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EFFECT OF POSITIONING STRATEGIES ON GROWTH OF HOTELS: IN CASE OF STAR RATED HOTELS IN ADDIS ABABA CITY

By

Kidist Berhanu Zeleke

*THESIS TO BE SUBMITTED TO THE GRADUATE STUDIES OF ADDIS ABABA
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Advisor: Meskerem Mitiku (PhD)

December, 2022

Addis Ababa, Ethiopia

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DECLARATION

I hereby declare that this submission is my work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person nor material which has been accepted for the award of any other degree or diploma of this university or other institute of higher learning, except where due acknowledgment has been made in the text.

Kidist Berhanu

Candidate's Name

Signature

Date

STATEMENT OF CERTIFICATION

This is to certify that I, Kidist Berhanu, have carried out this research work on the topic entitled Effect of positioning strategies on the growth of hotels sector: In case of star-rated hotels in Addis Ababa city and that the work is original and is suitable for submission for the reward of the Degree in Executive masters in international business and strategic management from Addis Ababa University.

Approved by the Examining Committee

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Chair of Department of Graduate Program Coordinator

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ACRONYMS / ABBREVIATIONS

AU - African Union

COVID 19- 2019 novel coronavirus

GDP – Gross domestic product

MBV-Market based view

most- Ministry of culture and tourism

NGO- Non-governmental organization

RBV- Resource-based view

UNECA- United Nations Economic Commission for Africa

USD- United States dollar

U.K. – United Kingdom

U.S. – United States

ABSTRACT

Due to the demand for customers, businesses position themselves in different ways to penetrate the market share. This study aimed to be investigating the effect of positioning strategies on the growth of the hotel sector based on, product differentiation strategy, price positioning, and information technology positioning and their contribution to the growth of the hotel sector. A cross-sectional explanatory design was used. The target population in this study was 132 staffs of 44 four and three started rated hotels found in Yeka and Bole Sub Cities in Addis Ababa. The study was conducted in the context of the start rated hotels in Ethiopia. Purposive sampling was used to select the hotels and systematic sampling was conducted to select employees. Both primary and secondary data were used. Primary data were collected using semi-structured questionnaires and an interview. Descriptive statistics were used to summarize the properties of the mass data. Inferential statistics were derived using Pearson's correlation and multiple regression. Thus, this revealed that product differentiation strategy, price positioning, and information technology positioning have a positive significant effect on the growth of the hotel. Accordingly, this study concluded that positioning strategies affects the growth of the hotel sector. Thus, it suggests that it better to develop positioning strategies that would give them an edge in the market over the competitors to enable them to be competitive and grow also investors would be able to make decisions concerning of investing on the sector also it will be useful for further research.

Keywords: Organizational growth, Product differentiation, Price positioning, Information technology positioning.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

With the rapid pace of globalization and technological revolution, today's world has become an area characterized by rapid economic development and a hyper-competitive business environment. To participate in the growing economy, many business sectors must use different business strategies to fully and effectively stay and penetrate the market. The main strategic issue of positioning is the need to stay with one's characteristic competencies (Mahmoud, 2016). More particularly, the Positioning of a hotel is a crucial criterion in the development of its subsequent marketing strategies. Incorrect hotel positioning leads to unclear vision of the hotel's development and ultimately affects the profitability of the hotel (Robert, Ibn and Ellis, 2017).

The positioning strategy provides an essential frame of reference for guiding management decisions. Marketing positioning deals with presenting one's product or service on an attribute in relation to that, being offered by competitors within the same industry while targeting is the process by which after dividing the market into different segments, marketers attempts to decide on which of the segments to choose. That present the best marketing and financial opportunities based on existing organizational capabilities and potentials (Kotler and Keller, 2012).

Effective positioning offers the customer benefits designed to resolve a problem related to their desires that are differentiated from competitors. Positioning is the deliberate, proactive, iterative process of defining, measuring, modifying, and monitoring consumer experiences of a marketable item (Yakup and Ahmet, 2015). Janiszewska (2012) suggested that a good strategy generates a competitive advantage that differentiates an organization from its competitors by giving it a sustainable edge that is valuable, rare, and not easy to imitate.

Robert et al., (2017) asserted that an effective positioning strategy, executed with a firm's market orientation culture, will build a powerful brand, and an inaccurately positioned brand with weak market orientations can bring failure for a firm. However, Durmaz and İlhan (2015) stated that the presence of a weak relationship between strategy and planning practice and growth factors mean that such companies do not plan and do not draw properly the growth strategy. The

company must determine growth strategies in accordance with structures of businesses and the competitive environment by applying analysis and methods which will eliminate the impediments. A study by Bute (2019) on positioning strategies and growth of hotels found a positive link between the positioning strategies used and the growth of hotels the study further indicates that product differentiation in the hotel industry is the key to sustaining long-term business growth and success, cost leadership strategy enables Hotels to become the low-cost producer in the Hotel industry

Hotels are the most important and extensively recognized variety of overnight accommodation globally. Hotels sell contributions that encompass of a combination of intangible service components and tangible goods components. The intangible service components make the hotel service a challenging business to manage (Mohammed, Mohamed, Rifai and Said, 2021). The current level of investment in the Ethiopian hotel sector appears to point to the business opportunities available in the sector. International brands have all inclined camp in Ethiopian hotel sector. This creates a hotel competition in the Ethiopian hotel sector has become more intense with the entry of these global and local investors players and more high-rated star hotels (Abebaw, 2020). Yechale, Haimanot and Ashenafi (2017) also advised hotels pay close attention to the delivery of superior customer value to achieve better performance. This leads to think that an investigation into market orientation of hotels may improve the overall understanding of the market orientation concept in a service context, predominantly in emerging economies like Ethiopia. This is essentially within fast and intensive development of marketing; tourism is one of the fastest developing and profitable sectors of economics. Marketing is an important tool for any travel institution essential to maintain and improve the profitability of the country as well as companies (Abebaw, 2020). Owing to the changing nature of Ethiopian hotel business need with the opening of an increasing number of multinational hotel chains in Ethiopia, and the fact that hotel growth can frequently be used as a representation for tourism growth, the Ethiopia hotel industry provides a good context to explore how market orientation is adopted and practiced. Thus, this study assessed the effect of Positioning strategies on growth of hotels: in case of star rated hotels in Addis Ababa City.

1.2 Study context-Hotel Sector in Addis Ababa City

The hotel sector has shown A Relative increase in investment the hotel industry involves many different services, including room service, restaurants, cafes and catering, gym, wellness center, and other miscellaneous services. The market for the hotel industry, especially branded hotels in a developing country like Ethiopia, is strongly related to the tourism industry, due to the mass of the consumer coming from international tourists (Getahun and Dhaliwal, 2017). Abebaw (2020) stated that International conference tourism is on the rise in Ethiopia due to the presence of many international organizations such as the headquarters of the African Union (AU) and the United Nations Economic Commission for Africa (UNECA) in Addis Ababa. Conference tourism can grow and is poised to gain greater importance due to the growth of several top hotels in Addis Ababa to meet the need.

According to Tefera (2018), Ethiopia's tourism sector showed a constant increase in the last decade. International tourist arrivals increased from 64,000 in 1990 to 680,000 in 2013 and are expected to achieve 815,000 by 2024. In addition to this in 2024, the figure would mean a contribution of USD 2 billion to the country's GDP. Over the next five years, the sector is expected to create more than a million jobs or 3.6% of total employment. The growth in several arrival and tourism expenditures is a great opportunity for the hotel industry. The hotel industry needs to focus on the ways customers are effectively communicated in seeking information and channels that enhance the maximum possible return on investment (Desalegn, 2020). Government incentives, along with international conferences and global bases for NGOs, embassies, and aid agencies have all driven the hotel growth in Addis. The hotel development pipeline in Ethiopia is almost 50% up on last year's strong figures, with Addis Ababa accounting for 86% of the total, almost 5,000 rooms in 25 hotels (Tefera, 2018).

1.3 Statement of the Problem

The current level of investment in the Ethiopian hotel sector seems to indicate the business opportunities that exist in the sector. International brands are all oriented in the Ethiopian hotel sector. This creates a hotel competition within the Ethiopian hotel sector that has intensified with the entry of these global and local investor players and top-rated star hotels. Hotels focus on providing superior customer value to achieve better performance (Abebaw, 2020; Getahun and

Dhaliwal, 2017). Even if Ethiopian hotels are poor standard as compare to the number of international standard hotels in Ethiopia with hotels in countries like Egypt, Morocco, and Kenya we see a huge difference in number (Henok, 2015). Yechale et al., (2017) reasoned out that some strategies that have been adopted by Ethiopian hotels to stay out of competitive have included poor location selection decisions, inaccessibility decisions, weak relationship marketing, improper human resource management, delivering poor quality services and insubstantial hotel internet usage. Scholars like Mohammed et al., (2021) have also highlighted some other strategies including relationship marketing, developing its subsequent marketing strategies and environmental management. Although, previous studies in Ethiopia ignored a customer-oriented approach like market orientation and positioning that can enhance hotel performance. They focused on tourism marketing practices, challenges and strategy (Abebaw, 2021), marketing challenges and new tourism product development potentials (Yechale et al., 2017) and Tourism Marketing Performance and Strategy of Ethiopia (Getahun and Dhaliwal, 2017). They were involved in different sector (out of hotel sector); for example, a study by Umer (2018) investigated the effect of positioning on customer loyalty at Habesha Brewery Share Company. Asefa, (2017) has also investigated the relationship between organization performance (market share) and porter's generic business strategies used by pharmaceutical firms in Ethiopia.

Hence, it shows there is a limited study in the study area and a need for an effective positioning strategy, build a powerful brand and an inaccurately positioned brand with market orientations can bring growth for a firm. In this manner, the researcher thinks to fill the gap by considering the positioning techniques and their effects on the growth of Hotels in Addis Ababa city. According to Edwin and Jane (2019), strategic positioning is identified as an important weapon to manage the competition in the business environment. The study tried to fill the gap by studying the implications of product and service differentiation, positioning according to information technology, and price positioning strategies relative to organizational growth. This study focuses on joint positioning on hotel performance using star-rated (luxury) hotels in Ethiopia.

1.4 Objective the Study

1.4.1 General Objective

The general objective of this study was

- To investigate the effect of positioning strategies on the growth of hotels in Addis Ababa city.

1.4.2 Specific objective

The study was conducted to achieve the following specific objectives:

- a. To determine the effect of positioning strategies in terms of the product differentiation strategy on the growth of hotels.
- b. To determine the effect of positioning strategies in terms of price positioning strategy on the growth of hotels
- c. To determine the effect that the information technology has on the growth of hotels

1.5 Research Question

The study wishes to show connection by seeking responses to the following research questions:

1. To what extent does the level of effect positioning strategies in terms of use of product differentiation strategy affects the growth of hotels?
2. To what extent does the level of effect positioning strategies in terms of price
3. To what extent does the use of information technology affect the growth of hotels?

