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**MARKETING STRATEGY PRACTICES IN GENERATING
SUSTAINABLE EXPORT REVENUE**
(A PERSPECTIVE OF THE ETHIOPIAN TEXTILE AND GARMENT INDUSTRY)

By
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June, 2017

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**MARKETING STRATEGY PRACTICES IN GENERATING
SUSTAINABLE EXPORT REVENUE**
(A PERSPECTIVE OF THE ETHIOPIAN TEXTILE AND GARMENT INDUSTRY)

A Thesis Submitted to Department of Marketing Management, for the Partial
Fulfillment of the Requirement for the Award of Master of Arts Degree in
Marketing Management

By

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**ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
(SCHOOL OF COMMERCE)
MARKETING MANAGEMENT POST GRADUATE PROGRAM**

**MARKETING STRATEGY PRACTICES IN GENERATING
SUSTAINABLE EXPORT REVENUE
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Approved by Board of Examiners

Chairperson, Department

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STATEMENT OF CERTIFICATION

This is to certify that **WALID OMER** has carried out his research work on the topic entitled “**Marketing Strategy Practices in Generating Sustainable Export Revenue (A Perspective of the Ethiopian Textile and Garment Industry)**” The work is original in nature and is suitable for the award of Masters Degree in Marketing Management.

Research Advisor: Dr. Tewodros Mesfin

Date

STATEMENT OF DECLARATION

I hereby declare that “**Marketing Strategy Practices in Generating Sustainable Export Revenue** (A Perspective of the Ethiopian Textile and Garment Industry)” is whole of the work of **WALID OMER**. I have carried out the study independently with the guidance and support of the research advisor, **Dr. TEWODROS MESFIN**. Also any other contributors or sources have either been referenced in the prescribed manner or listed in the acknowledgements together with the nature and the scope of their contribution. And the study has not been submitted for award of any Degree or Diploma program in this or any other Institution. It is in partial fulfillment to the requirement of the program, Master of Arts Degree in Marketing Management.

Walid Omer

Date

ACKNOWLEDGEMENT

Three years have passed since I first started at the Graduate Studies Program of Marketing Management in Addis Ababa University College of Business and Economics (School of Commerce); and now the journey has come to an end. My masters thesis about “Marketing Strategy Practices in Generating Sustainable Export Revenue” completes my studies. Well, I have learned a lot during this journey and I am very pleased with the outcome of it.

I would like to thank my advisor, Dr. Tewodros Mesfin, for his patience and unreserved constructive advises on my thoughts and also thank all individuals who were kind enough to share their time and ideas with me during the inception of my thesis agenda.

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ACRONYMS

AGOA	African Growth Opportunity Act
COMESA	Common Market for Eastern and Southern Africa
COMESA	Common Market for Eastern and Southern Africa
CSA	Central Statistics Authority of Ethiopia
EBDSN	Ethiopian Business Development Services Network
EDRI	Ethiopian Development Research Institute
EU	European Union
GDP	Gross Domestic Product
OECD	Organization for Economic Cooperation and Development
SME	Small and Medium Enterprises
SSA	Sub-Saharan Africa
UNCTD	United Nations Conference on Trade and Development
UNIDO	United Nations Industrial Development Organization
US	United State
USAID	United States Aid
USITC	United States International Trade Commission

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ABSTRACT

This research is conducted to analyze the relationship of Marketing Strategy Practices in Generating Sustainable Export Revenue (A Perspective of the Ethiopian Textile and Garment Industry). The researcher's attempt is to find out what strategies are used by the companies' and propose the possible strategies that assures sustainable export revenue. The researcher focused on the analysis of marketing mix strategies - the 4ps (product, price, promotion and distribution), the number of markets served and the firm's export performance by using determinant factor (Profitability, Sales growth and Market share) of the firms. After analyses, all the variables mentioned in the above the researcher should replied for these basic objectives: to identify the types of products that recurrently exported by the companies, know the number of foreign markets served by the companies, investigate the marketing strategies adopted by the company to export their products, examine the export performance trend of the selected textile and garment companies, understand the share of export at national level, and to identify the major export barriers that affecting the export performance. In doing so, primary data obtained through questionnaires that are distributed to marketing managers and export Department/division heads and the secondary data collected from annual reports and the likes. The research type is descriptive and quantitative and the data analyzed by the help of SPSS and used percentage, mean and standard deviation, and analysis of correlation to tell the strength of the relationship between the variables. The finding of this research indicated that Out of the four marketing strategy price strategy is implemented in a very low manner by the selected companies which results on having a low to medium level of implementation on the others. In relation with the measurement of export performance, most companies are not finding their export wing very attractive and prefer focusing on domestic markets in which the collected data indicates better profitability. The companies have also focused in a much selected markets. Due to the results and the collected data, the exporting companies are basically dissatisfied by the performance of their export venture. Researchers who are interested to conduct further study on the field can focus on policy barriers which hinders the implementation of marketing mix strategy which is not covered by this study. Furthermore, future researchers could also reflects the relationship of other variables such as, segmentation, targeting and positioning strategies with export performance.

Key Words: Marketing Strategy, Export Performance, EXPERF scale

CHAPTER ONE

INTRODUCTION

Regardless of the industry a business is in, appropriate strategy is a must to formulate and implement at least to stay where the business is. Strategies help firms direct themselves to the direction they need and withstand the environmental challenges. Henry Mintzberg (1987) argues that most literatures focusing on the notion of strategy as a deliberate plan set direction for them so as to outsmart competitors or at least enable them withstand the threaten environments. In this context, a strategy is similar to a plan which differentiates firms even in the same industry. Therefore, the essence of strategy is choosing to perform activities differently than rivals do (Porter 2000).

The world has been observed in a constant business war since the past three decades and this war according to Kotler P., Kartajaya H. and Setiawan I., (2010) is won by formulating and implementing appropriate strategy. Similarly, Johnson and Scholes (1989) claim; strategy is the direction and scope of an organization over the long-term which achieves advantage for the organization through its configuration of resources within a challenging environment, to meet the needs of markets and to fulfill stakeholder expectations. Therefore, appropriate strategy is the means for organizations to achieve their objectives of earning profit and delivering satisfaction.

Strategy is viewed in terms of its formulation and implementation. The process by which a strategy is created is referred to as a strategy formulation process. And the formulated strategy will be valuable to the extent it is implemented. Consequently, such formulation and implantation processes should be seen as two sides of the same coin.

Creating a strategy formulation process that integrates logic, analysis, creativity and innovation required new thoughts and new ways of thinking about strategy formulation (Ulwick W. 1999). Such deliberately formulated strategies should also be implemented in the way it is intended. This is because without implementation, a brilliantly formulated strategy will be nonsense and without the right formulation implementation will be a futile exercise.

Strategy formulation emanate from the vision of an organization as a corporate strategy. Such broad corporate vision should be modified in to measurable business objective and then to

business strategy. Consequently, business strategies will serve as a base for developing marketing strategies. Marketing strategies play a great role and will continue to make a difference among firms in a given industry. Cravens et al. (2000) argue that the marketing environment has become more turbulent since the last decade. This turbulence is the results of more demanding and assertive customers, rapid advancement in technology, and changing government policies and laws, (Cravens et al., 2000). These changes in the marketing environment demand dynamic and proactive marketing strategies formulation and implementation to meet the pace. The two processes should be performed simultaneously and seen as integrated to each other. In connection to this, Awwad Akroush (2003) in his PhD thesis found out that marketing strategy formulation and implementation are not separate parts; they should be incorporated in one process for a company to achieve success in the marketplace.

1.1. Background of the Study

Ethiopia has favorable climate to produce raw materials for the textile industry. Especially the humid and semi humid climatic conditions and the availability of many rivers make Ethiopia favorable place to plant cotton both through irrigation and rainfall. Besides, the industry is relatively labor intensive with which Ethiopia can have comparative advantage. UNCTD (2004) research indicates that many developing countries have a comparative advantage in the production of textiles and clothing, which often relies on relatively simple technology and a comparatively large input of low-skilled Labor (UNCTD, 2004 No. 176). Ethiopia in this regard can do better than it currently does.

Ethiopia has a large territory with a large population. According to the Ethiopia Central Statistics Agency projection, Ethiopia's population increases as high as 84 million in 2010. This population has created large actual and potential market for the textile industry. Besides, the government has made bilateral trade agreements with many African countries especially through COMESA and the country is entitled to export its textile products duty free through the Africa Growth and Opportunity Act (AGOA). However, according to Ethiopian Business Development Services Network (2009) report, the per capita fiber consumption is roughly 1 kg, which is far below the world's average level of 8.7 kg and Africa average level of 3.2 kg.

Ethiopian Business Development Services Network (2009) estimates that domestic fiber demand will increase at an annual rate of 5%, and the current large domestic market with its continuously increasing potential will fuel the importance of textile sub-sector to the overall

GDP contribution to the national economy. These opportunities will brighten the sector if firms will develop deliberate marketing strategy as per the expectations of the consumers. According to Ethiopia chamber of commerce (2010), Ethiopia has identified textile as one of the priority sectors in its industrial development strategy. This sector has been identified as a top priority area based on the potential it has in terms of employment generation, prospect for export and strengthening the agro-industry linkage and broader base development.

Key proposed contributions of the industry in the above statements are employment generations and strengthening the link between the agriculture and industry. Both contributions are in line with the Ethiopian objective in meeting the millennium development goals. Agriculture is the leading economic sector to the country these days. However, as part of achieving the millennium development goals and understanding the elasticity of the industry led industrialization to development, agriculture will leave its place to industry, according to the country's plan. Here is where the linking role of the textile sector comes in to play.

1.2.Statement of the Problem

Exporting plays a very important role in the world and has numerous benefits for firms and countries at large. For example Hong Kong, South Korea, Singapore and Taiwan and the newly industrialized countries such as Malaysia, Indonesia and Thailand used to support the argument that carefully managed opponents to trade through an Export Led Growth (ELG) is mechanisms for achieving rapid growth (Giles and Williams,2000;cited in were, N dung'u, Alemaye huand Karingi,2002). Zou and Stan (1998) in the review of the empirical literature classified determinants into internal and external with attention to controllable and uncontrollable and recently, Sousa et al. (2008) classified the determinants of export performance to internal factors and external factors. Cooper, (1985); Baldauf et.al, (2000); Cicic et al., (2002); Leonidou *et al.*, (2002) assumed that export performance depended on firms' structure or internal factors, international environment or external factors, and export marketing strategy. However, in spite of prior efforts to recognize the affect of determinants on export performance, there was still gap in literature, there was fragmented literature, there were no comprehensive reviews and the findings were considered as "confusing" (Aaby, Slater, 1988; Zou, Stan, 1998; Sousa et al., 2008). In recent days, active and advanced exporters have more control on distribution activities, as well as the time of delivery of the product, and distribution channel (Eusebio et al., 2007). Lages et al., (2004) has studied about European

perspective determinants to discuss the main antecedents of export performance based on perceptions of Portuguese and British export managers. In the case of Ethiopia, in a study of Lorimer and Razuan (2008), it is clearly stated that in Ethiopia there are no ability to analyze and interact with EU/US buyers (i.e. handling, sampling stage, costing, purchasing and planning if the orders).

