opinions regarding the marketing mix strategy please specify here

Thank You!