1.6 Significance of the Study

The study highly signifies the owners and management of Hotels Addis Ababa City. For the hotels to grow and withstand competitive pressure from other players, they must develop positioning strategies that will give them an edge in the market over the competitors to enable them to survive and grow. The result of the study is helpful for hotel marketers, hotel investors, merchants and service providers involved in the hotel industry and marketing of Addis Ababa

City in the study area. Moreover, the information can be provided for potential hotel investors and other enterprises interested in the business so that medium and large scale tourism business start to arise.

This study will help the development hotel planners and policy makers to stay in business so that all the participants can benefit according to their participation and contribution in designing appropriate policies for marketing in the hotel sector. The findings of the study are expected to serve as a framework for informed government policies that can support the revitalization and sustainability of the hotel industry for economic benefits in Ethiopia. It helps to provide hotel consumers with a full experience of high quality, and important questions especially for hotel managers and executives when naming sustainability strategies to ensure attributes that lead to improved perceived value and satisfaction. This study will support the achievement of hotel satisfaction, the goal of which is to increase tourist satisfaction; It is believed to generate more profits and reduce marketing costs.

To put it briefly, this study will be a significant effort to promote service and relationship marketing in the Ethiopian hotel environment and to promote revenue generation and economic development in Addis Ababa (Ethiopian) in general. By understanding the needs of the business and market environment and the benefits of hotel market, these stakeholders in Addis Ababa (Ethiopian) tourism are guaranteed a competitive advantage. Importantly, for researchers intending to pursue further studies in this field of study, this thesis will be easily accessible as a reference. Overall, this study will be useful for hotel industry managers, professionals, experts, academics and other researchers to fill the knowledge and experience gap when using effective practices and the concepts related to using effective tourism marketing management. Therefore, information in this study will be expected to inform them and guide them. This is because after examining the effects of market positioning strategies on business growth, the researcher will come up with recommendations on the ways they can position themselves in the industry and enjoy a competitive advantage over competitors.

1.7 Scope of the Study

The scope of the study was limited to the three positioning strategies that are used by the hotel's study examines the positioning strategies that are implemented by hotels in Addis Ababa City and their effects on their growth. Positioning strategies were operationalized within the context of product differentiation strategy, information technology, and price positioning strategy. It focused on a hotel's positioning that was a vital determinant in developing its subsequent marketing strategies. It anticipated to adapt the right hotel marketing strategy in the right situation is crucial. The study employed the resource based view, the competitive advantage paradigm as a framework in testing the theoretical relationships between the constructs.

The study employed descriptive and explanatory survey design and in the course of researching mainly primary data were employed. With regard to the secondary sources various publications, books, and journals articles regarding the subject matter were included. The study was conducted in the main office of the selected 18 hotels - 4 start and 26 3 star rated hotels [44 organizations] found in Bole and Yeka Sub Cities in Addis Ababa. The unit of study was 132 employees who were working in 44 [3 and 4 start rated hotels] started hotels and the unit of observation was marketing or/and finance managers, marketing or/and business development experts and hotel supervisors were included from these hotels. To achieve the research objectives, a well-designed five point Likert scale questionnaire and interview checklist, and close ended questions were used to gather data from sample respondents. The study was successfully conducted from May to June, 2022.

1.8 Limitations of the study

It should be recalled that the study is not free from limitations that may be considered to fully explore further research scopes. A wide range of respondents can be reached especially in local or regional hotels and entertainment tourism sites to enrich the data. In addition, more variables help in analyzing the buying behavior of the hotel marketing strategies to get a broader view of the subject matter. These limitations are the restrictions arising from the researcher and the limitations arising from the organizations can arise from two aspects. Since the researcher is not an employee of the surveyed organizations under consideration, starting from the organization level, it may face a problem in getting some data. Secondly, the time limit from the researcher's

end makes it difficult to conduct a detailed and comprehensive study of the phenomenon. On the other hand, some respondents were uncooperative and this could be a serious limitation of this study due to respondents' fear of Covid 19, respondents were not interested and willing to fill and return the questionnaires on time. Consequently, research may have geographic, technical, and conceptual limitations.

1.9 Operational Definitions

- Organizational growth - A process through which the structure of a hotel industry increases the number of its roles and links in terms of market share and number of employees ((Mohammed et al., 2021).
- Positioning according to Information technology: - The use of information technology as one of the systems for their business operation to attract customers to choose their service over their competitors (Adamu, 2017)
- Product differentiation strategy - A strategy that the hotel industry uses to achieve their competitive advantage by creating a low-cost and low-price position for quality products and services among their competitors (Tarus and Ndeto, 2021).
- Product differentiation strategy: - A strategy used by the hotel's industry to differentiate customer service systems with unique quality and service to meet the needs and expectations of customers compared to competitors.

1.10 Organization of the Study

This study was organized into five chapters. Chapter one constitutes the background of the study, statement of the problem, objectives, significance, scope, limitations, Conceptual and operating definition of terms, and organization of the study. Chapter two comprises the theoretical literature review, empirical literature review, and conceptual framework. Chapter three encompasses the methodology which presents the research design, target population, sampling design, research instrument, data collection procedure, data analysis, and ethical considerations. Chapter four constitutes the research findings and discussion which presents the response rate, general information, descriptive statistics, regression, and correlation analysis of the qualitative data. Chapter five presents the summary, conclusion, and recommendation.

CHAPTER TWO

RELATED LITERATURE REVIEW

2.1 Introduction

This chapter comprise of theoretical review, empirical review, a summary of literature reviewed and research gaps, and a conceptual framework

2.2 Theoretical Literature Review

2.2.1 Definitions of Concepts - Positioning strategy

A positioning strategy is a marketing tool to help distinguish business' brand from its competitors. Marketing strategy is put up on segmentation, targeting and positioning (Kotler and Keller, 2012). Accordingly, a firm realizes the diverse groups and needs in consumer markets, aims for customers who can be satisfied in a superior way and then places its offering so that the target market identifies the firm's unique offerings and images. Positioning, consequently, helps customers know the real difference among competing products and/or services so that they can choose the one that is of furthestmost value to them (Mohammed et al., 2021).

Effective positioning begins with differentiating a company's offering, such that it gives consumers more value, and then, steps are taken to deliver this value, along with communicating this position, to the target consumers (Mahmoud, 2016).). Positioning is a process of crafting a firm's image and offering to dwell in a unique place in the mind of the aimed customer market with the attendant result of creating a buyer-concentrated value scheme that would ease customer purchases (Kotler and Keller, 2012). Importantly, positioning is closely linked to business strategy. The significance of using a positioning strategy is the successful creation of a buyer-focused value offer – a persuasive reason why the target market should adopt or use a product. Also, a company's long-term competitive advantage is a consequence of their positioning activities. It could be argued that hotels who want to remain competitive might consider adopting proactive positioning practices (Mahmoud, 2016).

Consumer and managerial perspectives are the two positioning perspectives discussed in the academic literature. A consumer perspective refers to what a consumer actually thinks about a

firm, independent of the influence of that firm, while a managerial perspective considers what customers think after managers have influenced their thoughts. The strategic management literature argues that firms that choose clear positioning tend to enjoy returns and survive turbulent environments (Getahun and Dhaliwal, 2017). Moreover, the importance of positioning to customer satisfaction, customer loyalty, customer retention and overall business performance has been well-studied

Mohammed et al., (2021) announced that the positioning concept reaches beyond the marketing 'noise' of 'an over-communicated society' by avoiding the need to 'be everything to everybody' and the danger of misidentification with competitors. A strategic plan of action may include positioning the company so that its capabilities provide the best defense against the competitive force or influencing the balance of the forces through strategic moves in that way improving the company's position and shifts in the factors underlying the forces and responding to them, with the hope of exploiting change by choosing a strategy appropriate for the new competitive balance before competitors recognize it (Kotler and Keller, 2012).

Positioning is the deliberate, proactive, reiterative process of defining, measuring, modifying, and monitoring consumer perceptions of a marketable item. For a hotel, strategic positioning involves providing unique value, selecting, and then bringing to bear an integrated set of tools and communication techniques that identify and explain the hotel to the customers. The effect of positioning is based on the subjective perception of hotel attributes and not on objective truth. At the same time, a clear position in hospitality implies a complete strategic bundle of customer service, other hotel attributes (Yechale et al., 2017).

The positioning decision in strategic terms is the one that chooses the exact value basis on which the firm will compete and differentiate from competitive offerings. The meaning and significance of segmentation, targeting, and positioning, or separate aspects of the process are seen in diverse ways (Henok, 2015). Yechale et al., (2017) also stated that strategy is the art of creating value, the way a company defines its business and links together two important resources – knowledge and relationships, or an organization's competencies and customers with a company positioning itself in the right place on the value chain the right business, the right products and market segments, the right value-adding activities. Strategy is combining activities and operational effectiveness in achieving excellence in individual activities or functions.

Critical marketing dimensions such as price, product features, distribution, and promotions are fundamental determinants of market acceptance and are the foundation for enabling strategies rather than a definitive positioning strategy (Kotler and Keller, 2012).

2.2.2 Business Growth

Growth assesses some determinants of an organization's capability to establish feasible relationships with its environment. Growth is an organizational outcome resulting from the combination of firm-specific resources, capabilities, and routines. Business growth is an increase in certain characteristics, such as sales, employment, and profit of a firm between two points in time (Hakkert and Kemp, 2014). Organizational growth can be determined by the degree of effectiveness and capability with which firm-specific resources such as labor, capital, and knowledge are acquired, organized, and converted into sellable products and services through organizational practices, and structure.

The first and most straightforward explanation is that growth can result as a by-product of other strategies. As organizations successfully satisfy the needs for their services, this success fosters growth. Second, growth is frequently sought directly because it facilitates the internal management of an organization. Increased excess resources resulting from growth make it easier to gain commitment to organizational goals and priorities from numerous groups and to resolve conflicts between those groups (Henok, 2015).

Business growth is the development of some part of the achievement of an enterprise. Business growth takes place in raising revenue as well as cutting overhead. The business passes in more money and is considered to be growing when a business begins to sell more products or generate more service income. Business growth is an increase in the gross or net revenue of a business. Growth is commonly a primary goal of a business that provides motivation to invest, innovate and improve. The following are the common types of business growth (Coad, 2012).