Recent changes in international markets like globalization and Competition have presented new opportunities for domestic firms to operate in foreign markets. To be advantageous from this new opportunity, Ethiopia has been starting to watch out of its boundary. Accordingly, the Growth and Transformation Plan (GTP), the Ethiopian Government has targeted to achieve \$1 billion in exports of textiles and apparel during 2010-11 to 2014-15 period. However, the performance of the Ethiopian textile and apparel exports during the first three years of GTP period was only \$305 million, much below the \$637 million envisaged during the period under the GTP. As per the Textile Industry Development Institute information (TIDI 2014) during these four years, Ethiopia's manufacturing export revenue has been growing sluggishly – up from 207 million dollars to 255.5 million dollars, then 281.2 million dollars and finally 398 million dollars – up by nearly 117 million dollars from the previous year. Although Ethiopia is endowed with favorable geographic and weather conditions and abundant water resources to grow cotton (Berihu, 2008). Most Ethiopian garment and textile company uses only cotton as a raw material to produce the products

Generally, the qualitative and quantitative research on export marketing is low. Due to this reason, this research dealt with individual firms of the export marketing. Further, it has been observed that organizations which are exporting to foreign markets employ some strategies to attract international buyers of their products. Contrary, in the case of Ethiopian garment and textile companies, there is poor practice of employing proper strategies. As the data of the organizations reveal that during the last few years' textile exports effectiveness of marketing strategy is too low and usually factors associated to external factors.

The Research Gap in Previous Works

Previous researches have tried to explore the knowledge and facts regarding the marketing and marketing strategy. In this regard, more researches have also indicated the linkage between marketing strategy and industry development and the findings in these previous researches indicate that marketing strategy is a vital strategic decision for companies to achieve

competitive advantage. However, few literatures have attempted to examine marketing strategy formulation and implementation as integrated and simultaneous processes in pervasive and persuasive arguments. Besides, there is no research that has clearly focused on Ethiopian textile firms marketing strategy formulation and implementation problems, to the best of the researcher's knowledge. As a result, these are the research gaps which the researcher attempted to fill. Filling the first gap would contribute to the body of knowledge and filling the second one will help to solve the practical problems which the textile companies are currently struggling to solve.

Therefore, the researcher is interested to find out what strategies are used by the organizations' and propose the possible strategies that boost export performance. So, this knowledge gap has initiated the researcher to find out the effectiveness of marketing strategy on the export performance of Ethiopian textile and garment industry.

1.3. The Research Question

1.3.1. Main Research Question

The main research question here was, therefore, what is the relationship between marketing strategy practices with the generation of sustainable export revenue? Examining such relationship and performance helped the researcher to identify the marketing strategy problems which hinders the generation of sustainable export revenue.

1.3.2. Specific Research Questions

1. What level of emphasis given to marketing strategy practices?
2. How firms' marketing strategies influence their competitiveness?
3. What types of products exported by the companies?
4. What number of foreign markets served by exporting companies?
5. What marketing strategies are adopted by companies to export their products?
6. What is the export performance trend in the selected companies?

1.4. The Research Objectives

1.4.1. General Objective

The general objective of this study is to analyze the relationship between marketing strategy practices with the generation of sustainable export revenue in some selected companies in the Ethiopian textile and garment industry.

1.4.2. Specific Objectives

1. Examining the level of emphasis given to marketing strategy.
2. Understanding how firms' marketing strategies influence their competitiveness
3. Identifying the types of products exported by the companies.
4. Knowing the number of foreign markets served by the companies.
5. Investigating the marketing strategies adopted by the companies to export their products.
6. Examining the export performance trend of the selected companies.

1.5. Significance of the Study

This study will be significant in contributing to the underdeveloped area of marketing strategy research related to the textile industry and in posing numerous pertinent questions to guide future research. The main significance of this study will lie in the fact that no existing studies have explored marketing strategies formulation and implementation practices of Ethiopian textile firms.

Knowing the power of marketing strategy variables' in achieving competitive advantage and profitability may assist textile firms in developing effective marketing programs and creating appropriate marketing strategies will help the firms enhance their profitability and competitiveness.

Managing the findings of this study may help to improve the marketing process and better meet the needs of both domestic and international customers. Additionally, this study may yield valuable results due to the mixed methods research design. The need for both qualitative and quantitative research to determine the extent to which marketing strategy formulation and

implementation processes are integrated will provide a deeper insight into the problem of textile firms by identifying marketing strategy formulation and implementation variables by exploring firms' practices so far.

1.6. Scope and Limitation of the Study

1.6.1. Scope of the Study

Since the objective of the study is to assess the marketing strategies of textile and garment firms, those firms are the major sources of information. To better concentrate on textile and garment, other small scale clothing firms which are not included on AACCSA's lists of major exporting firms will not be included in the study. However, I believe the exclusion of those firms will not considerably affect the result.

1.6.2. Limitation of the Study

This research is limited to the Ethiopian textile and garment companies. Due to limited time and resources sample companies are selected among the textile and garment companies in our country. As result the conclusion of the research drawn may not be representative to other similar companies.

1.7. Organization of the Study

The research report has five chapters. Chapter one is the introduction part which will include introduction, statement of the problem, objectives of the research, limitation of the study. Chapter two will be about reviewing related literatures. Marketing strategy models and their contribution to the topic under consideration and previous researches and reports on the area will be assessed. Chapter three provides a brief methodological approach with which the intended research will be accomplished. Sources of data, instruments to collect the data, analysis techniques, validity and reliability, and ethical issues will be covered in this chapter. Chapter four is about data presentation, analysis, and interpretation. And finally, chapter five presents conclusions and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1.Theoretical Review

2.1.1. Marketing Strategy

Literatures in the area of marketing strategy lack depth and pervasive investigation on the constructs of marketing strategy formulation and implementation (Corey, 2003). The major problem is their inability of identifying the major and supporting variables that constitute marketing strategy formulation and implementation and the tendency to see them as separate processes (El-Ansary, 2006). Some literatures define marketing strategy implementation variables with the same variables they use for formulation. However, El-Ansary (2006) makes explicit account of marketing strategy literature for a period of 16 years (from January 1990 to April 2006) and comes up with better taxonomy and framework of marketing strategy formulation and implementation. The variables and frameworks that I use for this dissertation are based on this in depth study and I will adjust some variables based on the literature that has been produced from 2007 to this date.

As getting a single definition for strategy is difficult so it is for marketing strategy, whether one considers the literature on the subject, or the use of term by executives in the business arena who are familiar with the practice (Jain, 2000). Corey (2003) defines marketing strategy as the creation of a unique and valuable position, involving a different set of activities; while business dictionary defines marketing strategy as a strategy that integrates an organization's marketing goals into a cohesive whole. Similarly, Cravens (2000) argues that marketing strategy provides concepts and processes for gaining a competitive advantage by delivering superior value to the business' customers. In most cases, the essence of marketing strategy remains similar in the literature of marketing as the creation of unique offer that the market needs so that profitability of the company and customer satisfaction could be achieved simultaneously.

Businesses exist to deliver products and services to market and according to Corey (2003), to the extent that they serve this purpose well and efficiently, they grow and profit. The process of implementing business strategies is largely concerned with how marketing activities are accomplished (Slater & Olson 2000, 2001; Walker & Ruekert, 1987). The gist of this statement

implies that although marketing strategy is a sub set of the overall business strategy, it (marketing strategy) is the key for its realization. Thus, marketing strategy translates the business objective and strategy into market terms and marketing activity.

The practical success of the organization's business objective and strategy will depend on the quality of the marketing input right at the top (Fifield, 2007). Hence, the business strategy is as good as the marketing strategy an organization formulates and implements. Corey (2003) argues that at the heart of any business strategy is its marketing strategy and according to Vargo and Lusch, (2004), marketing's service dominant approach implies that marketing strategy should be placed at the core of the firm's strategic planning. Consequently, appropriate marketing strategy formulation and implementation is critical for a business organization. Without it, profitability and customer satisfaction are impossible.

2.1.1.1. Marketing Strategy Models

According to Covey (2003), there are three key constituents (corporation, customer, and competitor) that enable us to define marketing strategy appropriately. These constituents serve as bases to devise marketing strategy. Covey argues in terms of these three constituents, marketing strategy will be well defined as an endeavor by a corporation to differentiate itself positively from its competitors, using its corporate strengths to better satisfy customer needs in a given environmental setting. El-Ansary (2006) agrees with the three constituents of marketing strategy in a sense that any marketing effort should consider and simultaneously satisfy the requirements of these three "pillars of marketplaces", for effective and efficient marketing strategy formulation and implementation. However, Ansary (2006) looks at the marketing strategy formulation and implementation processes more exhaustively and appropriately, and through exhaustive literature review, he has developed a model which clearly integrates marketing strategy formulation and implementation processes. Due to the exhaustive and pervasive nature of the model, the latter will be adopted in this study and greatly depend on it almost in many parts of this dissertation.

To formulate an appropriate and dynamic marketing strategy, a company should consider the three important pillars; company, customer, and competition (El-Ansary 2006). Considering the needs of consumers will enable firms to segment and target them so that the company will have better information to position the product. Understanding the competitors is an important consideration to differentiate their offers from the others. And finally, considering

themselves is important for firms to consolidate their limited resources in profitable and customer preferred offers.

The following figure shows how a company can formulate its marketing strategy based on the three constituents: company, consumer, and competition.

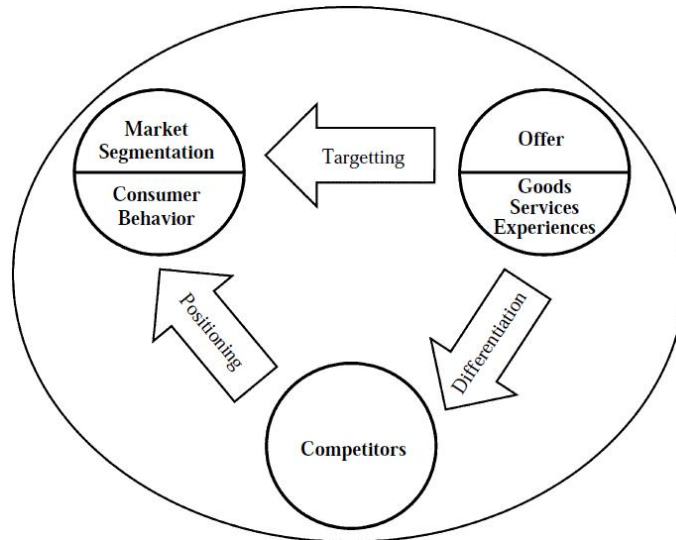


Figure 1: Marketing Strategy Formulation in the Context of Marketing Places

Source: El-Ansary 2006

These three pillars are also important for implementation because they dictate for each formulation variable which marketing mix/s should be employed. These marketing mixes are a set of controllable tactical marketing tools through the blend of which the firm realizes its marketing objectives (Kotler & Armstrong, 2006).

After the clear formulation of marketing strategy considering the pillars and the objectives, it must be put into action. Marketing strategy implementation according to Kotler and Armstrong (2006) is the process that turns marketing strategies and plans into marketing actions to accomplish the marketing objectives. Similarly, El-Ansary (2006) describes that marketing strategy implementation is the process of deploying the marketing mixes to create, communicate, and deliver the value.

Marketing strategies implementation should be considered as an integral part of formulation in this dynamic market because when formulation is designed it is clear that the

implementation variables should be defined and aligned in such a way that which formulation objective needs the deploying of which marketing mix. Similarly, Feurer and Chaharbaghi (1995) argue that in the face of a high level of uncertainty and change there is a need for a dynamic approach in which strategy formulation and implementation are carried out simultaneously. And such integration should be continuous and if change is required in formulation, it is inevitable that there must also be change in implementation strategy because if the firm touches one it touches them both.

This integration and continuous improvement in marketing strategy formulation and implementation process is giving rise to new collaborative capabilities and business models that will empower the proactive firm and destroy those that fail to adjust (Tapscott & Williams, 2006).

Marketing strategies are important for products meant for market. However, they are more important especially for technologically driven products such as textile. Such products' customer preferences are changing according to the technological environment pace and trend. Dynamic strategies formulation and implementation enable firms in such industry to survive and grow. Much of the literature considers Porter's competitive advantage strategies as the major marketing strategies firms should accept without questioning. However, I found them insufficient to explain marketing as they simply aggregate strategies into three for one thing and they lack clear formulation and implementation plan for the other. Nonetheless, it is better to look them at their coined trend to scrutinize the competitive advantage concept which in some extent is important for this dissertation.

2.1.1.2. Market Segmentation Strategy

It is very difficult to design a single product or a marketing mix that will satisfy all the customers in a market (Sarin, 2010). Therefore, marketers need to divide the market in to relatively similar segments where consumers in the same segment have similar needs to satisfy and consumers in different markets are heterogeneous (Kotler & Armstrong, 2012). Thus, market segmentation is the sub-dividing of a market into homogeneous sub- sets of customers, where any sub-set may conceivably be selected as a market target to be reached with a distinct marketing mix (Fifield, 2007). Similarly, a market segment consists of a group of customers who share a similar set of needs and wants (Kotler & Keller, 2006). These segments serve for the companies as where to begin assessing needs and wants based on which products

are produced. Due to the existence of varied needs and wants, only rarely does a single product or marketing approach appeal to the needs and wants of all buyers. According to Fifield (2007), the search today is for something special, something different, something that reinforces their own sense of identity as a person, as an individual, as a professional buyer — certainly as someone separate from the ‘herd’.

Segmentation attempts to isolate the characteristics that distinguish the buying behavior of a certain group of customers from other groups, or from the overall market (Boone & Kurtz, 2001). Through segmentation, the marketing planner is attempting to break the market into more strategically manageable parts, which can then be targeted and satisfied far more precisely by making changes or modifications to the marketing mix. Therefore, the marketer needs to categorize the market on the basis of both their characteristics and their specific product needs (Kotler & Keller, 2006). However, the marketer does not create the segments it is to identify the segments and decide which one(s) to target instead.

Factors Affecting the Feasibility of Segmentation

According to Fifield (2007), market segmentation works at two levels, the strategic and the tactical. At a strategic level it has a direct link to decisions on positioning. Such level will give general direction and framework through which customers are targeted. At a tactical level, it relates to the question of which customer groups are to be targeted and what kind of product will be produced to those target markets to satisfy their needs. However, segmentation by itself does not ensure success and hence tangible and convincing criteria should be set to evaluate the effectiveness of segmentation, or the desirability of potential market segments (Hutt & Speh, 2010). Therefore, for a market segment to justify being considered, five criteria typically need to be satisfied (Fifield, 2007; Kotler & Armstrong, 2012; Kotler & Keller, 2006). As a result, to be considered feasible, a market segment should be measurable, accessible, sustainable, differentiable, and stable. The details are presented as follows.

Measurable: - the size, purchasing power, and characteristics of the segments can be measured. Although in many consumer markets measurement is generally a relatively straightforward exercise, it is often a more difficult process with industrial or technical goods (Fifield, 2007). This is due largely to the relative lack of specific published data. Such lack of published data becomes especially difficult to find in developing countries where there is weak or no organized industrial data base system. Hence, measurability becomes subjective judgment and a highly

significant exercise for marketing managers to estimate. However, there must be an estimate of measurements regarding each segments profitability and sustainability.

Accessible: - accessibility of a segment refers to the easiness of a segment which can be effectively reached and served (Kotler & Armstrong, 2012). In some cases it may be possible to identify a sizeable and potentially profitable segment but then, either because of a lack of finance or in-house expertise, this potential may be difficult to exploit (Fifield, 2007). Such issue becomes more challenging in the international market segments. In this regard, the textile firms in Ethiopia have witnessed such shortages in the global markets and this research tries to provide an insight as to how the textile firms can enhance their accessibility.

Substantial: If the strategist is to justify the development of a segment, the exercise must be cost-effective. The size and value of the segment is therefore an important determinant of this decision. Size should, of course, be seen in relative rather than absolute terms, since what may be too small to be considered by one organization may be appropriate to another, smaller, company (Fifield, 2007). Besides, what is substantial for larger company may be too large for the small company to consider as a feasible segment? Hence, the marketing managers or general managers of a firm need to determine the optimal level of substantial size for their specific companies. For the case firms in this study, focusing on one or two segments may be optimal since the firms' ability to serve and resources commitment is relatively small.

Differentiable: - The segments are conceptually distinguishable or unique in its response and respond differently to different marketing-mix elements and programs. Such differentiability issue enables marketers to distinguish one segment from the other and to channel the marketing mix accordingly (Kotler & Armstrong, 2012). Besides, the differentiability will enable the marketer to even select which segment has sustainability issues and long term relationships.

Stable: - An attractive segment should be stable so that its behavior in the future can be predicted with a sufficient degree of confidence (Kotler & Armstrong, 2012). Such stability has a lot to do with the product life cycle of the product. If the segment is unstable it implies that it will dry before the firm gets its expected return in the market (Fifield, 2007). The stability is also dependent on the nature of the product and technology adaptability of consumers.

Bases of Segmentation

The number of segments to target by a company depends on its ability to serve the segments and the degree of heterogeneity observed by each segment (Fifield, 2007; Kotler & Armstrong, 2012). This implies that the more differentiated the segments are fewer segments are likely to be the target of the firm.

Customer Classification

The majority of the so-called 'segmentation approaches' are really just methods of customer or client classification (Boone & Kurtz, 2001). Classification is an internal methodology that an organization uses to describe customers for the (internal) convenience of the organization and its systems and processes. Classification methods (generally) do not identify differences in customer needs or motivations; they describe customer characteristics (Fifield, 2007). Thus, there are two broad customer markets for a company; business market and consumer market. The implication is that the segmentation criteria are also dependent on whether the company wants to serve the business market, consumer market or both.

The Common Bases of Consumer Market Segmentations

Segmentation attempts to isolate the characteristics that distinguish the buying behavior of a certain group of customers from other groups, or from the overall market (Boone & Kurtz, 2001). These characteristics form the bases for segmentation. Accordingly, customers can either be individuals or organizations and the bases for segmentation used for each market differ significantly, (Sarin, 2010). Therefore, the bases which we use to segment consumer markets basically depend on the individual behavior and factors while the bases we use to segment the business markets are mainly dependent on the business dynamics and business procedural and structures.

Bases for segmenting consumer market

Bases for segmenting consumer markets are broadly classified under four major categories: geographic, demographic, psychographic, and product-related segmentation (Boone & Kurtz, 2001). Geographic and demographic segmentation are more popular because of their relative ease of use and for textile products they are the most important bases for segmentation. On the other hand, although information on psychographic and product-related segmentation is harder to come by (Sarin, 2010), these bases of segmentation are

considered to be more effective for consumer products since they reflect the product usage frequency and quantity of consumers.

Bases for segmenting business market:-

Business markets can be segmented with some of the same variables used in consumer market segmentation, such as geography, benefits sought, and usage rate, but business marketers also use other variables (Kotler & Keller, 2006). While Wind and Cardozo (1974) suggest that the bases for segmenting business markets can broadly be classified into two major categories: macro-segmentation which centers around dividing the market based on the characteristics of the buying organization (e.g., size, location, industry classification, and organizational structure), and the buying situation (e.g., straight re-buy, modified re-buy, and new task buying) and micro-segmentation which focuses on the decision-making units within each macro segment and requires greater marketing knowledge such as key buying decision criteria (Sarin, 2010).

2.1.1.3. Market Targeting

Due to resource constraints, firms are often unable to pursue all the segments they identify in a given market. Instead, they focus their marketing resources on satisfying a smaller number of segments in the market (Zikmund & d'Amico, 2001). This process of allocating resources effectively by focusing marketing efforts on a selected part of the total market is called targeting (Senir, 2010; Kotler & Armstrong, 2012). In practice, target market refers to a set of buyers sharing common needs or characteristics that the company decides to serve (Kotler & Armstrong, 2012). By focusing their limited resources on the targeted segments, firms are able to compete effectively in those segments by developing a distinct value proposition better than their competitors (Hutt & Speh, 2010). Broadly, the targeting strategies that firms follow can be classified into four major categories: undifferentiated marketing, differentiated marketing, concentrated marketing, and micromarketing (Best, 2004; Boone & Kurtz, 2001).

Undifferentiated marketing (mass marketing): in this strategy a firm might decide to ignore market segment differences and target the whole market with one offer. Such a strategy focuses on what is common in the needs of consumers rather than on what is different (Kotler & Armstrong, 2012). The company designs a product and a marketing program that will appeal to

the largest number of buyers. It is usually practiced when differences in customer needs and/or demographics are either small or indistinct (Best, 2004). In this targeting strategy the company designs a product and a marketing program that will appeal to the largest number of buyers will be prepared as a generic business strategy with generic positioning which is built around a core product (Best, 2004). While such a strategy might be efficient from a production standpoint as they may capitalize from economics of scale, it leaves firms vulnerable to competitive action (Boone & Kurtz, 2001). Difficulties arise in developing a product or brand that will satisfy all consumers. Moreover, mass marketers often have trouble competing with specialized firms which offer specialized products and marketing mix that are able to better satisfy the needs of specific segments and niches (Best, 2004). Therefore, in modern marketing the application such one size fits all assumption is constrained. From the researcher point of view, such approach may not work well for textile products where style, fashion, and occasions dictate the products and such factors demand different textile products across age groups, geographies, and cultures.

Differentiated marketing:- strategy, a firm decides to target several market segments and designs separate offers to satisfy customers in each segments (Boone & Kurtz, 2001). In each segment, the firm selects one or more dimensions that the customers value and uniquely positions itself to meet those needs while charging a premium price for such uniqueness.

According to Seizn, 2010, there are several sources can provide the bases for differentiation, such as the product itself, the method of distribution, the marketing approach. Compared to an undifferentiated approach, differentiated strategy is better because developing a stronger position within several segments creates more total sales than undifferentiated marketing across all segments. Besides, a differentiated strategy allows a firm to increase not only its total sales but also its average margin per sale (Best, 2004), by providing increased satisfaction to each of the targeted segments.

However, according to Kotler and Armstrong, 2012, developing separate marketing plans for the separate segments requires extra marketing research, forecasting, sales analysis, promotion planning, and channel management. And trying to reach different market segments with different advertising campaigns increases promotion costs. Thus, the company must weigh increased sales against increased costs when deciding on a differentiated marketing

strategy and if only it is convinced that the benefit outweighs the firms is advised to go for this strategy.

Concentrated Marketing

Such a targeting strategy is also known as focus or niche marketing which focuses on choosing to use its marketing resources to profitably satisfy customers in a single market. Through concentrated marketing, the firm achieves a strong market position because its greater knowledge of consumer needs in the niches it serves and the special reputation it acquires (Kotler & Armstrong, 2012). Through concentration on a single market segment a firms can market more effectively by fine-tuning its products, prices, and programs to the needs of carefully defined segments. It can also market more efficiently, targeting its products or services, channels, and communications programs toward only consumers that it can serve best and more profitably (Boone & Kurtz, 2001). Whereas segments are fairly large and normally attract several competitors, niches are smaller and may attract only one or a few competitors. Therefore, niching essentially appeals for smaller companies, based on their limited resources, which decide on serving specific segments which in relative evaluation will give them the greatest return. According to Kotler and Armstrong (2012), many companies start as nichers to get a foothold against larger, more resourceful competitors and then grow into broader competitors. Such strategy makes more sense for companies in the developing countries like Ethiopia where resources are limited to launch full scale global competition and unable to with stand the competitions giants in the global market.

2.1.1.4. Product Positioning

Positioning is the process of creating distinctive image on the consumers' mind. Marketing literatures argue that marketing is the battle of perception where the battle can only be won by getting larger mind share of consumers. In doing this, the marketing strategist states to customers what the product means and how it differs from current and potential competing products (Gilligan & Wilson, 2005). Similarly, Kotler and Armstrong (2012) argue that a product's position is the way the product is defined by consumers on important attributes the place the product occupies in consumers' minds relative to competing products. Such a claim implies that products are made in companies but brands happen in the minds of consumers. The end result of positioning is the successful creation of a customer-focused value proposition about the product.