2.2.3 Theories Related to this Study

2.2.4 Resource-Based-View (RBV)

Wernerfelt (1984) developed a theory of competitive advantage based on the resources a firm develops or acquires to implement the product-market strategy. Wernerfelt's stated that the resource-based view theory centers on the enterprise's resources such as financial resources and expansion of business activities. The theory grasps that there are existing unlimited sources of opportunities in the marketplace. The primary contribution to the RBV literature was recognizing that firm-specific resources, as well as competition among firms based on their resources, can be essential for organizations to gain advantages in implementing product market strategies (Abebaw, 2021).

The resource-based view theory signifies this study as it focused on the organization is a collection of sticky and imperfectly imitable resources; Resources may be physical like production equipment or innovations protected by patent, or intangible such as brand equity or operating routines. The expansion helps an organization to use the services of its resources more profitably. It is fastened on two critical assumptions, as envisaged in strategic management theory: that product features of competing companies vary heterogeneity; and that this diversity may occur for a long duration.

2.2.5 Market Based View Theory

This study was guided by the Market-Based View (MBV) of strategy claims that enterprise factors and external marketplace orientation are the primary factors of a company's growth. The market-based view (MBV) of the firm focuses on the connection between organizations' strategies and their external environments. The first basic assumption is that strategically relevant resources are distributed evenly among the firms within a business. The second assumption refers to the mobility of these resources, which in the MBV are highly mobile (Henok, 2015). This theory signifies this study as it focused on business growth. It says growth must depend on its ability to take advantage of imperfection on the market in which it sells its goods or services. This is to say, an organization must identify a position in the enterprise where the business enterprise can best protect itself in opposition to the competitive forces. In the

MBV, a competitive advantage can be achieved by performing strategically relevant activities at lower costs than competitors or in a unique way that is valuable to customers (Porter et al., 2004).

2.2.6 The Competitive Strategy Theory

At the most fundamental level, firms create a competitive advantage by perceiving or discovering new and better ways to compete in an industry and bringing them to market, which is ultimately an act of innovation. Innovations shift competitive advantage when rivals either fail to perceive the new way of competing or are unwilling or unable to respond. Companies formulate their strategic position by finding the best defending position against competitive forces, by shifting the balance of the forces to enhance the company's position, and by choosing a strategy for the competitive balance before opponents' movement. Strategic positioning is thus the output of a complex understanding of market structure and conditions that determine the sustainability of firm performance (Petrick et al., 2009).

2.2.7 Theories applied in this Study

The study employed the resource based view, the competitive advantage paradigm as a framework in testing the theoretical relationships between the constructs. There can be significant advantages to early movers responding to innovations, particularly in industries with significant economies of scale or when customers are more concerned about switching suppliers. The most typical causes of innovations that shift competitive advantage are Technologies advancements, shifting of the need of the buyers, the emergence of a new sector, and shifting input costs or availability. The competitive strategy view maintains that resources are the results obtained from the implementation of strategy and/or purchase from the environment. Consequently, resources cannot achieve an independent status about firm performance. The importance of resources is understood only in conjunction with the capability of those resources to support the strategy pursued or the fitness of those resources for a particular industry structure (Pike and Ryan 2004).

2.3 Empirical Literature Review

2.3.1 Relationship between Positioning Strategies and Growth

Robert et al., (2017) offered the link among market orientation, positioning and hotel performance in Ghana's (luxury) hotel sector. It also reports on the joint influence of market orientation and positioning on hotel performance in the same sector. Three hypotheses were investigated on the link between market orientation and hotel performance, positioning and hotel performance, and the joint effect of market orientation and positioning on hotel performance. A survey of star-rated (luxury) hotels in the capital city of Ghana was used. One hundred and five responses were used in the analysis. Descriptive statistics, exploratory factor analysis and hierarchical regression were used to test the three hypotheses. All hypotheses were accepted. Market orientation and positioning jointly affect hotel performance, and the study provides hotel managers with suggestions on how to enhance their performance via market orientation and positioning. Market orientation, positioning, and performance measures focused on management perspectives without including perceptions of customers.

2.3.2 Product Differentiation Strategy

A study by Selamawit in (2017) Effect of Generic Positioning Strategy on Organizational Performance of Pharmaceutical Firms in Ethiopia found that multinational pharmaceutical firms thus tend to pursue the differentiation strategy more than they would cost reduction strategies. These companies are mostly pioneering new drugs in the industry hence tend to focus on strategies that differentiate them from generic companies which pursue vigorous cost reduction strategies.

A study by Gary (2001), positioning, image and the marketing of multiple retailers using survey methodology in the UK found that retailers can compete on price and can insulate themselves from direct price competition through the location. Alternatively, retailers can add value to the basic utility of place through appropriate marketing, through differentiated image, through positioning. The attribute was found to be the key positioning strategy in this study.

A study by Kalafatis et al., (2000), positioning strategies in business markets using a cross-sectional survey methodology in the USA, found that business positioning is predominantly

determined by hard criteria e.g., product feature and relationship-building aspects such as personal contact, other considerations company including structures, geographical coverage, breadth of offerings, degree of integration and location in the distribution chain, also play a crucial part.

2.3.3 Price Positioning Strategy

A firm should have a clear vision on how it intends to position itself in the long-term as opposed to its competitors (Noone, Canina, & Enz 2013). Bolton and Shankar (2003) suggest that comparative price position higher or lower than, or on par with, the competition and price fluctuation comparative to the competition, are two key dimensions of strategic pricing. Alam et al (2001) examined the implication of strategic pricing performance for technical efficiency on airline industry setting. They found evidence of dynamic, route-level, parallel pricing despite highly variable price structures and concluded that in this context their where firms maintain pricing strategies that are volatile yet similar. A study by Xie, & Kwok (2017) studied on the effects of Airbnb's price positioning on hotel performance. The findings confirmed that the significant roles that "price difference" and "price dispersion" play in sharing economy that include supply, demand, and price can provide evidence that is more tangible to the policymakers who wish to control those emerging sectors.

2.3.4 Information Technology Positioning

The use of information technology has received much attention from governments, businesses, and regional organizations or institutions. Even if it has costs that are generated from hardware and software installations, maintenance costs, labor costs, etc. The World Wide Web is a cost-effective means for businesses in the hospitality sector to directly market their offerings to a large customer population across the globe. It is also a very convenient means for the customers to gather information and compare between alternatives in an interactive manner (Hensens et al., 2010). Technological expansion and change are one of the main factors that influence the operation of businesses in general. Information Technology has become more important for hotels to handle their communication with international Customers. They organize reservation of booking of rooms using information Technology. According to Pranicevic, Alfrevic, and

Stumberger (2011), Information Technology (IT) is serving as the basis of information system (IS) it could be considered as using full tools to manage a business in the Hospitality industry. They argued that different marketing and customer relationship management practices can be performed using the internet. This advantage of the information system makes it the basis for the formulation of positioning.

2.4 Conceptual Framework

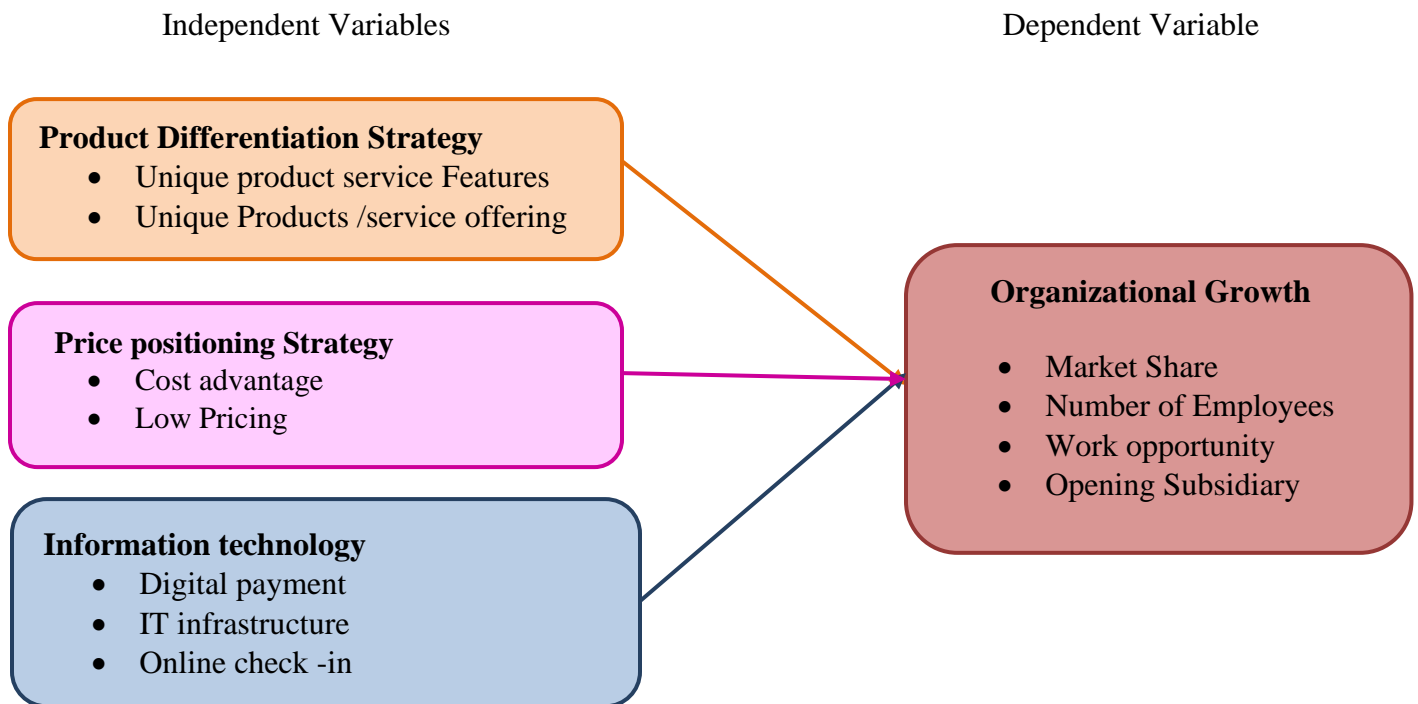


Figure 1 Conceptual Framework

Adapted from Robert et al., (2017) and Bute (2019)

Robert et al., (2017) attempted to systematically investigate the intertwined concepts of market orientation, positioning and performance in a developing economy hospitality context. Positioning is the proactive, deliberate and iterative utilization of market-oriented strategies that modify consumers' perceptions about a hotel's offering. Studies on positioning have focused on positioning strategies, the effectiveness of positioning strategies, the impact of positioning on performance, the link between positioning strategies and market orientation and their joint effect

on business performance. A review of the extant literature proposes that only few publications have studied the combination of market orientation and other strategic orientation relationships.

The dependent variable is some aspect of the subject's behavior assessed to reflect the effects of the independent variable. The dependent variable is the experimental counterpart to a response variable (Neumann, 2007). In this study, the dependent variable is the growth of the hotel sector. Organizations grow for a range of reasons. The first and most straightforward explanation is that growth can result as a by-product of other strategies. As organizations successfully satisfy the needs for their services, this success fosters growth. Second, growth is frequently sought directly because it facilitates the internal management of an organization. Increased surplus resources resulting from growth make it easier to obtain commitment to organizational goals and priorities from various factions and to resolve conflicts between those factions (Mohammed et al., 2021).

The conceptual framework below in Figure 2.1 shows the relationship between variables. The independent variable is market positioning strategy which is operationalized as product differentiation strategy, price positioning strategy, and position according to information technology the dependent variable is organizational growth in which its indicators are market share, the number of employees, an opening subsidiary.

2.5 Hypotheses Development

The major objective of this study was to analyze the effect of positioning strategies on the growth of the hotels in Addis Ababa, to achieve the objectives of this study the hypotheses were product differentiation, price positioning, and information technology positioning Hypothesis were also developed to see the relationship of the independent variables (product differentiation, price positioning, and information technology positioning) and the dependent variable growth of the hotel. The description of both dependent and independent variables with a related hypothesis is discussed below.

2.5.1 Product Differentiations Strategy

Robert et al., (2017) stated that a well-positioned offering may achieve long-term success for its firms. Positioning also allows firms to survive in a turbulent environment, thus influencing the

performance of those firms. There is a positive link between a firm's positioning strategy and its performance. It was reported that a greater performance is linked to high quality positioning. In addition, for a direct link between positioning and firm performance and positioning contributes to a firm's benefit. Positioning is also reported to be a key driver of success in the hotel sector (Mohammed et al., 2021). Thus, this study postulates that:

H₁. Product differentiations strategy has a positive and significant effect on the growth of the star-rated hotels in Addis Ababa.

2.5.2 Price Differentiation and Growth

It is real becoming nowadays marketing is an instrument of differentiation and it can be proven by variety of specialized literature devoted to marketing (Abebaw, 2021). This is basically within fast and intensive development of marketing; tourism is one of the fastest developing and profitable sectors of economics. Marketing is an important tool for any travel institution essential to maintain and improve the profitability of the country as well as companies (Getahun and Dhaliwal, 2017). The differentiation of a product, whether real or perceived, constitutes one such barrier, since it implies an attachment by the consumer to a particular product or brand. For the consumer there may be switching costs which attach to a change in the brand purchased, and these are often considerable. Marketing establishes in the mind of the consumer the existence of intangible differences. It may be a matter of desired characteristics or the whole package of services and attributes which are attached to a product. Branding involves implanting a perception of the product in the consumer's mind which may have no basis in physical characteristics, or it may build a range of intangible benefits upon real physical differences (Mohammed et al., 2021).

H₂. There is a positive and significant relationship between low price positioning and the growth of star-rated hotels in Addis Ababa.

2.5.3 Information Technology Positioning and Growth

E-Marketing is deemed to be broad in scope, because not only refers to marketing and promotions over the Internet but also includes marketing done via e-mail and wireless Media

(Hossain et al., 2020). A firm's positioning would improve if its marketing orientation activities increase. Developing coordinated responses within the hotel and viewing all departments as equally important is critical in creating customer value. In addition to identifying customer needs and collecting information on competitor activities, hotels should disseminate such information to all departments. It is important that all departments be seen as relevant contributors to customer value (Robert et al., 2017).

H₃. Information technology positioning has a positive effect on the growth of star-rated hotels in Addis Ababa.

CHAPTER THREE

RESEARCH METHODOLOGY

1.1 Introduction

This chapter comprises the research design, target population, sampling design and sample size, data collection instruments, data collection procedure, data analysis, and ethical issues.

1.2 Description of the Study Area

This study was conducted in Yeka and Bole Sub Cities in Addis Ababa. Addis Ababa, also spelled Addis Ababa, capital and largest city of Ethiopia. It is located on a well-watered plateau surrounded by hills and mountains, in the geographic center of the country. Addis Ababa is the financial, educational and administrative center of Ethiopia. It is a unique city in East Africa. The city is located almost in the center of the nation in the foothills of Mount Entoto about 2,500 m (8,200 ft) above sea level.

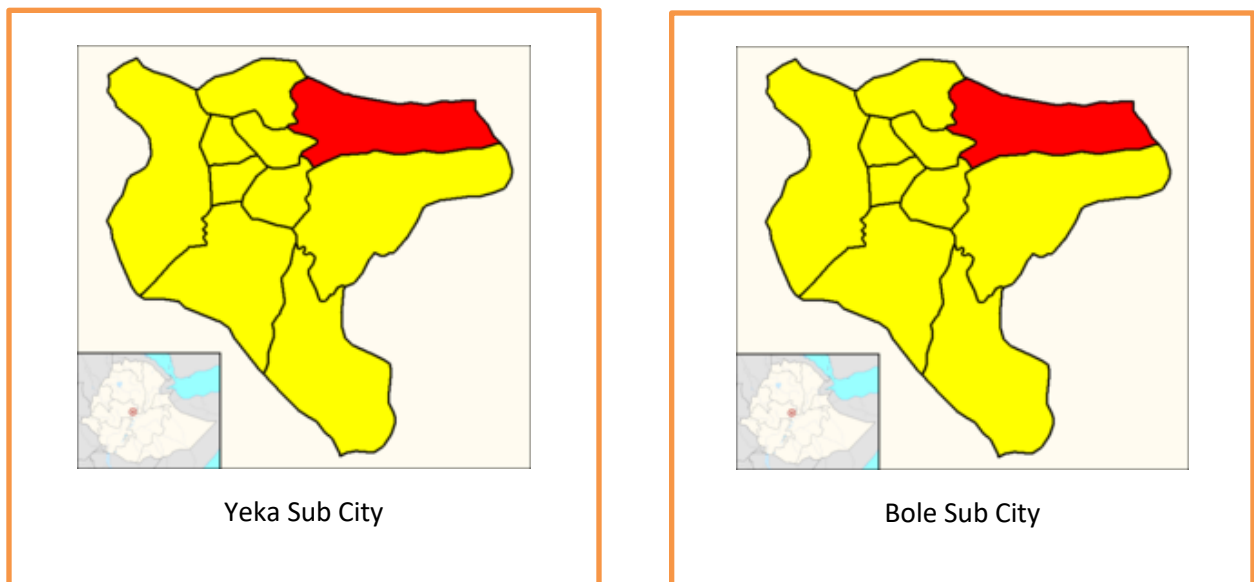


Figure 2 Map of Study Areas

1.3 Research Approach

Research can be classified into three groups including qualitative and quantitative or mixed when the approach to research is considered as the criterion of classification. Qualitative research is more subjective in nature than quantitative research and involves examining and reflecting on less tangible aspects of a research subject, e.g. Values, attitudes, perceptions. Whereas, the emphasis of quantitative research is on the collection and analysis of numerical data; It focuses on measuring the scale, range, frequency etc. of phenomena. Moreover, mixed method combines quantitative and qualitative data collection and analysis within a single study or investigation program (Creswell, 2014).

The methodology applied qualitative approach to examine the effect of positioning strategy on business growth in hotel services sector in Ethiopia particularly in Addis Ababa. It is considered as a research design and method of inquiry that dictates the direction of the collection and data analysis whereby the collection and analysis of data has a mix of quantitative and qualitative research processes. The data analysis for this research has largely been qualitative. This study, therefore, collected and analyzed numerical data and included measuring the scale, range, frequency etc. of phenomena. The study focused on highly detailed and structured and results can be easily collected and presented statistically. Overall, the study employed qualitative research approach.

1.4 Research Design

Explanatory designs try to establish cause-and-effect relationships while descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual, or of a group. There are three types of research design based on the study's purpose: exploratory, descriptive and causal (Creswell, 2014).

This study investigated the effect of positioning strategy on business growth in hotel services sector. Because the research was conducted to test the effect of positioning strategy on business growth and explain the relationships between information technology, position strategy and price strategy and business growth. The study explains the causal relationships among positioning strategy influencing on business growth and to predict the future. It also employed mathematical

models and theories pertaining to consumer behavior and marketing strategy. Besides, the study provided a complete picture of hotel service marketing strategy situation in Ethiopia and explained the buying behavior of hotel industry. Explanatory study is used to explain the relationship between the independent variables, (positioning strategy) and the dependent variable (business growth). The research is cross sectional in a sense that data was collected at one point in time and it applied descriptive and explanatory research designs.

1.5 Data Type and Source of Data

The researcher used both primary and secondary data. Primary data was collected via a semi-structured and structured questionnaire to get adequate and reliable information. The data type was also both quantitative and qualitative type. The other form of data collection was based on interview-based on that a structured interview to enable face-to-face discussion with the respondents.

1.6 Target Population and Sample Size Determination

1.6.1 Target Population

The part of the general population left after its refinement is termed target population, which is defined as the group of individuals or participants with the specific attributes of interest and relevance. Population refers to full set of groups from which a sample is taken (Creswell, 2014). It is a well-defined or set of people, services, elements, and events, group of things or households that are being investigated. Accordingly, population of this study comprised of 132 from selected hotels in Yeka and Bole Sub Cities in Addis Ababa. These hotels are accredited by Ministry of Culture and Tourism of Ethiopia.

1.6.2 Sample Unit

The sample unit of the study was individual employees of the surveyed hotel or organizations.

1.6.3 Sample Frame

The sample frame is the list of elements from which proportional sample size is selected. For the study, recent employees' payroll list (May, 2022) was used to take lists of employees.

1.6.4 Sample Size Determination

The total number of employees booked from each hotel's headquarter included the selected 44 hotels in selected sub cities in Addis Ababa. In order to select the sample of this research of respondent, nominated employees were calculated by using (Yamane, 1973) formula with 95% confidence level. The calculation is accessible as underneath.

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

$$n = \frac{132}{1 + 132 (0.05)^2}$$

$$= 99$$

Where n = number of sample size and N = Total number of study population e= level of confidence to have in the data or degree of freedom which is 95% apply for this study with 5% error.

Table 1 Sample Size by Star Rated Hotels

Hotel rank	Sample size	Percentage
3stars	26	59 %
4 stars	18	41 %
Total	44 Hotels	100%

No	Hotels	Selected Employees	Proportion = 99/132	Samples per Positions
1	Marketing or/and finance managers,	44	0.75	33
2	Marketing or/and business development experts	56	0.75	42
3	Hotel Supervisors	32	0.75	24
Total		132		99

1.6.5 Sampling Techniques

Sampled respondents (employees) have been chosen among the employees of these hotels helping for data collection study. In this study, proportional stratified sampling was employed to hand-picked sampled respondents based on employees' current position. The study assigns hotel's employees based on their current working position as finance and marketing managers, experts and supervisors. Therefore, sample size of the study was 99 sampled respondents in selected two sub cities in Addis Ababa.