In general, a well-positioned brand should appeal to the particular needs of a customer segment because a differential advantage/value proposition is created (Fuches & Diamantopoulos, 2009). Thus, the decision of selecting the most effective positioning strategy constitutes a main challenge for marketers since it is central to consumers' perceptions and choice. Such challenge has been increased over the last decades when consumers are overloaded with bulk of information to the extent they may not be in a position to distinguish some and retain them and to filter out the others which are less or unimportant to them (Gilligan & Wilson, 2005). From the researcher's point of view, while the segmentation and targeting of marketing strategy formulation part constitute the skeleton and framework of the strategy, positioning and differentiation instills life and spirit to the process.

Despite the importance of brand positioning, however, limited empirical attention has been paid to the question whether the use of certain positioning strategies results in more superiorly positioned brands than the application of other strategies (Keller & Lehmann, 2006; Pham & Muthukrishnan, 2002). The study of marketing strategy will therefore be incomplete if it does not include positioning. In this regard, what constitutes effective of good positioning remains a critical question. From the researcher's perspective, a good product positioning helps guide marketing strategy by clarifying the brand's essence, what goals it helps the consumer achieve, and how it does so in a unique way (Keller & Lehmann, 2006). The result of positioning is the successful creation of a customer- focused value proposition, a cogent reason why the target market should buy the product.

According to Kotler and Armstrong (2012), once the competitive frame of reference for positioning has been fixed by defining the customer target market and nature of competition, marketers can define the appropriate strategies to position in terms of points-of-difference and points-of-parity associations (Keller & Lehmann, 2006). The points-of-difference are attributes or benefits consumers strongly associate with a brand, positively evaluate, and believe that they could not find to the same extent with a competitive brand (Keller & Lehmann, 2006). Such positive and favorable perceptions will increase consumer' need for the product and their willingness to search for it, instead of easily substituting with competing products (Blankson & Kalafatis, 2004). Besides favorable and unique brand associations could be achieved through the products' perceived attribute or benefit. Points-of-parity on the other hand, are associations that are not necessarily unique to the brand but may in fact be shared with other brands which may come in two basic forms of either category or competitive parity (Kotler &

Armstrong,2012). Category points-of-parity are associations’ consumers view as essential to be a legitimate and credible offering within a certain product or service category. As a result, consumers might not consider a product truly a product unless it is able to deliver the promised or expected benefits. Such consumer expectation may change through time as there are changes due to technological advances, legal developments, or consumer trends which in effect may change category points-of-parity (Blankson & Kalafatis, 2004). On the other hand, competitive points-of-parity are associations designed to negate competitors’ point of difference. Making such a competitive difference on the consumers mind in such a way that the product is unique and offers better performance than even their expectations will make the brand strong and unbeaten.

Positioning Strategies

If marketing is considered to be a battle of perceptions, as many literatures claim, then positioning is the means to win the battle. Hence, companies can position their brands on an almost infinite number of associations (Fuches & Diamantopoulos, 2009). Such infinite possibilities make the selection of the best positioning strategy challenging. However, several authors have classified these associations into distinct groupings based upon alternative bases of positioning (Aaker & Shansby, 1982; Blankson & Kalafatis, 2004). The following table shows the positioning strategies as defined by different authors.

Table 1: Types of Positioning Adopted from Fuches and Diamantopoulos, 2009

Type of positioning	Authors
Features (concrete attributes)	Aaker and Shansby (1982), Crawford (1985), Keller (1993), Vriens and ter, Hofstede (2000), Wind (1982)
Abstract attributes	Reynolds et al. (1995); Snelders and Schoormans (2004)
Direct (functional) benefits	Aaker and Shansby (1982), Bridges et al. (2000), Crawford (1985), Kelle, 1993), Tybout and Sternthal (2005), Vriens and ter Hofstede (2000), Wind (1982)
Indirect (experiential/ symbolic) benefits	Crawford (1985), Gutman (1982), Keller (1993), Tybout and Sternthal (2005), Vriens and ter Hofstede (2000)
Surrogate positioning	Aaker (1991), Bridges et al. (2000), Crawford (1985), Friedmann and Lessig (1987), Keller (1993)

In the positioning strategy through features of a product, companies emphasize in the concrete attributes of the product to create a distinctive image in the consumers’ mind so

as to create a differential advantage. In this case, the textile firms can position their products of having comfort, eye catching, and being environmental friendly which consumers can evaluate during and after using the products.

Similarly, in abstract attributes, companies attempt to position their products' image in terms of the product's quality, style, and innovativeness (Fuches & Diamantopoulos, 2009). In benefit positioning, the advantages and use of the product over the competitors' product will be used as the main positioning strategy. A bit different type is the surrogate positioning. In this strategy, positioning is designed to create consumer associations about external aspects of a brand rather than the benefits and features of the product, which basically refers to the intangible aspects of the product (Fuches & Diamantopoulos, 2009)

2.1.1.5. Differentiation

Due to the high degree of market integration, primarily by reducing transport and trading costs through the internet, product differentiation and diversification are becoming increasingly important to ensure a particular company's positioning in the market (Barcelona industry report, 2011). Essentially, the differentiation strategy involves creating a market position that is perceived as being unique industry-wide and that is sustainable over the long run (Porter, 1980). Furthermore, differentiation is one of essentially the two means, the other is cost advantage, by which companies can develop competitiveness. This strategy is based upon persuading customers that a product is superior in some way to that offered by competitors and the emphasis is on creating value through uniqueness, as opposed to lowest cost (Bareto & Abdulah, 2011). A firm that pursues a differentiation strategy seeks to create a perception in the minds of customers that their products or services possess superior characteristics that are unique from those of its competitors in term of image and reputation, reliability, design features and quality (Bareto & Abdulah, 2011). In such context, positioning is the means through which differentiation strategy is implemented which in turn leads to the argument that positioning and differentiation are two sides of a coin.

A differentiation strategy is based upon persuading customers that a product is superior in some way to that offered by competitors. The persuasion can be based upon design or brand image, distribution, and so forth (Frambach, et al. 2003). Besides, through

differentiation firms create customer value by offering high-quality products supported by good service at premium prices.

To this end, a commitment to innovation and new technologies are key factors for industrial development; new products, new designs, new formats, new uses and new techniques are the factors which will enable business expansion and access to new markets (Barcelona industry report, 2011). However, the commitment of innovation to create entirely unique product image on the consumers' mind may be difficult and even impossible in some cases. Thus, making a slight difference may in some cases suffice to create different product image from the competing products which in turn can have a considerable impact on the perception and to appear as being unique. In addition to this, uniqueness can be achieved through service innovations, superior service, creative advertising, better supplier relationships leading to better services, or in an almost unlimited number of ways (Bordean et.al.,2010).

The key to success of differentiation strategy is that customers must be willing to pay more for the uniqueness of a service than the firm paid to create it (Bordean et al, 2010). Such cost benefit analysis is therefore at the heart of any differentiation strategy. The differentiation strategy appeals to a sophisticated or knowledgeable consumer interested in a unique or quality product. In practice the issue of creating such sophisticated consumer is mainly the responsibility of firms which wish for appearing or being perceived unique and different than competitors. On the other hand, through the rapid expansion of internet and the ever increasing interest of consumers to information make the differentiation both challenging and easy in some way.

The difficulty is due to consumers' prior knowledge about competing products and in some cases the knowledge of which product performs better through experience sharing in social media and other available means. And the easiness due to the technology sophistication is that firms can reach wide consumers in media with minimum costs.

As for the textile industry, although until a few years ago there was a feeling that almost everything had been invented, new products are appearing that have made this sector into one of the most active in terms of technological development (Barcelona industry report, 2011). Thus, companies need not only focus their business strategies from their traditional lines but also strive to bring in new strategies for creating added value especially to enter new markets and compete with new emerging economies. Furthermore, as the introduction of

technological advances improves the means fabrics are designed with the development of enhanced specific properties to meet the needs of a particular target market textile firms should make use of differentiation strategies to get larger mind share in the target market (Lee & Griffith 2004). Thus there are fabrics that provide heat or coolness, which change color depending on temperature (chromic or chameleon textiles), fabrics that have a preset “shape memory”, ones which protect against solar radiation, fight bacteria or regulate the distribution of fragrances, cosmetics, drugs, etc...(Barcelona Industry Report, 2011).

2.1.2. Marketing Mix Strategies

The marketing mix is the tools used for executing the marketing strategy formulation elements (El Ansary, 2010). It is a conceptual framework that identifies the principal decision making managers make in configuring their offerings to suit consumers’ needs. The tools can be used to develop both long-term strategies and short-term tactical programs (Palmer, 2004). The mix consists of four elements which were originally proposed by McCarty (1964) and such four elements are still operational in goods. However, the mix adds some three in some literatures and even five in others in the service business. Therefore, since the assessment of marketing strategies in textile firms (the goods are tangible) is the aim of this study, the marketing mix consist of products, prices, promotion, and distribution (Slater et al.,2009; Lee & Griffith 2004).

According to Chai Lee Goi (2009), firms seek competitive advantage and synergy through a well- integrated program of marketing mix elements. In this context, marketing strategy is referred to as a roadmap of how a firm assigns its resource and relates to its environment and achieves a corporate objective in order to achieve competitive advantage and remain sustainable in the market ahead of its competitors (Palmer, 2004). Such resource assignment role of marketing strategies in a firm enables us to see the marketing strategies from resource based point of view. Therefore, marketing strategies are better addressed from inside out (RBV perspective) than outside in. The marketing mix strategies are explained below.

2.1.2.1. Product Marketing Strategy

According to Kotler and Armstrong (2012), marketing-mix planning begins with building an offering that brings value to target customers. And developing a product or service involves defining the benefits that it will offer which is communicated and delivered by product

attributes such as quality, features, and style and design (Kotler & Armstrong, 2012). As a result, developing an effective marketing strategy involves a careful planning and executing of all these core elements of a product. Furthermore, the product element of marketing strategy such as product design, brand mix (name, sign, symbol, and design), warranty, and customer service as pre- and after sales services, and product advantages (such as luxury, prestige, and quality) are variable of product marketing strategy (Leonidou, et al., 2002). Similarly, products and services are key to any organization's survival and growth — but only as far and as long as they continue to deliver the solutions and benefits that the customers want from them (Fifield, 2007). According to Jain (1999), product strategies specify market needs that may be served by different product offerings. It is a company's product strategies, duly related to market strategies that eventually come to dominate both overall strategy and the spirit of the company. Thus, a product strategy involves a careful planning and execution of these processes and to the extent firms pay attention to them products become the real spirit of the company. To conceptualize the product strategy well, the following sub- product strategies will be scrutinized in context to textile products.

Dimensions of Product Strategies

Product strategy requires the integration of different functional units of an organization such as finance, research and development, marketing. In many companies, to achieve proper coordination among diverse business units, product strategy decisions are made by top management (Fifield,2007). Such top management involvement in the decision is especially important to make product development part of the corporate strategy and hence to institutionalize the product strategy among different units.

However, some literatures argue that it is difficult for top management to deal with the details of product strategy in a diverse company (Jain, 1999) because they are unable to address every details as different strategic units may require their own pricing strategies. From the researcher's point of view and considering the Ethiopian situation, where the top management have a say in every meaningful activity of a firm, and the companies are not that much diverse, top management involvement in such critical issue is preferable. After all, the product strategy is the breakthrough strategies for most textile firms in the globe where fashion accelerates the duration of the product life time and necessitates new product development and corresponding pricing strategies as a result.

Jain (1999) claims that product strategies are recognized through the following sub-strategy elements. These elements constitute the framework of the strategy depending on the companies' objectives, customer experiences, and competitive situations.