This research was limited to only select forty- four-star rated hotels mentioned above and which have been accredited as four and three Stars by Ministry of Culture and Tourism of Ethiopia. Among accredited four star hotels. This is because most of the employees in the four and three star rated hotels and purposive sampling technique was used to select key informants purposely from hotels' managers and concerned employees based on their current position, profession, and experience about the issue.

1.7 Data Collection Technique

The primary data of this study were collected using both questionnaire and interview checklist. The questionnaires were designed to be both close-ended and open-ended. As stated by McNabb (2005), mixed questionnaires have many merits; the most important of this advantage is their considerable flexibility

1.7.1 Questionnaire

Due to the reason the study needs people that have experience on the sector in management or supervision, the needed data for the research was collected through a structured questionnaire. The structure of the questionnaire was clear, easy to understand, and straightforward to ensure that the respondents could answer the questions with no difficulty. Questionnaires were distributed to individuals who have knowledge and understanding of the positioning strategy of the hotels in this case experts, managers, and supervisors were the participants selected. The questionnaires were structured based on those used by Bute (2019), and (seminars, 2010).

About the close-ended questions, a five-point Likert scale was used to provide a range of responses for respondents to determine the level of agreement or disagreement for all specific objectives. The questionnaires were structured into 5 sections ranging from 1 to 5 whereby section 1 collected data regarding the respondent's general information, section 2 was based on the Product and Service Differentiation Strategy variable, section 3 information technology positioning variable, section 4 price positioning variable, and section 5 collected data on organizational growth. In addition, there was an open-ended question after each study variable to enable the respondents to add more information regarding the influence of the independent variable on the dependent variable.

1.7.2 Interview

Interviews were conducted with 10 individuals who had knowledge and understanding of the hotel marketing, strategic management and positioning strategy of the hotels in this case experts, managers, and supervisors were the participants selected. In this study, interviews responses were supported by different documents obtained from records and reports of the industry, from the website, books, articles, and Journals.

1.8 Data Analysis

Data analysis gives compelling reasons to cut back bias and to help the study to create fair analytical conclusions that rule out misinterpretations.

1.8.1 Data Processing

The data obtained from the survey were analyzed by using descriptive statistics; statistical package for social science (SPSS) version 23.0 Software. Statistical Package for Social Sciences (SPSS), data analysis software, was used to analyze the quantitative data.

1.8.2 Descriptive Analysis

As explained within the preceding part, the research is intended to follow, descriptive survey research. To the present end, both qualitative and quantitative analyses were used. Data collected using questionnaires were analyzed through descriptive statistics and were presented by tables, graphs, frequency distributions, and percentages to give a condensed picture of the data. This

achieves through summary statistics, which included the means, standard deviations values that are computed for each variable in this study. Descriptive statistics such as arithmetic mean, frequency distribution, standard deviation and percentages were used to assess the demographic profile of the respondents to make the analysis more meaningful, clear and easily interpretable. Descriptive statistics allowed the researchers to present the data acquired in a structured, accurate and summarized manner.

1.8.3 Correlation and Multiple Regression Analysis

The other analysis method correlation coefficient was used to determine the relationships between variables. In addition, this study used multiple regression to test the causal relationship among that are product differentiation, Information technology positioning, price positioning (independent variables), and business growth (dependent variable) for star-rated hotels located in Addis Ababa. The basic objective of using the regression equation in this study was to make the researcher more effective at describing, understanding, predicting, and controlling the stated variables.

1.8.4 Study Model

The empirical model to be used in the study to test the effect of service quality on customer satisfactions will be presented as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon_i$$

Where:

- Y = Business Growth
- α = The constant
- $\beta_1 - \beta_3$ = Coefficients of independent variables
- X_1 = Product Differentiation Positioning
- X_2 = Price Positioning
- X_3 = Information Technology
- e = error

1.9 Validity and Reliability of the Study

1.9.1 Validity

Validity is the extent to which difference found with measuring instrument reflecting true differences among those being tested. To ensure the quality of the research design content and construct validity of the research will be checked. Construct validity establishing correct operational measures for the concepts being studied (Bute, 2019). The literature review was conducted and thoroughly examined to make sure that the content of measuring is relevant to the study. Experts who are specialized knowledge and experience on marketing, operation services, customers' management and managers' opinion will be taken.

1.9.2 Pre-testing Study

A pre-testing survey was conducted on 10 respondents prior to administrating the questionnaire to the selected sample size. This survey was conducted to check if the questionnaire is clear, easy to understand and straightforward to ensure that the respondents could answer the questions with no difficulty. Based on the feedback from this survey, necessary changes were made on the questionnaire before administering to the selected sampled respondents. On employees demographic characteristics like religion were dropped and questions related to perceived quality of services were dropped complete.

1.9.3 Measures of Reliability Test Results

Comparisons of various conclusions made by various studies were carefully examined. To keep the reliability, the researcher chose all respondents which are related to the issue. The number of Likert scale questions associated with each item together with their corresponding Cronbach's α value is presented in Table below. Cronbach's alpha reliability (Cronbach, 1951) is one of the most used measures of reliability in the social and organizational sciences. Cronbach's alpha reliability describes the reliability of a sum (or average) of q measurements where the q measurements may represent quarters, occasions, alternative forms, of questionnaire/test items. The closer Cronbach's Alpha to 1.0, the higher the internal consistency reliability (Sekaran, 2003)

Table 2 Cronbach's Alpha Results Variables

Variables	Item	Cronbach's Alpha
Product differentiation	5	0.894
Information technology positioning	4	0.882
Price positioning	5	0.760
Business growth	5	0.881

SPSS Output - Survey Result, 2022

As shown in the table below, the variables under study, for all constructs are confirmed as greater than 0.70, which shows a good and acceptable 4 reliability respectively. Therefore, it can be concluded that the items are well correlated with each other and show good reliability and consistency. The results indicate Information technology positioning had reliability $\alpha= 0.882$, product differentiation strategy scored $\alpha=0.894$, Price positioning tested as $\alpha=0.760$, and organization growth scored as $\alpha=0.881$. This means that the data collection instrument of the study was more reliable because of the higher score in reliability.

1.10 Ethical Considerations

When questionnaires are distributed to respondents, first inform the introduction part of the paper about the title and objective of the study. Besides developing respondents' confidence, they have been informed that their responses be kept confidential, and the information uses only for academic purposes.

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION OF RESULTS

4.1 Introduction

This chapter comprises data presentation, analysis, and interpretation of the study. Their main purposes are to present, analyze, and interpret survey findings by using different statistical techniques. The analysis and discussions were done within the understanding of research objectives which include investigating the effect of strategic positioning on the growth of star-rated hotels in Addis Ababa. Findings of the study and the process through which the results were obtained are also presented in this section. This includes background information of respondents, descriptive analysis, correlation analysis, and regression analysis.

4.2 Response Rate

The study targets to distribute a total of 99 questionnaires to hotel managers, supervisors, and experts.

Table 3 Response Rate by Job Position

No	Hotels	Distributed	Returned	%
1	Marketing or/and finance managers,	33	26	79%
2	Marketing or/and business development experts	42	37	88%
3	Hotel Supervisors	24	20	83%
Total		99	83	84 %

Survey Result, 2022

Accordingly, this study found that 83 questionnaires were repaid, of which 16 questionnaires were discarded or rejected because of missing data & improper response. Therefore, the numbers of usable questionnaires were 83 and as a result, the response rate was 84 %.

4.3 General Characteristics of Respondents

The general information of the respondents has four types or categories which are the respondent's gender, age, academic level, and work experience.

Table 4 Demographic Characteristic of Respondents

Variables	Category	Frequency	Percent (%)
Gender	Male	59	71.1
	Female	24	28.9
	Total	83	100
Age	Less than 25	11	13.3
	25-34 years old	24	28.9
	35-44 years old	36	43.4
	45 and above	12	14.5
	Total	83	100
Academic level	Less than Degree	5	6.0
	Degree	41	49.4
	Doctoral /PhD	2	2.4
	Masters	35	6.0
	Total	83	100
Work experience	Less than 5 years	17	20.5
	5-10 years	34	41.0
	11-15 years	13	15.7
	Above 15 Years	19	22.9
	Total	83	100

Source: Researcher Survey Result, 2022

The information below was used to give insight on gender, age, category, and work experience of the respondents presented in Table 4.1. According to the result of this study, 83 respondents that represented 71.1% of the respondents were Male whiles 59 representing 28.9% of the Respondents were females. This indicates a higher number of males in the distribution. The disparity between the number of male and female respondents is wide.

When we show that the age of the subjects 11, (13.3%) of the respondents were less than 25 years; 24, (28.9%) of them were between 25 -34, 36 (43.4%) of them were between 35-44 years and 12 (14.5%) of them were above 45. looking at this table at a peek one would realize the variety of age group of the participants of this study has indeed contributed to the quality of opinions gathered.

The response on the educational level of respondents is summarized in the above table. Out of the total respondents, 49.4 % had bachelor's degrees. Those who had masters were 42.2%, 2.4% of the respondents had Ph.D. 6% of the respondent's education level was blown bachelor's degree. This shows the education level of the research sample is significantly good. It indicates they can give a valid response to the questions raised because most of the respondents have at least a first degree. The high knowledge level of respondents helped the researcher in getting good, well-informed, and quality responses from respondents.

Another demographic measure used in this study is the work experience of the respondents. The study established that the majority (41%) of the respondents had a work experience of more between 5 to 10 years, 22.9% of the respondents had a work experience of more than 15 years, 15.7 of the respondents had between 11-5 years of experience and 20 % of the respondents have less than 5 years of work experience in the field.

4.4 The Level of Positioning Strategies of Hotels in Addis Ababa City

The results below show the descriptive statistics results of corresponding 83 total responses of three independent variables which could potentially influence the growth of star-rated hotels in the city, the Descriptive statistics included mean and standard deviation to present the results of the quantitative data that were generated using Statistical Package for Social Sciences (SPSS) 2020. The data in Table 4.2 presented the overall means of all items influencing the growth of star-rated hotels accordingly, the highest overall mean score (20.80) is associated with product differentiation, meaning that hotel managers, supervisors, or owners tend to agree with the statements relating that product differentiation is influencing their hotel growth.

4.4.1 Product Differentiation

Product differentiation was assessed by 5 questions in the survey.

Table 5 Responses on Product Differentiation

Variables	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree	
	N	%	N	%	N	%	N	%	N	%
The statements below relate to the effect of product and service differentiation strategy on the growth of hotels	12	15%	29	35%	11	13%	25	30%	6	7%
The hotel emphasizes providing a unique product and service to differentiate itself from competitors.	25	30%	28	34%	5	6%	18	22%	7	8%
The hotel includes buyer desired attributes into its products and service offering to improve the growth of the hotel	36	43%	18	22%	3	4%	19	23%	7	8%
The hotel creates a unique position in the market through the provision of goods or services that are valued for their uniqueness which suits the needs of customers.	20	24%	38	46%	5	6%	17	21%	3	4%
The uniqueness of the product and service of the hotel allows it to charge higher prices than its competitors.	14	17%	29	35%	6	7%	32	39%	2	2%
Mean									2.529	
SD									0.789	

Source: Researcher Survey Result, 2022

The respondents of this study were asked regarding the first independent variables of Product differentiation on the growth of the hotel. As shown by a grand mean 2.529 with a significant variance of .789 respectively. A study by Akpoyomare *et al.* (2013) establishing appropriate positioning of products enables the organizations to get new customers in a quick period and

enhances the link between the customer and firm brand with time. This indicates that the product differentiation strategy of the hotels has a significant effect on the growth of star-rated hotels.

4.4.2 Information Technology Positioning

Table 6 Responses on Information Technology Positioning

Variables	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree	
	N	%	N	%	N	%	N	%	N	%
The statements below relate to the effect of Positioning according to technology advancement on the growth of hotels	61	74%	18	22%	0	0%	2	2%	2	2%
The use of social media or other technological methods as an advantage for customers' check-in and for providing feedback help the hotel to get more customers.	51	61%	25	30%	1	1%	4	5%	2	2%
The hotel uses Wi-Fi infrastructure that allows customers to use digital equipment that goes into a typical conference room and other parts of the hotel as an attractive way to get more customers.	44	53%	31	37%	4	5%	0	0%	4	5%
Digital payment systems and conference facilities for customers allow the hotel to get more customers.	40	48%	29	35%	5	6%	5	6%	4	5%
Mean									1.61	
SD									0.625	

Source: Researcher Survey Result, 2022

Information technology positioning was assessed by three questions According to most of the respondents provide an agreement on the usage of information technology as one of the strategies that are weak application in their marketing strategies. According to the majority of the interview responses, these hotels mostly used for office information transactions, accounting purposes and the result was shown by an average or grand mean score of 1.61 with a significant

variance of .625 respectively. This is basically for quality improvement to cost reduction in major operation management activities. According to Melville, Kraemer & Gurbax ani, (2004), information technology is valuable, offering an extensive menu of potential benefits ranging from flexibility and productivity enhancement furthermore they suggested that the synergies result in short-lived competitive advantage.

4.4.3 Low Price Positioning Strategy

Table 7 Responses on Price Positioning

Variables	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree	
	N	%	N	%	N	%	N	%	N	%
The hotel uses low price approaches to increase its market share.	36	43%	13	16%	18	22%	9	11%	7	8%
Differentiated pricing strategy helps the hotel to gain a competitive advantage	29	36%	29	36%	8	10%	9	11%	5	6%
The hotel offers its customers high-quality service at a low price compared to competitors.	39	47%	18	22%	6	7%	9	11%	11	13%
The price the hotel uses is credible /believable compared to the service and the product the hotel delivers	27	33%	14	17%	6	7%	26	31%	10	12%
The hotel uses a low-price approach to gain a higher market share compared to its competitors.	28	34%	40	48%	8	10%	3	4%	4	5%
Mean									2.266	
SD									0.945	

Source: Researcher Survey Result, 2022

The third objective required to establish how a lower price positioning strategy influences the growth of the hotels variable Lower price positioning in the survey were assessed by 5 questions according to the survey result the respondents provide an average score or grand mean of 2.266 with a significant variance of .945. A study by Shaw, M. (1991) implies that the positioning decision can be especially important for incremental sales consideration. Even lowering a price, if it is within the positioning threshold, can increase revenues in the short run.

4.4.4 The Growth of Hotels

Table 8 Responses on Growth of Hotels

Variables	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree	
	N	%	N	%	N	%	N	%	N	%
Market positioning strategies direct the hotel to increase its share in the market	22	27%	10	12%	17	21%	25	30%	9	11%
Market positioning strategies direct the hotel to generate additional income.	26	31%	6	7%	12	15%	23	28%	16	19%
Market positioning strategies direct the hotel to increase the number of employees and create new work opportunities.	13	16%	4	5%	11	13%	26	31%	29	35%
Market positioning strategies direct the hotel to open another branch.	14	17%	1	1%	17	21%	22	27%	29	35%
	20	24%	4	5%	14	17%	25	30%	20	24%
Mean									3.37	
SD									1.001	

Source: Researcher Survey Result, 2022

The results in Table 8 show that the sampled respondents believed or agreed that the business growth of the hotels were in good position in Addis Ababa as exposed by aggregate score or grand mean of 3.37 with significance variance of 1.001. The surveyed respondents agreed that market positioning strategy clues to rise in number of branch network of Hotels as shown. These were shadowed by the statements that market positioning strategy leads to increase in market of Hotels in and that market positioning strategies leads to increase in number of employees of Hotels. Bute (2019) perceived that it is serious for these hotels to create the market features both in positioning and development strategy based on the features of the customers in that market and those whom they are competing with.

4.5 Correlation Analysis: the Relationship between the Study Variables

In this study, Pearson's correlation coefficient was used to determine whether there is a significant relationship between the 3 items considered to influence organizational growth.

Table 9 Pearson's Correlation Coefficient Test Results

		Product differentiation	Information technology positioning	Price positioning	Business Growth
Product differentiation	Pearson Correlation	1	.294**	.170	.537**
	Sig. (2-tailed)		.007	.125	.000
Information technology positioning	Pearson Correlation		1	.238*	.407**
	Sig. (2-tailed)			.030	.000
Price positioning	Pearson Correlation			1	.513**
	Sig. (2-tailed)				.000
Business Growth	Pearson Correlation				1
	Sig. (2-tailed)				

** . Correlation is significant at the 0.01 level (2-tailed).
* . Correlation is significant at the 0.05 level (2-tailed).

Source: SPSS Output - Survey Result, 2022

Table 9 above indicates that there is a significant positive relationship between the items ranging from weak to moderate in magnitude. The positive associations exist that indicate that an increase in hotels growth towards one of the items affects other items. Accusation between a dependent variable with independent

As shown in the table above the coefficient of correlation between product differentiation and business growth is 0.537. It shows that there is a strong and positive relationship between them. The relationship is significant at a 0.01 level of significance. This implies that good product

differentiation has a positive influence on the growth of the hotel. In line with study, Bute (2019) found similar result correlation between product differentiation and business growth is positive and significant.

The coefficient of correlation between information technology and organizational growth of the hotel sector for star-rated hotels is 0.407. The above table reveals that there is a relationship between the growth of the hotel and the use of information technology. The relationship is significant at 0.01 level of significance. Similarly, the correlation between information technology and organizational growth of the hotel sector for hotels is positive as per Robert et al., (2017).

The other variable employed in the study was price positioning. The coefficient of correlation between Price positioning and organizational growth was 0.513. It shows that there is a positive relationship between them, but the relationship is not as strong as the other two variables. The relationship is significant at 0.01 level of significance. In line with study, Bute (2019) found similar result correlation between pricing and business growth is positive and significant.

4.6 Regression Analysis

The study carried out a regression analysis to establish the degree to which independent variables (product differentiation strategy, information technology, and price positioning strategy) influenced the dependent variable (Business Growth). In the model organizational growth was considered as the dependent variable and the three variables were considered as independent variables.

4.6.1 Assumption Diagnosis Results

Efforts have been conducted to test normality, multicollinearity, autocorrelation and test for average value of the error term are found in appendices part; next to the data collection instrument in this study. It embraces the data was normally distributed with no Multicollinearity and autocorrelation problems (Frost, 2017).

Multicollinearity Test

Table 10 Result of VIF Test Result Analysis

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Product differentiation	.903	1.108
	Information technology positioning	.877	1.140
	Price positioning	.932	1.073

Source: SPSS Output - Survey Result, 2022

The Variance inflation factor (VIF) was tested in all the analysis which is not a cause of concern according to Stephanie (2018) who indicated that a VIF greater than 10 is a cause of concern. The simple assumption is that the error terms for different observations are uncorrelated (lack of autocorrelation).

Normality Test

The present study employed the descriptive statistic of Kurtosis and Skewness statics calculation and demonstrates that the distribution is normal because Kurtosis and Skewness are in between - 2 and +2, thus data is normally distributed and had a reasonable variance to use subsequent analysis.

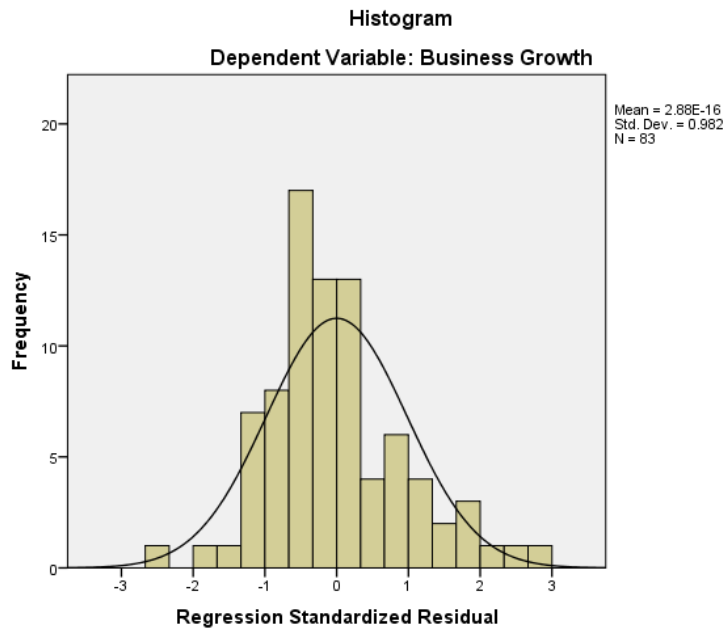


Figure 3 Histogram

Source: SPSS Output - Survey Result, 2022

From the finding on the histogram test on normality, the study found that significance in both test were less than 0.05 which is leads to the rejection of the null hypothesis that that data on the all variables were not normally distributed this is an indication that data on the variables were normally distributed.

Test for Autocorrelation

To test the occurrence of autocorrelation, the well-known Durbin-Watson Test was employed in this study. The nonexistence of independence is commonly named autocorrelation if the observations have a natural sequence in time or space. Assumption that is made of the multiple linear regressions disturbance terms is that the covariance between the error terms over time (or cross-sectional, for that type of data) is zero. The Durbin-Watson statistic is 1.546, representing that the residuals are uncorrelated; therefore, the independence assumption is met for this analysis.