Product-positioning strategy: - This strategy involves placing a brand in that part of the market where it will receive a favorable reception compared to competing products which is basically aimed at matching the product with the target market (Keller, 1993). Essentially, the end result of positioning is the successful creation of a customer-focused value proposition a cogent reason why the target market should buy the product (Kotler, 2003). In addition, a well-positioned brand should appeal to the particular needs of a customer segment because a differential advantage/value proposition is created (Keller, 1993; Wind, 1982). Hence product positioning consists of a bundle of attributes to create the desired differential advantage. In the textile products' for example the positioning may consist of attribute, easiness, of fashion, of seasonal, of free of chemicals, of cultural, of price, etc.

Product-Repositioning Strategy: according to Jain (1999), this can happen if (a) a competitive entry is positioned next to the brand, creating an adverse effect on its share of the market; (b) consumer preferences change; (c) new customer preference clusters with promising opportunities are discovered; or (d) a mistake is made in the original positioning.

In Ethiopian context, for example, the domestic market perceives the products to be of less quality than the imported products and hence tend to purchase imported items (Degoma & Shetemam, 2014). In such situation, repositioning of Ethiopian textile firms even in the domestic market is of paramount importance. Similarly, the firms are also better to reposition their products as products from less developed countries are perceived to be of less quality.

Product-design strategy

A business unit may offer a standard or a custom-designed product to each individual customer. An effective connection between marketing and design activities will trigger product innovation (Gupta & Wilemon, 1990; Sherman et al., 2000). More importantly, numerous enterprises confer on the concept that product design should lead marketing to meet market requirements", and "firms sell both products and designs (Beckman & Barry, 2008). Not only can a good design help an enterprise achieve profits, but it also offers consumers' product values associated with enterprise image (Olins, 1990). Hence,

design begins with observing customers and developing a deep understanding of their needs (Kotler & Armstrong, 2012). Hence, the decision about product design requires contemplation by marketing managers and the design managers in a firm to effectively stamp the firm's image in the product design. Consequently, marketing personnel and product designers in these enterprises should closely monitor their competitors to cope with the conflicts and challenges from the changing global market environment (Beckman & Barry, 2008). In textile industry where fashion overwhelms the market, product design strategy becomes immense and the need for keeping track of the global environment is inevitable to remain relevant and competent in the market.

New-Product Strategy

New-product development is an essential in business organizations which is striving for competitive advantage in the market place. According to (Kotler & Armstrong, 2012) developing new product is important for both consumers and markets. For companies, new products are a key source of growth. Even in a down economy, companies must continue to innovate. New products provide new ways to connect with customers as they adapt their buying to changing economic times (Kotler & Armstrong, 2012). The implementation of this strategy has become easier because of technological innovations and the willingness of customers to accept new ways of doing things (Jain, 1999).

Despite their importance in strategy determination, however, implementation of new-product programs is not easy as too many products never make it in the marketplace (Fifield, 2008). Such strategic importance on the one hand and difficulty in implementation on the other hand make new product strategy a deliberate process even with the inclusion of top level managers. From the researcher's point of view, new product development strategy in the textile firms should be a well-defined and part of their priority strategic issues as customer needs for the products may change depending on different global environmental factors.

Diversification Strategy

Diversification refers to seeking unfamiliar products or markets or both in the pursuit of growth. Such diversification has got recent acceptance in marketing strategy as global market diversity interacts with product diversity, an interaction which is important to gaining a competitive advantage and reducing cash flow variances (Luo, 2002). Realizing the

potential benefits of product diversification is contingent on the availability of external resources, support of relating industries and infrastructure, and the ability of a regulatory environment (Montgomery, 1985; Porter, 1986). Such considerations are the prerequisites which marketing managers and top managers need to make sure for product diversification attempts. In Ethiopian context, the aforementioned are promising and even inviting for the textile firms and the sector is one of the priority sectors the government had promised many incentive packages to make in place.

2.1.2.2. Pricing Strategy

Pricing is one of the most fundamental but also most difficult decisions that firms have to make. For business organizations, price is the only element which generates revenue, all other elements; product, promotion, and place are costs (Kotler & Armstrong, 2012). Likewise, if effective product development, distribution and promotion sow the seeds of organization success; efficient pricing strategy is the harvest. However, effective pricing strategy can never compensate for elements (Moghaddam & Foroughi, 2012).

In order to make pricing sustainable, it must be integrated and consistent with the other marketing mix strategies in the organization to achieve the organization objectives (Palmer, 2001). Thus, proper pricing cannot be done in dependent of the other marketing them as a firm touches one element of the mix it touches them all. Regardless of the integration requirement and importance pricing, however, remains the most versatile marketing mix strategy (Diamantopoulos, 1991). Therefore, appropriate pricing remains a challenge for marketers these days. The relative importance and complexity varies considerably from one product and market sector to another. In service, for example, the degree of complexity of pricing strategy is comparatively significant due to the high degree of homogeneity between most service groups and shared service delivery and operating systems (Gouvea et al., 2001).

Pricing becomes even more challenging when it is made for the first time in a firm. As firms stay in the business and frequently engage in pricing, the firm become familiar with the process and pricing becomes more familiar as a result (Diamantopoulos, 1991). In this regard, a firm usually sets a price for the first time when it develops a new product, when it introduces its regular product into a new distribution channel or geographical area, and when it enters bids on new contract work (Kotler & Armstrong, 2012). Furthermore, a firm

must also consider factors which affect the pricing decisions. In most cases, the dominant view of pricing strategy is that pricing goals, objectives, and strategies which should be formulated a priori, and should be consistent with marketing and corporate strategies (Smith, 2012). Besides these are also the factors which influence the pricing strategies in a given firm and industry and hence should be considered in the attempt to set prices of products (Gilligan & Wilson, 2005).

The relative importance of these varies considerably from one product and market sector to another. All of them, however, need to be taken into account in the choice of the pricing method (Gilligan & Wilson, 2005). From the researcher's perspective, it is essential for the textile firms to consider all of them in general and the third factor in particular. Such particular significance of the factor for Ethiopian textile firms emanates from their interest in the global market through opportunity created by AGOA, COMESA, All but Arms, and some other bilateral and multilateral trade agreements.

Pricing literatures suggest that firms set prices by assessing customer elasticity and competitive prices and then set prices to maximize profit (Ingenbleek et al, 2003). Whereas pricing strategies are visible in the market in the form of price changes, price bundles, price levels within a product line, or otherwise (Noble & Gruca, 1999), pricing practices are hidden behind the boundaries of the organization.

In addition to this, pricing strategies that the organization judges, or senses to be effective, are repeated, shared, expanded, and refined into successful pricing patterns that, over time and across situations, become pricing strategy (Smith, 2012). Hence the firm needs to understand its discretionary freedom where the upper boundary (price ceiling) and lower boundaries (price floor) are set by different factors.

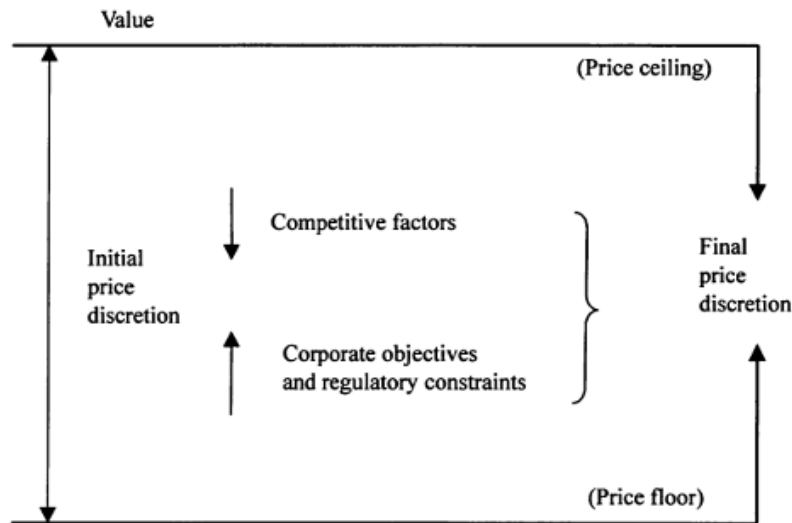


Figure 2: Pricing Strategy

Source: (Ingenbleek et al, 2003)

The firm determines the optimal price depending on the cost of production and consumers willingness to pay in addition to the above factors. The cost of production sets the minimum price on which the firm is willing to sell and the consumers' willingness (elasticity) to pay for the product sets the maximum price which they are ready to pay. Based on the model, pricing strategy is set through a systematic and iterative process where iterative process and the usual price lies between the boundaries (Ingenbleek et al,2003).

2.1.2.3. Distribution Strategy

The ultimate success of your business strategy depends on moving your product to its intended market. Accordingly, you should take considerable care in selecting distribution strategies and considering the far-reaching impact of channel decisions (Paley, 2000). Essentially, distribution strategies are concerned with the channels a firm may employ to make its goods and services available to customers (Jane,1999). Similarly, Kotler and Armstrong (2012) argue that distribution strategies are strategies intended to bridge the gap between place of production and place of use or consumption.

Such bridging role enables a company to go to the customers' disposal instead of waiting the customer to come to the company's office or store. The way companies design their distribution strategies has greater impact on reaching the desired customers which in turn

affects competitiveness in the industry. Hence, choice of distribution strategy is done with great deliberation. According to Tvede and Ohnemus (2001), there are two ways through which companies can choose their distribution; passive market selection and active market selection. In passive market selection the company passively picks up the distribution opportunities that it comes across and availability and first contact may be the criteria in this case. But in active market selection the company identifies and approaches what it believes are the best markets (Tvede & Ohnemus, 2001). The active market selection can also be expansive or contractive. Expansive selection is a strategy whereby the company expands into new areas that are close to, and resemble, the areas it already knows while contracting selection is a strategy in which the company maps all potential market areas and then eliminates those that appear least attractive (Tvede & Ohnemus, 2001). Such expansive and contracting approaches enable a company to come up with a short list of the most attractive markets from which the company selects the best.

Channel-Structure Strategy

The channel-structure strategy refers to the number of intermediaries that maybe employed in moving goods from manufacturers to customers. A company may undertake to distribute its goods to customers or retailers without involving any intermediary if it is able and wants to.

Such own distribution strategy constitutes the shortest channel and may be labeled a direct distribution strategy (Smith, 2012). However, such strategy requires extensive experience and capital if the company is to operate in many countries of the world. On the other hand goods may pass through one or more intermediaries, such as wholesalers or agents and the company establishes an indirect distribution strategy as a result (Paley, 2000). Both strategies may also be applied by a firm if it has two or more products to offer to the market and can apply direct for one product and indirect for another (Jain, 1999). Usually, such blending of distribution strategies may be applied by a firm depending on the type of product. If the product is business goods, for example, firms tend to apply direct channel strategy.

And if the product is consumer goods, many intermediaries may be involved and the distribution channel will be long and indirect as a result. However, such product differences are not the binding options to choose direct and indirect channels as there are some firms

which distribute their consumer products directly to the final users. In general, Jain (1999) recommends the following channel framework for distribution consumer and business goods.