Table 11 Result of Durbin-Watson

Model Summary^b	
Durbin-Watson	
	1.546

Source: SPSS Output - Survey Result, 2022

4.6.2 Regression Test Results

The first table of interest is the model summary (Table 12). This table offers the R, R², adjusted R², and the standard error of the estimate, which can be used to determine how well a regression model fits the data:

Table 12 Model Summary Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.710 ^a	.504	.485	.90435	1.020

a. Predictors: (Constant), Price positioning , Product differentiation , Information technology positioning

b. Dependent Variable: Business Growth

Source: SPSS Output - Survey Result, 2022

Predictors: (Constant), product differentiation strategy, information technology, and price positioning strategy the three independent variables (product differentiation strategy, information technology positioning, and low-price positioning) that were studied, explain 50.4 % of the business growth of hotels as represented by the adjusted R square. Therefore, therefore, means that other factors not studied in this research contribute 49.6% of the organizational growth.

Table 13 ANOVA Test Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	65.631	3	21.877	26.749	.000 ^b
	Residual	64.610	79	.818		
	Total	130.241	82			

a. Dependent Variable: Business Growth

b. Predictors: (Constant), Price positioning , Product differentiation , Information technology positioning

Source: SPSS Output - Survey Result, 2022

That is change towards a low-price positioning strategy will influence the growth of the hotel.

The value 0.000^a shows the significance level is less than 0.05 showing a statistical significance

of the model on how product differentiation strategy, information technology, and price positioning strategy influenced the growth of the hotel industry in the city.

Table 14 Multiple Regression Test Results

Model		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.317	.361		.878	.383
	Product differentiation	.466	.094	.413	4.957	.000
	Information technology positioning	.197	.087	.191	2.253	.027
	Price positioning	.419	.086	.398	4.848	.000

a. Dependent Variable: Business Growth

Source: SPSS Output - Survey Result, 2022

$$OG = 0.317 + 0.466X_1 + .167X_2 + .419X_3 + e$$

Where OG = Organizational Growth

- X1= Product Differentiation Strategy
- X2= Information technology positioning Strategy
- X3= lower price positioning strategy
- e= error

The β coefficients correspond to product differentiation strategy, which indicates that there is a positive relationship between the growth of the hotel and the product differentiation strategy of the hotels. That means a change towards product differentiation strategy will influence the growth of the hotel. The β coefficients correspond to information technology positioning which indicates that there is a positive relationship between the growth of the hotel and product differentiation strategy. That is, change towards information technology positioning strategy will have an influence on the growth of the hotel. The β coefficients correspond to low price positioning, which indicates that there is a positive relationship between the growth of the hotel and product differentiation strategy.

Based on the results of the regression analysis, for Product Differentiation Strategy 0.0001 the result implies that significantly associated with organizational growth (p-value < 0.05). That is, organizational growth is influenced by product differentiation strategy. In line with this study, Bute (2019) found the same result; it indicated that companies accepting a differentiation strategy pursue to generate value through consumer loyalty and well-articulated image which they attain through brand image, advertising and marketing concentration, originality, approach, and exceptional distribution channels

Established to the results of the regression analysis, for Information technology positioning strategy 0.027 the result implies that significantly associated with organizational growth (p-value < 0.05). That is, organizational growth is influenced by information technology. In line with this study, Mohammed et al., (2021) found that information technology along with are better supportive and accommodating relationships among customers.

This study found that or the results of the regression analysis, for Low-price positioning strategy 0.27 the result implies that significantly associated with organizational growth (p-value < 0.05). That is, organizational growth is influenced by price positioning strategy. Bute (2019) found the same result as firm units out to emerge as the low value manufacturer in its enterprise in cost leadership strategy. The resources of price benefit are numerous and depend upon the structure of the enterprise and the business focuses only on a certain section of the market.

4.7 Analysis of Qualitative Data

4.7.1 Product differentiation approach

the respondents have that a differentiation approach permits the industry to speak the precise functions of their products and create a position for the product and service. It builds on the unique characteristics of a product and the service they have delivered. The hotel industry analyzes the product and compares it with comparable merchandise presented by way of competitors. most of the hotels construct their reputation whilst using a differentiation approach These hotels market their brand and their business operations by communicating their past successes as an indication of the company's current and future performance.

4.7.2 Low- Price positioning strategy

The respondents of this study were asked their opinion about lower price positioning for the hotel growth some of the respondents responded that by charging a lower price according to the seasons and using subsidies' that produce raw materials products for the day-to-day activity of hotels were able to maintain their profits and expand its market share furthermore the respondents highlighted that the hotel's flexibility when dealing with different situations such as covid 19 has attracted a customer that needs higher levels of service by a low price. the pandemic highly affects the sector while the hotel's sector may find it difficult to respond. Others disagreed that the low-price approach wouldn't benefit the hotels rather it has put them to experience loss and minimize the number of employees they have due to the covid pandemic, other respond confirmed that their hotel uses standard pricing such as high-quality service with high pricing strategy.

4.7.3 Information technology as a positioning strategy

Most of the respondents from their experience agreed on the positive impact of technological advancement on the growth of the hotels one of the frequently mentioned technologies that have contributed to the sector is online booking apps the respondents have agreed on the significant change in the hotel's income and customers number after the start of using this technology's also the respondents have mentioned that the IT infrastructure has captured the attention of forging and local hotel customers.

4.8 Hypothesis Testing and Interpretation of the Results

This study aims to find out the effect of positioning strategy on star-rated hotels This section presents the results of the study indicated by statistics, using regression analysis and the effect of each independent variable tested is discussed and analyzed. The results show that there is a significant relationship between independent variables such as Product Differentiation Strategy, Information technology positioning Strategy, lower price positioning strategy, and the dependent variable. Even though most of the hypotheses are supported, the study found that there is a weak relationship between low price positioning and organizational growth. The hypotheses testing based on regression model output is discussed below.

Hypothesis 1

The regression result shows a positive relationship between organizational growth and product differentiation, with a regression coefficient of 0.537 and P-value of 0.001 means that the chances are only 1 in a thousand. The choice of significance level at which rejects the null hypothesis is random. , Conventionally, $p < 0.05$ is referred to as statistically significant and $p < 0.001$ as statistically highly significant. This indicated product differentiation has a 0.466 beta coefficient, which shows that if product differentiation is increased by 100%, organizational growth in the hotels will be increased by 40.8% by controlling other factors constant. Since the beta coefficient of relevance has a large magnitude of positive signs, it has a positive effect on the growth of the hotels. Thus, the regression analysis results show that product differentiation has a great influence on the growth of hotels. Therefore, the H1 hypothesis is accepted. In line with this study, Bute (2019) and Abebaw (2021) found the same result. Positioning provides a structure to build and coordinate element of marketing mix to implement the positioning strategy as they put in place right strategies, such as differentiation, to meeting the customers' expectations. Differentiation strategy was found to be very important for especially those operating on off grid (Getahun and Dhaliwal, 2017).

Hypothesis 2

The regression result shows a significant positive relationship between organizational growth and Information technology positioning strategy, with a regression coefficient of 0.407 and P-value of 0.027. This indicated relevance has a 0.197 beta coefficient, which shows that if Information technology positioning is increased by 100%, organizational growth in the hotels will be increased by 31.8% by controlling other factors constant. Since the beta coefficient of relevance has a large magnitude of positive signs, it has a positive effect on the growth of the hotels. Thus, the regression analysis results show that Information technology positioning strategy has a great influence on the growth of the hotels. Therefore, the H1 hypothesis is accepted. In line with this study, Mohammed et al., (2021) found the same result. It was found that cutting edge technology was helping hotels in achieving a sustainable competitive advantage. The study found that resource-based view in hotels was highly influencing the achievement of a sustainable competitive advantage.

Hypothesis 3

The regression result shows a significant positive relationship between organizational growth and lower price positioning strategy, with a regression coefficient of 0.513 and P-value of 0.001. This indicated relevance has 0.419 beta coefficient, which shows that if Information technology positioning is increased by 100%, organizational growth in the hotels will be increased by 28.2% by controlling other factors constant. Since the beta coefficient of relevance has a large magnitude of positive signs, it has a positive effect on the growth of the hotels. Thus, the regression analysis results show that Information technology positioning strategy has a great influence on the growth of the hotels. Therefore, the H3 hypothesis is accepted. In line with this study, Mohammed et al., (2021) found the same result. Any Pricing Strategy which do not replicate to the organizational goals is detrimental to it performance. The results are in line with the findings of Bute (2019) where a firm charge comparatively lower price to its competitors, its overall performance is well-enriched.

Summary of the Hypothesis

To discover whether there is a relationship between positioning strategies used (product differentiation strategy, information technology, and low-price positioning) and the growth of the hotels by analyzing the relationship of every construct in the theoretical framework constancy to provide the outcome measures for the hypotheses. The following hypothesis was derived and tested. The assessments made on the dimensions were made by analyzing the independent variables i.e., Differentiation, low-price poisoning, and information technology, and the dependent variable i.e., growth using correlation and regression analysis.

Table 15 Summary of Hypothesis

Variables		Beta	r	Sig.	Hypothesis Decision
Product differentiation	H1. product differentiations strategy has a positive and significant effect on the growth of the star-rated hotels in Addis Ababa.	.466	.537	.000	Supported

Information technology positioning	H2. There is a positive and significant relationship between low-price positioning and the growth of star-rated hotels in Addis Ababa.	.197	.407	.027	Supported
Price positioning	H3. Information technology positioning has a positive effect on the growth of star-rated hotels in Addis Ababa.	.419	.513	.000	Supported

Source: SPSS Output - Survey Result, 2022

CHAPTER FIVE

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the findings, conclusions, recommendations, and recommendations for further studies.

5.2 Summary of Key Findings

This study revealed that

- The correlation analysis the coefficient of correlation between product differentiation and business growth is 0.537 and the results of the regression analysis, for Product Differentiation Strategy, .0001, the result imply that significantly associated with organizational growth (p-value < 0.05).
- The correlation analysis the coefficient of correlation between information technology and business growth of the hotel sector for star-rated hotels is 0.407 and the regression result found that Information technology 0.027, has significantly associated with business growth (p-value < 0.05).
- The association analysis the coefficient of correlation between Low-price positioning strategy and business growth is 0.513 and the results of the regression analysis, for Low-price positioning strategy, .0001, the result imply that significantly associated with business growth (p-value < 0.05).