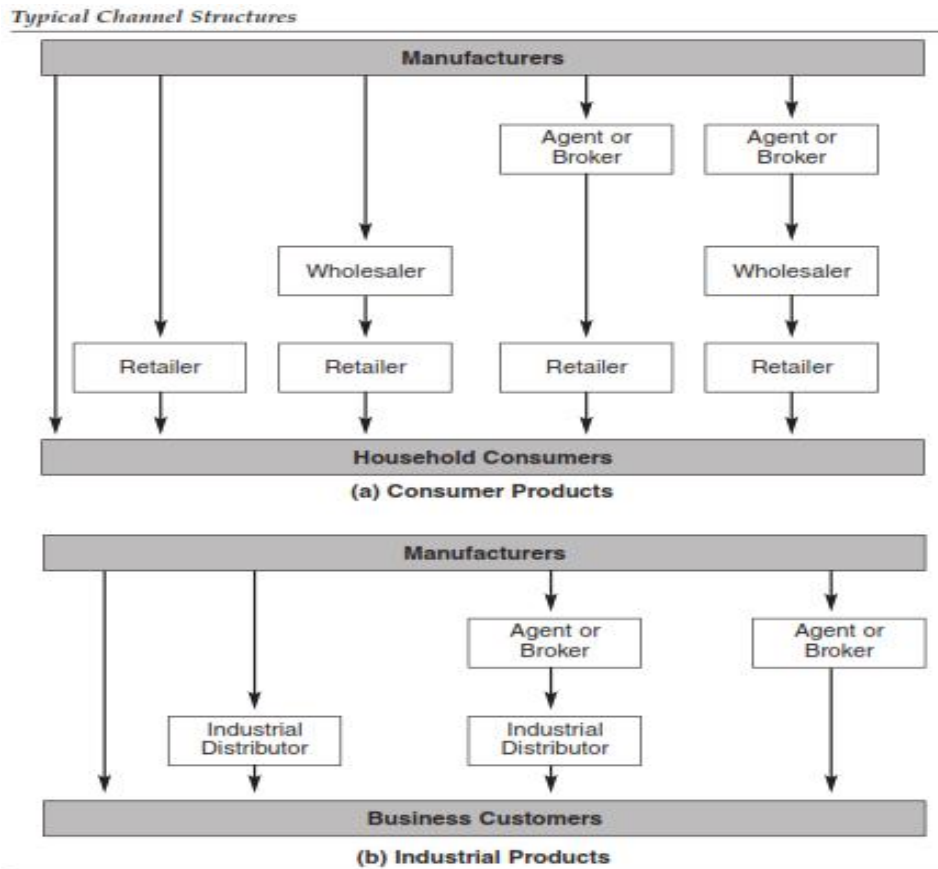


Figure 3: Distribution Strategy

Source: Jain (1999)

Decisions about channel structure are based on a variety of factors. To a significant extent, channel structure is determined by where inventories should be maintained to offer adequate customer service, fulfill required

sorting processes, and still deliver a satisfactory return to channel members (Jain, 1999). Such factors require capital and market experience if the company is to operate in the global market.

In this regard, Ethiopian textile firms have little of not experiences in the recruiting and establishing channels abroad and their marketing experience is relatively low. As a result, for managers of such firms channel strategy is a challenging exercise and without which

they cannot compete in the global market and even they cannot exploit the opportunities created through AGOA and other opportunities. From the researcher's perspective, qualifying and establishing overseas channel is a difficult task and individual firms may not be successful to hunt individually. However, the government can create such opportunities through the Ethiopian Textile Industry Institute till the firms develop such competency and acquire global experiences.

2.1.2.4. Promotion Strategy

Promotion strategies are concerned with the planning, implementation, and control of persuasive communication with customers. The promotion strategy in a company is designed to communicate value to customers (Shimp, 2007). To communicate well, marketers have the option to choose from or blend the promotion mix which consists of the specific blend of advertising, public relations, personal selling, sales promotion, and direct-marketing tools that the company uses to persuasively communicate customer value and build customer relationships (Kotler & Armstrong,

2012). Some literatures claim that these communication tools are so varied that it includes both traditional and modern communication forms.

The primary forms of marketing communications include traditional mass media advertising (TV, magazines, etc.); online advertising (Web sites, opt-in e-mail messages, text messaging, and so on); sales promotions (such as samples, coupons, rebates, and premium items); store signage and point-of-purchase communications; direct-mail literature; marketing-oriented public relations and publicity releases; sponsorships of events and causes; presentations by salespeople; and various collateral forms of communication devices (Shimp, 2007). In addition to these means, social media has got recent acceptance in the globe as an effective means of product communication.

This form of media “describes a variety of new sources of online information that are created, initiated, circulated and used by consumers intent on educating each other about products, brands, services, personalities, and issues (Mangold & Fauld, 2009).

According to Kotler and Armstrong (2012), the product's design, its price, the shape and color of its package, and the stores that sell it all communicate something to buyers. Thus, although the promotion mix is the company's primary communications

activity, the entire marketing mix must be coordinated for developing competitive advantage in the market and to remain relevant in the future.

The critical and strategic issue involved here is how much money may be spent on the promotion of a specific product/market. Literatures claim that promotion has the effect on brand switching, purchase quantity, and stockpiling and have documented that promotion makes consumers switch brands and purchase earlier or more (Ailawadi, 2007). Similarly, the distribution of the total promotional budget among promotion mix is another strategic issue. Therefore, the formulation of strategies dealing with these issues determines the role that each type of promotion plays in a particular situation.

Yet having a blend of two or more promotional mix is more effective than single mix and hence for better result and competitive advantage integration the mix is of at most importance to companies (Ailawadi, 2007). This is so because the payoff is that by closely integrating multiple communication tools and media, brand managers achieve synergy, that is, multiple methods in combination with one another yield more positive communication results than do the tools used individually (Shimp, 2007).

2.1.3. Export Marketing Strategy

Marketing strategies is a procedure by which companies react to situations of competitive market and forces of market or react to environment forces and internal forces to enables the firms to achieve its objective and goals in target market, through all aspects of the marketing mix, that consist of products, prices, promotion, and distribution (Slater et al., 2009; Lee, Griffith 2004). Cavusgil and Zou, (1994) have complete definition of export marketing strategy and explained that "export marketing strategy is the means by which a firm respond to the interplay of internal and external forces to meet the objective of the export venture. It involves all aspect of marketing plan that including product, promotion, pricing, and distribution".

Traditionally, marketing strategy is a plan for pursuing the firm's objective or how the company is going to obtain its marketing goals within a specific market segment (Orville and Walker 2008; Theodosio, Leonidou, 2003; Kotler, Amertrong, 2009). The scope of marketing strategy is specifying the target markets for a special product or product line. Firms seek competitive advantage and synergy through a well- integrated program of marketing mix elements (Orville, Walker 2008). Brodrechtova, (2008) explained

that marketing strategy is a roadmap of how a firm assigns its resource and relates to its environment and achieves corporate objective in order to generate economic value and keep the firm ahead of its competitors. Marketing strategy is one of major elements of export performance and one of key factors affecting export performance is export marketing strategy (Griffith, 2004; Brodrechtova, 2008; Salavou, Halikias, 2008).

Traditionally marketing strategy was identified as an antecedent and determinants of export performance (Mavrogiannis et al., 2008; Lages, 2003; Leonidou et al., 2002; Cooper, Kleinschmidt, 1985; Baldauf et.al, 2000). Export marketing strategy had significant affect on EP and it was distinguished as one of the most frequently used determinants previously (Abdul Adis, Md. Sidin, 2010).

Previous research on the significance of the marketing showed the strong association between export marketing strategy and export performance also, a positive and direct impact of marketing strategy on export performance was found in the studies (Mohamad et al., 2009; Mavrogiannis et al. 2008; Lages, lages, 2003; Julian, O' Cass, 2003; Leoniduo et al., 2002; Cavusgil, Zou, 1994;).

Salavou and Halikias (2008) had found that the majority of exporter companies that obtaining higher export profitability belonged to their marketing-based strategists. Also, evidences in this survey explained that the marketing-based strategists firms acquired higher export profitability. Marketing strategy is a means by which firms respond to competitive market conditions. Traditionally, marketing strategy has been decomposed into the four elements of the marketing mix, i.e. product, pricing, place and promotion. The linking of marketing strategy to export performance has been one of the most widely investigated topics in international marketing research. (Lee & Griffith, 2004; Pauwels&Matthyssens, 2004; Myers et al., 2002; Brodrechtova, 2008; Calantone et al., 2006; Theodosiou&Leonidou, 2003; Berthon et al., 2012; Lages et al., 2004; Ulaga&Chacour, 2011; Theodosiou. &Leonidou , 2003; Brodrechtova, 2008; Hultman et al., 2009; Lages et al., 2009). This study's purpose is exploration the influence of varying marketing mix on protein products export.

Firm's export marketing behavior has been analyzed by different researchers during last two decades and many papers with different set of variables explained this phenomenon (Slater and Aaby, 1989). Research efforts are stimulated due to the fact that economies have realized the importance of export in economic and social development of the country.

Further, recently lot of economies are facing trade deficit which is also a factor to enhance export. Internationalization also played an eminent role in shifting strategic focus from local penetration to international presence. While reviewing export performance at a firm level, it is imperative to identify reason behind becoming market leader or market challenger; whether it is due to organizational structure or different strategies adopted by that firm.

Katsikeaset al. (2000) presented couple of groups of variables that explains how export performance is impacted by various factors. One of these groups includes background variables which indirectly impact export performance while there are few variables which the researcher has defined under the group category of intervening variables which influence export performance directly such as firm's strategy about marketing and targeting market.

Theodosiou and Leonidou (2003) explained that one of the strategic decisions company undertakes is to decide about entering into international market with standardization or adaptation approach as per the local conditions. Naidu and Rao (1993) were of the view that marketing adaptation plays a key role on export performance. Their study based on Spanish companies, analyzed how marketing strategy elements jointly impact export performance and also argue that market leaders in exporting are those which have strong competitive advantage, which are identified and build upon marketing strategies.

They further elaborated that firms which do not perform well in international markets are those who fail to distinguish their advantages which is the result of their lack of strategy formulation or ambiguity in implementation. Determinants of Export Marketing Strategy: Firms entering into foreign markets transform its strategic planning and require effective marketing function (Louter, Ouwerkerk and Bakker's 1991),. Shoham (1999) suggested that different identification of strategies require if firms plan to enter international markets. High performers capitalize on their competitive advantage (Francis and Collins-Dodd 2000, p.90).

Previously Porter (1985) had conducted a study on same subject in which he concluded that competitive advantages are marketed through low price option or on the basis of quality attribute through the use of different marketing mix which are designed

according to different customer segments and locations. Four variables of export marketing were identified by Cavasguill (1994) in his study, which are as follows:

- Product offering and services
- Distribution channels and its role
- Promotional activities
- Pricing terms/policies

Later on various other researchers, Aulakh, Kotabe and Teege (2000) also presented the same view; which suggest that high performing exporters in developed countries adopt for pure differentiation strategy rather than cost leadership strategy. They explained that firms aims to create a product which is unique for customers and follow differentiation strategy which comes through customer service, technology and new products. How firms respond to international market has been described by the means of marketing mix adaptation which includes competitive strategies for product, promotion, channel used & pricing (Craig and Douglas 1983; Kleinschmidt and Cooper 1985; Machintosh and Kirpalani 1980).

2.1.3.1. Export Performance Measurement

A variety of outcome measures have been proposed and evaluated in the export performance literature. The one common finding in more recent research is that multiple measures are necessary to capture unique and valuable facets of performance (Diamantopoulos, 1999; Katsikeas et al. , 2000; Shoham, 1998; Styles, 1998; Zou et al., 1998). Katsikeas et al.'s (2000) review of the export performance measurement literature identified some categories of performance outcomes:

- Financial performance measures based on volume of sales, profits and sales growth;
- Strategic performance measures related to export markets (such as number of countries exported to), global competitiveness; and
- Measures of overall satisfaction with the export venture (including perceived export success, achievement of export objectives, satisfaction with specific export performance indicators and in general).

Both objective financial measures and subjective measures have been used in the literature. Opening the door to subjective measures enables a much wider range of outcomes to be

addressed. Some researchers have argued for the inclusion of managers' perceptions of the extent to which they have achieved their objectives as a bona fide measure of performance, because they are the only ones who know their export goals (Seifert and Ford, 1989; White et al., 1998). Further, Shoham (1998) found that objective measures of sales, profits and growth were strongly correlated with subjective measures of satisfaction with these outcomes.

Measures of impact need to be derived to capture the wide range of export related actions which precede actual sales (Diamantopoulos et al. , 1993; Seringhaus, 1986). Ideally, these outcome measures should also closely reflect the scope of export promotion activities (Seringhaus, 1990; Seringhaus and Rosson, 1990).

Achievement of specific export objectives (classified as "generic measures" by Katsikeas et al., 2000), such as those identified by Cavusgil and Zou (1994) most closely resembles the kinds of outcomes export promotion programs support. These objectives include:

- knowledge of export practices;
- knowledge of export opportunities;
- increased awareness of our products in specific export markets;
- gaining a market foothold;
- increased market share in export markets;
- increased profitability of the company with exports (Cavusgil and Zou, 1994).

These objectives are ultimately related to achieving export sales performance and may be a more appropriate measure of performance than export sales performance (Cavusgil and Zou, 1994; eringhaus, 1986; Sty les, 1998). Export objectives cover a variety of export goals, appropriate for exporters at all levels of involvement and at various points in the export development process (Cavusgil and Zou, 1994; Diamantopoulos et al., 1993; Styles, 1998). Even though firms may not yet be reaping financial returns on their export efforts, they may consider themselves successful in putting the appropriate building blocks in place, thereby investing in future financial returns.

2.2. Empirical Review

Marketing literature suggests that that firms use capabilities to transform resources into outputs driven by their marketing mix strategies and that such marketing capabilities can affect their business performance (Vorhies & Morgan, 2003 &2005; Morgan, Vorhies &Mason, 2009). Many previous research studies have conducted to understand the different

impact of marketing mix capabilities on export performance. Taiwo (2010) has indicated that, strategic marketing practices have a significant impact on performance variables and that interact with the different components to facilitate performance. This statement confirms the observations of earlier studies (Day & Montgomery, 1999; Johne & Davies, 2002; Folan et. al, 2007; Franco Santos et.al, 2007). Studies showed positive relationship between product capability and export performance. Lages, Silva and styles (2009) reported that product strategy is the key driver of export performance and product quality is the top determinant of export performance. It is essential for exporting firms to have capable international distribution channels. Wilkinson and Brouthers (2006) contend that distribution capability, whether through distributors or direct international channels ,allows export firms access to customers in foreign markets, gain important local market knowledge, and provide necessary marketing services.

Distribution capability can have differential effects on the export performance of firms due to the different requirements and aspiration of non-exporters, early exporters, and advanced exporters (Leonidou &Katsikeas, 1996; Leonidou 2004). Some pervious research studies have reported that distribution network availability and cooperative partnership between the manufacturer and the export channel have a positive effect on export performance (Style & Ambler, 2000; Leonidou *et al*, 2002; Lages & Montgomery, 2004; Lee &Griffith, 2004, Sousa & Bradley, 2009). Promotional capability allows firms to adapt to foreign markets and target the right customers with effective integrated marketing communications (Blesa & Ripolle, 2008). So export managers need to devise incremental promotional strategies characterized by gradual adjustment to market condition (Lages, Jap & Griffith, 2008). In the later stages of export development, firms with superior marketing communication capability are able to persuade global consumers to purchase their products that are available in the targeted foreign markets (Murray *et al*, 2011). Hultman, Katsikeas and Robson (2011) stated that export promotion strategies are more effective in increasing export sales for firms with greater experience in the specific foreign markets.

2.3. Conceptual Framework

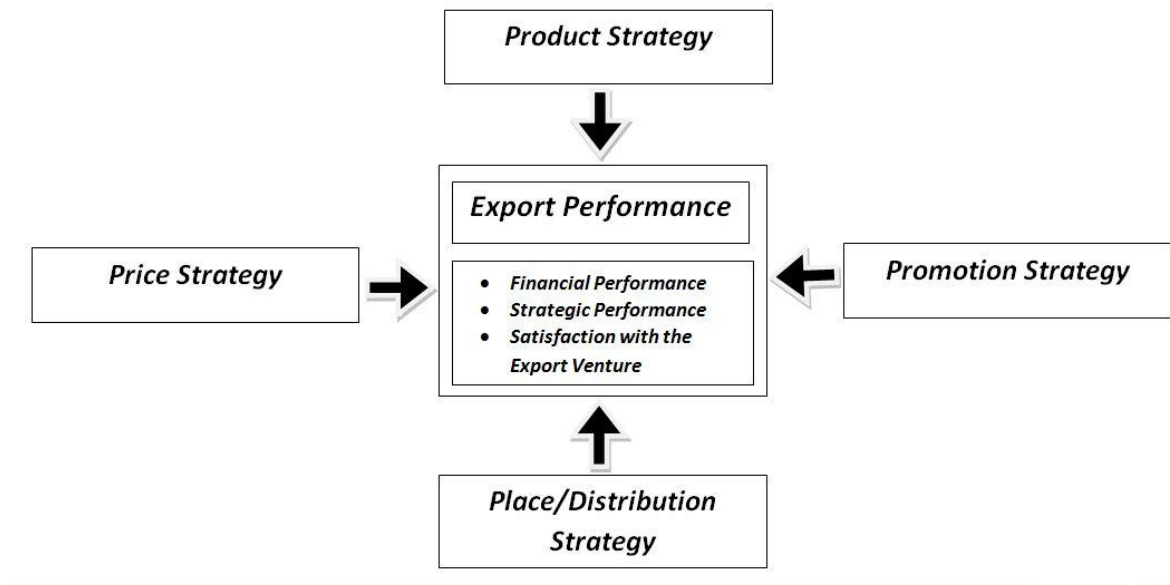


Figure 4: Conceptual Framework

Source: Adopted and modified from:

- Sengupta & Chattopadhyay (2016) and the EXPERF Scale developed by Zou et al. (1998)

CHAPTER THREE

RESEARCH DESIGN AND METHEDODOLOGY

3.1. Introduction

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically (Kothari, 2004). Methodology is, broadly speaking, the way in which a researcher conducts research. It is the way in which s/he chooses to deal with a particular question (which may consequently result in a problem definition) (Jonker & Pennink, 2010).

In this section description of the study area, research design and research strategy, approaches to research methods, sources of information/data, data collection method & instruments, sampling methodology and data analysis techniques were discussed.

3.2. Research Approach

The approach in the research was deductive reasoning with a quantitative research strategy. Quantitative data was collected from systematically selected respondents from the members of the target population.

Skip interval sampling is form of systematic sampling technique. When population elements are selected for inclusion in the sample based on the ease of access, it can be called systematic sampling (Kothari, 2004).

3.3. Research Design

According to the explanation of university of south California libraries (2013) the research design refers to the overall strategy that the researcher chooses to integrate the different component of the study in coherent and logical way. It constitutes the blueprint for the collection, measurement, and analysis of data. So, that an appropriate research design should be selected that is compatible to the research problem to be addressed.

More ever the study was descriptive in approach. According to Biscoe (2003) it can be both qualitative and quantitative in nature if the sample size is small and data are going to be collected through questionnaires, interviews, or observations. As the researcher explained,

descriptive research design helps to provide answers to the questions of who, what, where, and how associated with a particular research problem to obtain information concerning the current states of the phenomena. In order to achieve the research objective, the study was both quantitative and qualitative in approach. According to Garbarino and Holland (2009), quantitative research produces data in the form of numbers, while qualitative research tends to produce data that can be aggregated and analyzed to describe the data. .

3.4. Sampling Design

3.4.1. Target Population

A target population consists of the complete group of elements (people or object) that are specifically identified for investigation according to the objectives of the research project (Paurav shukla, 2008) cited by (Belay, 2012). A precise definition of the target population is essential and usually done in terms of elements, sampling units, and sampling frame (Paurav shukla, p-57, 2008). An element is defined as a person or object from which data is sought and about which inferences are to be made. The target population of this study was the complete list of 65 textile and garment companies obtained from Addis Ababa Chamber of Commerce and Sectorial Association. Sampling units were the target population elements available for selection during the sampling process.

3.4.2. Sample Size Determination

This refers to the number of items to be selected from the universe to constitute a sample. This is a major problem before a researcher. The size of sample should neither be excessively large, nor too small. Descriptive research typically uses larger samples; it is sometimes suggested that one should select 10-20 per cent of the accessible population for the sample (Kumar, 2006; Hill, 1996). For a better accuracy, the researcher implements a 30% sample size (i.e. 30% of 65 companies, 19 companies)

Having found the Kth value to be 3 and taking the 2nd company to be the randomly selected company, the researcher takes companies listed in under serial number 2,5,8,11,14,17,20,23, 26,29,32,35,38,41,44,47,50,53 and 56 of the list.

Due to the nature of the study, the researcher is collecting the data from the marketing managers and export division heads of each sample company. Therefore, the researcher is

expecting 38 responses from the sample companies. Subsequent analysis will be based on the 38 responses.

3.4.3. Sampling Technique

A sampling technique is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample. Sampling technique may as well lay down the number of items to be included in the sample i.e., the size of the sample. Sampling technique is determined before data are collected (Kothari, 2004).

Skip interval sampling technique (systematic sampling method) was used to undertake the study and to complete the structured questionnaire on voluntary basis.

3.5. Sources of Data

The study was based on the collection of both primary and secondary data. The primary data was gathered through structured questionnaire. The secondary data was obtained through document analysis to supplement the primary data. A number of books, journals and articles were reviewed.

3.6. Data Collection Method

For this research both primary and secondary data were collected. The data collection instrument was a structured questionnaire in order to collect primary data. The researcher's draft questionnaires were modified from the F.M moghaddam (2011). Because it was pre tested with academics and practitioners to check its content validity, there was no need of conducting direct test to examine its suitability for the target population.

But, the researcher has also done more modified Self-administered structured questionnaires for collecting the primary data from those marketing managers was designed. Through questionnaire, fixed alternative questions were distributed to selected respondents of the Marketing Managers and Export Division Managers.

General information about the previous export trend of the selected textile and garment companies and the industry was gathered from annual reports and critical concepts regarding export marketing strategy and export performance also gathered from the World Wide Web.

3.7. Method of Data Analysis

The analysis of this paper includes three parts. Tactical package (descriptive statistics part) was employed to support and facilitate processing of data gathered through questionnaire. The collected data through questionnaire were coded, edited in to SPSS for processing, furthermore the collected data were expressed and presented in tables and charts to identify and assess the effect of export marketing strategy on export performance of textile companies in the industry. Where graphs and tables are were employed to evaluate the export performance trend of the sample companies and the industry as a whole.

Moreover organized data were analyzed and described using descriptive statistical tools including mean, percentage, frequency and Standard deviation.

3.8. Validity and Reliability

3.8.1. Validity

Validity is the most critical criterion and indicates the degree to which an instrument measures what it is supposed to measure. It can also be thought of as utility. In other words, validity is the extent to which differences found with a measuring instrument reflect true differences among those being tested (Kothari, 2004).

Numbers of different steps was taken to ensure the validity of the study:

- Data was collected from the recognized and registered textile and garment companies
- Survey questions were made based on literature reviews and frame of references to ensure result validity.

3.8.2. Reliability

In addition to asking if a measure is valid, we should also ask if it is reliable. A measure is considered reliable if it yields the same results each time it is used, assuming, of course, that there has been no real change in the variable being measured. In other words, reliable measures do not fluctuate- they yield consistent results (Ruane, 2005).

This study has used the Cronbach's alpha to assess the reliability of the variables. According to Field (2005) and Tan &Teo, (2000), Cronbach's alphas of the sub-scales ranged from 0.690 to 0.925 which indicate an acceptable internal consistency and reliability measures for the questionnaire meaning that if the results exceed the minimum alpha of 0.690 the

constructs measures will be deemed reliable. In this study the measures will be taken as reliable when the Cronbach's alpha value is found to be 0.7 or above.