5.3 Conclusion

In this age of technology, business competes in a complex and challenging environment that is being transformed by various factors such as uncertain and constant changes in the use of information technology and globalization. Thus, achieving desired growth is a key preoccupation of managers in the slow growth and competitive markets that characterize many sectors of the economy. Thus, this study concluded that the level of effect of positioning strategies has on the growth of star-rated Hotels in Addis Ababa is positive and significant. This is because positioning is scrutinized as a strategic plan of action that may include positioning the company so that its capabilities provide the best defense against the competitive force or influencing the balance of the forces through strategic moves

Based on previous theories and research regarding positioning and its outcomes, this study shows that there is a clear association between using positioning strategies and growth, which helps to deeply understand the relationship and interaction between positioning strategies used and hotel growth. The finding of the study support that there is a positive effect on the use of positioning strategies and the growth of star-rated hotels.

For product differentiation strategy the study concludes that product differentiation in the hotel industry is the key to nourishing long-term business growth, a hotel could attract more customers by providing services that meet that is the need of the customer and by creating unique service and product that is aware of the customers need and desire and that varies bestowing to the consumer to ensure the customer is happy with the outcome.

For Low price positioning, the study concludes that Low price positioning gives the product a unique selling proposition and makes that product stand out from its competitors, this strategy help could help the hotels to provide benefit to their customers and they could get the advantage of customers who consistently compare prices and search for the best deal.

For information technology, the study concludes that information technology has a vital role in gating new customers and reducing costs, enhancing operational efficiency, and improving services and customer experience.

5.4 Recommendations

- This study recommends product differentiation that the hotel industry should ensure quality services that could create calmness and tranquility for customers, comfortable environments that enable customers to use the services such as restaurants and bars, fitness centers, and a range of well-designed rooms and suites that differ from other competitors. Moreover, the hotel industry could create a package that motivates customers to be chosen from other competitors by their unique offerings.
- On low - price positioning that study recommends by using low price strategy could be able to increase efficiency, taking advantage of economies of scale, adding to that, a unique selling proposition, and making that product or service hotels could fend off the competition.
- Service organizations including hotel firms successful in implementing information technology and developing a good positioning strategy stand the greatest chance of outperforming their competitors. Hotels should therefore identify and implement well integrated information technology first before considering positioning strategy. When these information systems are properly implemented, hotels will benefit from more satisfied and retained customers.
- According to the use of information technology, the study recommends that hotels in Addis Ababa ensure the providing IT infrastructures that could be accessed by customers such as digital payment online booking, Wi-Fi infrastructure, Digital conference facilities, Mobile communication, Smart room keys...etc. familiarizing with new technologies that are introduced in the hotel sectors globally.
- Firms should grasp all presently available opportunities but envisage or forecast when the demand diminish in comparison to supply, star hotels are encouraged to look beyond the current contracts or market and innovatively create new products to offer better hotel services and market and probably think global level.
- Positioning involves critical thinking of how to best compete in highly competitive market while acquiring the competitive advantages which in the end enhance the overall organizational performance; hence firms may involve in other strategists that are out to creatively come up with other products and services to enhance the companies' positioning as well the overall performance

5.5 Recommendation for Further Research

The study has engaged in how positioning strategy affects the growth of star-rated hotels in Addis Ababa growth using three variables product differentiation, low price positioning, and IT positioning. Hence, the study suggests that further studies need to be carried out focusing on other variables that have not been studied (including customer orientation, competitor orientation, inter-functional coordination, brand name, top of the range, attractiveness, customer satisfactions, quality, top management support, leadership, communications) to find out the extent to which they influence the growth of hotel industries in the city of Addis Ababa.

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APPENDIX

APPENDIX I: QUESTIONNAIRE

Dear Sir/ Madam,

Re: Request for Participation In The Research Study

As part of my MBA research thesis at the Addis Ababa university am currently carrying out a study on the Effect of positioning on the growth of the hotel's sector: In the case of star-rated hotels in Addis Ababa city. This questionnaire is meant to gather information on the effect of positioning strategies on the growth of hotels located in Addis Ababa city.

I will be very delighted if you spare some of your time to complete the attached questionnaire. Kindly note that all information will solely be used for academic purposes; hence, will be treated with the utmost confidentiality. Besides, your name and identity will not appear anywhere in the report.

Thank you for your cooperation.

Yours faithfully,

Kidist Berhanu

Instruction: For the close-ended question Please use tick mark (√) or mark (X) in the boxes provided to choose from the options given and for the open-ended question use the blank space provided.

Section 1: Background Information

1. Indicate your Gender: Male Female

2. Age:

Less than 25 years 25 – 34 Years 35 – 44 Years 45 years and above

3. Indicate your highest level of education:

Diploma Post Graduate Diploma Bachelor’s Degree Master’s Degree

Other (Specify).....

4. Indicate your work experience:

Less than 5 years 5-10 years 11- 15 Years Above 15 Years

Section 2: Product and Service Differentiation Strategy

Hereunder are Supplied five options corresponding to the below statements:

Key: Strongly agree, Agree, Uncertain, Disagree, Strongly Disagree

Items	Scales				
	1	2	3	4	5
The statements below relate to the effect of product differentiation strategy on the growth of hotels					
The hotel emphasizes providing a unique product and service to differentiate itself from competitors.					
The hotel includes buyer desired attributes into its products and service offering to improve the growth of the hotel					
The hotel creates a unique position in the market through the provision of goods or services that are valued for their uniqueness which suits the needs of customers.					

The uniqueness of the product and service of the hotel allows it to charge higher prices than its competitors.					
The uniqueness of products and services brings a high customer loyalty and attraction.					
Positioning according to Information Technology - The statements below relate to the effect of Positioning according to technology advancement on the growth of hotels					
The use of social media or other technological methods as an advantage for customers' check-in and for providing feedback help the hotel to get more customers.					
The hotel uses Wi-Fi infrastructure that allows customers to use digital equipment that goes into a typical conference room and other parts of the hotel as an attractive way to get more customers.					
Digital payment systems and conference facilities for customers allow the hotel to get more customers.					
Price positioning strategy The statements below relate to the effect of price Positioning on the growth of hotels					
The hotel uses low price approaches to increase its market share.					
Differentiated pricing strategy helps the hotel to gain a competitive advantage					
The hotel offers its customers high-quality service at a low price compared to competitors.					
The price the hotel uses is credible /believable compared to the service and the product the hotel delivers					
The hotel uses a low-price approach to gain a higher market share compared to its competitors.					
The statements below relate to the growth of hotels					
Market positioning strategies direct the hotel to increase its share in the market					
Market positioning strategies direct the hotel to generate additional income.					
Market positioning strategies direct the hotel to increase the number of employees and create new work opportunities.					
Market positioning strategies direct the hotel to open another branch.					

Please provide your opinion on how product differentiation impacts the growth of the Hotel.

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Please provide your opinion on how technology has affected the growth of the Hotel.

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Please provide your opinion on how to price positioning affected the growth of the Hotel.

.....
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Thank you!

Appendix Ii: Interview Checklist

Please provide your opinion on how product differentiation impacts the growth of the Hotel.

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.....

Please provide your opinion on how technology has affected the growth of the Hotel.

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.....
.....

Please provide your opinion on how to price positioning affected the growth of the Hotel.

.....
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Thank you!

Appendix III: List of sampled hotels in Addis Ababa

No	Name of hotel	Star	Number Rooms of	Number of beds	Telephone number	Email
1	Ramada Addis	4	136	156	116393939	944731953
2	Sapphire Addis	4	129	136	0116393907/ 0116173710	0911368219/0955422365
3	Azzeman Hotel	4	80	104	-	0911302591/0939767676/
4	Best Western Plus	4	160	172	251116-671414/ 671130	0978727272/0911644343
5	Magnolia	4	86	98	011 6393777	911245602
6	Debre Damo Hotel	4	102	102	115509828	reservation@debredamohotel.com
7	Dreamliner Hotel	4	96	110	011 467 4000-7	
8	Friendship Hotel	4	104	104	116670201	Marketingmanager@dreamlinerhotel.com
9	Harmony Hotel	4	150	176	116183100	marketing@friendshiphotel.com.et
10	Intercontinental Hotel	4	151	190	011 550 5066	
11	Jupiter Int. Hotel (Bole)	4	40	52		info@harmonyhotelethiopia.com
12	Momona Hotel	4	60	80	0116672201/07	
13	Nazra Hotel	4	24	27	114674465	reservation@intercontinentaladdis.com
14	Nexus Hotel	4	66	66	111112345	
15	Saromaria Hotel	4	87	87	01116672167/75	info@jupiterinternationalhotel.com
16	Sarem International Hotel	4	43	62	011262087/ 0911518807	reservation@momonahotel.com
17	Washington Hotel	4	70	85	911855738	If0@nazra hotel. Com, j/; JH mj
18	Tegen Guest Accommodation Hotel	4	32	64	011 618 2870	Info@nexusaddis.com
19	Addis Regency Hotel	3	33	41	913141583	
20	Addis View Hotel	3	18	23	111249766	info@saromariahotel.com/ reservation@saromariahotel.com
21	Addissinia Hotel	3	60	60	911511569	
22	Caravan Hotel	3	37	37	911522744	reservation@saremhotel.com'''
23	Aphrodite Hotel	3	52	52	912502256	info@washingtonaddis.com/ reservations@washingtonaddis.com

24	Ararat Hotel	3	94	116	011 6461166	info@tegenhotel.com
25	Beer Garden Inn	3	32	36	116182595	
26	Beshale Hotel	3	64	80	0116478181/88	info@addisregency.com/.,j
27	Ambassador Hotel	3	52	60	116188284	
28	Cyan City Hotel	3	40	45	911207900	addisview@ethionet.et
29	Kaleb Hotel	3	64	84	011 6622 200	info@addissiniahotel.com reservation @addissiniahotel.com
30	King's Hotel	3	34	54	011 3711300	caravanhotel@caravanaddis.com
31	Monarch Hotel	3	80	80	0116672480/22	
32	Panorama Hotel	3	65	85	116616070	marketing@aphroditeaddis.com/ info@aphroditeaddis.com
33	Sidra Hotel	3	26	31	011661 7777	info@ararathotelethiopia.com
34	Relience Hotel	3	31	38	116672024	info@beergardeninn.com
35	Seyonat Hotel	3	40	50	911237070	Info@beshalehotel.com
36	Solo Te Hotel	3	35	45	116670021	Reservation @ambassadorhotelethiopia.com / info@ambassadorhotelethiopia.com
37	The Residence Hotel	3	18	21	115571025	info@cyancityhoteladdis.com
38	Wassamar Hotel	3	66	71	011 6610055/59	reservation@kalebhotel.com
39	Umma Hotel	3	33	45	113719445	kingshotelethiopia.com
40	Top Ten Hotel	3	48	56	116464449	Info@monarchaddis.com
41	Southern Addis Hotel	3	38	38	011 661 0505	panoramahotel@ethionet.et
42	Zola International Hotel	3	24	32	011 673 33 33	info@sidrahotel.com
43	Adotina Hotel	2	32	32	114674101	
44	Sunland Hotel	3	36	54	0116-674596	