3.9. Ethical Consideration

The respondents were given privileges of not writing their name and no respondents were forced to fill the questionnaire unwillingly and without making the actual purpose of carrying out the research clear to him/her. The purpose of the study was disclosed in the introductory part of the questionnaire. Furthermore, misleading or deceptive statements were tried to be avoided, in the questionnaires.

CHAPTER FOUR

RESULT AND DISCUSSION

4.1. Introduction

In this chapter, the data collected through the questionnaire is presented. It consists of response rate level and demographic characteristics of the respondents (the management groups of the firms) the reliability tests and also description of marketing mix strategies and export performance. Finally, it deals with the correlation analysis between marketing mix strategies in relation with the generation of export revenue.

4.2. Response Rate

Out of the total number of the 38 questionnaires distributed, 38 (100%) questionnaires were returned from the textile and garment companies. Hence, the researcher analysis depend on the return rate

Table 2: Response Rate of Respondents

Questions	In no.	In percent (%)
Distributed	38	100
Returned	38	100
Un returned	0	0

4.3. Demographic Profile of Respondents

Although many demographic characteristics of targeted population of the sample companies, could be mentioned, but this study emphasized on limited factors such as gender, age, level of educational and working experience which are relevant for this study.

As it is portrayed in table below 29 or 76.3 percent of respondents were males whereas the rest 9 or 23.7 percent of respondents were females.

Table 3: Gender and Age Group of Respondents

			AGE				Total
			LESS THAN 30	31-40	41-50	51-60	
GENDER	MALE	Count	6	15	5	3	29
		% of Total	15.8%	39.5%	13.2%	7.9%	76.3%
	FEMALE	Count	0	7	2	0	9
		% of Total	0.0%	18.4%	5.3%	0.0%	23.7%
Total		Count	6	22	7	3	38
		% of Total	15.8%	57.9%	18.4%	7.9%	100.0%

With regarded to age structure of respondents, as it is tried to be shown in the table above, most of the respondents i.e.22 (57.9%) were between the ages of 31-40 years.

Furthermore, as indicated in table below, educational level of respondents were 32 (84.2%) were bachelor degree holders. The remaining 6 respondents (i.e. 15.8%) have Masters Degree.

Table 4: Level of Education and Years of Work Experience of Respondents

			EXP		Total
			1-5 years	6-10 years	
EDUC	First Degree	Count	18	14	32
		% of Total	47.4%	36.8%	84.2%
	Masters Degree	Count	2	4	6
		% of Total	5.3%	10.5%	15.8%
Total		Count	20	18	38
		% of Total	52.6%	47.4%	100.0%

The researcher was also interested to know the work experience of the respondents, As a result, the above table shows 20 (52.6%) respondents have a relevant work experience of 1-5 years while the rest 18 (47.4%) have been working in the position from 6-10 years.

4.4. Descriptive Analysis

4.4.1. Product Marketing Strategies

The following table comprises items of product strategy related questions forwarded to the target respondents and the responses are summarized in the table and followed by its descriptions.

Table 5: Product Strategy Practice of Companies

Item Id	Item	Scale	Freq.	Percent	Valid Percent	Mean	Std. Deviation
PDCT1	The products of Textile and Garment satisfy the quality as per the standard	Low	26	68.4	68.4	2.32	0.471
		Medium	12	31.6	31.6		
		Total	38	100	100		
PDCT2	The products of Textile and Garment are known brand	Very low	38	100.0	100.0	1.00	0.000
		Total	38	100	100		
PDCT3	The products of Textile and Garment company are adapted and designed to each country standard	Very low	8	21.1	21.1	2.37	0.819
		Low	8	21.1	21.1		
		Medium	22	57.9	57.9		
		Total	38	100	100		
PDCT4	The products of Textile and Garment company are diversified	Medium	8	21.1	21.1	3.79	0.413
		High	30	78.9	78.9		
		Total	38	100	100		
PDCT5	The products of Textile and Garment company are with its own design	Very low	26	68.4	68.4	1.47	0.762
		Low	6	15.8	15.8		
		Medium	6	15.8	15.8		
		Total	38	100	100		
PDCT6	The products of Textile and Garment design attract customer's advantage than its competitors	Very low	22	57.9	57.9	1.37	0.500
		Low	16	42.1	42.1		
		Total	38	100	100		

The above table indicates product attributes such as quality, brand, international design standard, diversification, company design, and competitiveness. In this regard, the majority of respondents replied from low to very low practice to foreign export. Likewise, the mean score for the above product attributes are 2.32, 1.00, 2.37, 3.79, 1.47 and 1.37 respectively. Conversely, the standard deviation ranges from the minimum 0.000 that counted for brand knowledge of the product to the highest variation of data for adaptation of designs to each

country standards 0.819. This implies that there is difference among the management team responses even working in one or two companies.

To summarize the firms' product adaptation strategy has low practices in the international markets by the firms to enhance their export according to the firms' management groups (respondents) point of view. This result is similar with some empirical evidences: In differentiating a product, there are several variables that may influence customer perception and generate willingness to buy. These variables may be service quality or brand awareness among others (Cheok, Wee and Tan 1995, Johnson and Arunthanes (1995) found that product adaptation makes it easier to get their product accepted in foreign market and enhance export performance not only in early days but also in penetration stage, In a more recent study Calantone et. Al (2006) found that product adaptation holds a positive association with export performance in United States, Korea, and Japan. This finding is corroborated by Han and Kim's findings (2003) which also support the idea that product standardization improved export success for Korean firms in China

4.4.2. Price Adaptation Strategy of Firms

In most cases, firms based their pricing decisions based on product uniqueness, level of product acceptability and competition level in foreign market. Export pricing strategies in the context of this study refers to the standardization or adaptation of international pricing policies. Firms are able to ensure responsiveness to changing market conditions, competitive situations, and environmental forces through the employment of adaptive pricing strategies. Furthermore, as many literatures indicate, for exporters, engaging in price adaptation strategies enables quick pricing adjustments to local market fluctuations, thus allowing for development of export. Therefore, the following table presents the responses in relation to pricing.

Table 6: Price Strategy Practice of Companies

Item Id	Item	Scale	Freq.	Percent	Valid Percent	Mean	Std. Deviation
PRCE1	Textile and Garment company offer lower price than its competitors	Very low	38	100.0	100.0	1.00	0.000
		Total	38	100	100		
PRCE2	Textile and Garment company is make adjustment on price based on the situation in the foreign market	Very low	36	94.7	94.7	1.05	0.226
		Low	2	5.3	5.3		
		Total	38	100	100		
PRCE3	Textile and Garment company facilitate credit to their customers	Very low	38	100.0	100.0	1.00	0.000
		Total	38	100	100		
PRCE4	The price method of Textile and Garment company is better than its competitors	Very low	33	86.8	86.8	1.13	0.343
		Low	5	13.2	13.2		
		Total	38	100	100		
PRCE5	Textile and Garment factory is delivered price to its customers within 24 hours	Low	7	18.4	18.4	3.55	1.005
		Medium	10	26.3	26.3		
		High	14	36.8	36.8		
		Very High	7	18.4	18.4		
		Total	38	100	100		
PRCE6	Textile and Garment company has confidence in its product price	Very low	38	100.0	100.0	1.00	0.000
		Total	38	100	100		

The above table result reveals that all the items, level, adjustments, credit, length of price information flow, method, and the confidence on its product price, majority of the respondents replied that they are very low with the mean score 1.00, 1.05, 1.00, 1.13, 3.55 and 1.00 respectively. Besides, the standard deviation of the data among the respondents ranges from 0.00 to 1.005. This implies that the companies management team believes in relation to international price strategies have quite different views.

Overall the firms 'price adaptation strategy on average is very low practices in the international markets by the firms to enhance their export according to the respondents point of view. This result is almost similar with prior research suggests that pricing strategy allows a firm to adjust to local competitive conditions, thus enhancing its ability to position itself in the market, resulting in export success. Some researcher considered (Lee & Griffith, 2004; Lado et al., 2004) determinant price factor for exporters, engaging in price adaptation

strategies enables quick pricing adjustments to local market fluctuations, thus allowing for development of export.

4.4.3. Place or Distribution Marketing Strategy

Exporters employing a direct channel strategy have greater access to market information and are able to adapt more quickly to changes in the marketplace than exporters pursuing in an indirect channel strategy. Alternatively, exporters engaging in indirect exporting use independent intermediaries to market the firm's products overseas. These intermediaries employ their network of foreign distributors and their own sales force. Hence, this study presents the data in the following table with regard to distribution performance to access the foreign markets.

Table 7: Distribution/Place Strategy Practice of Companies

Item Id	Item	Scale	Freq.	Percent	Valid Percent	Mean	Std. Deviation
PLCE1	Textile and Garment factory has used direct exporting channel.	Very low	19	50.0	50.0	1.63	0.714
		Low	14	36.8	36.8		
		Medium	5	13.2	13.2		
		Total	38	100	100		
PLCE2	Textile and Garment factory has its own distribution net work	Very low	38	100.0	100.0	1.00	0.000
		Total	38	100	100		
PLCE3	Textile and Garment factory has good transportation facility.	Very low	3	7.9	7.9	2.11	0.509
		Low	28	73.7	73.7		
		Medium	7	18.4	18.4		
		Total	38	100	100		
PLCE4	Textile and Garment company use agents /intermediaries to distribute its products	High	7	18.4	18.4	4.92	0.393
		Very High	31	81.6	81.6		
		Total	38	100	100		
PLCE5	Textile and Garment company has good storage facility	Low	9	23.7	23.7	3.29	0.984
		Medium	14	36.8	36.8		
		High	10	26.3	26.3		
		Very High	5	13.2	13.2		
		Total	38	100	100		
PLCE6	Textile and Garment factory has sales representative office in foreign countries	Very low	26	68.4	68.4	1.47	0.762
		Low	6	15.8	15.8		
		Medium	6	15.8	15.8		
		Total	38	100	100		

As indicated in the above table, majority of the respondents implied that the textile and garment factory has low practice in using direct exporting channel, own distribution network, transportation facility, using intermediaries. Whereas, having sales representative office in foreign countries shows very low. The overall means score for the above distribution items 1.63, 1.00, 2.11, 4.92, 3.29 and 1.47 respectively. Concerning to the standard deviation, the largest variation for storage facility counted 0.984 to the lowest counted 0.000 variations of responses of representative for having own distribution network in foreign countries.

Hence, the researcher summarized the distribution adaptation strategy of firm is medium to low ranges and this findings is near similar with the indicated below researches have been focused on distribution channel, classification of export channel strategies. Those exporters selling directly to the buyer located in a foreign market are responsible for the directing of activities associated with export sales, requiring the exporter's commitment in terms of attitudes and behavior for export success. Direct exporting has several advantages; for example, it can lead to better knowledge of export markets due to direct contact, increase export profitability by absorbing part of the gross margin provided to trading companies, etc. Alternatively, exporters engaging in indirect exporting use independent intermediaries to market the firm's products overseas. These intermediaries employ their network of foreign distributors and their own sales force Previous research suggests that successful exporters employ more direct exporting than indirect exporting (Lee & Griffith, 2004; Mehta et al., 2005).

4.4.4. Promotion adaptation strategy of firms

Promotion is one of marketing mix that many researchers assessed its relationship with export performance to find whether sound promotion would increase sales and export performance. Although the performance of promotion may contribution profit positively and sale growth of export. Thus, the question forwarded to the respondents are summarized in the table below and followed by its interpretation.

Table 8: Promotion Strategy Practice of Companies

Item Id	Item	Scale	Freq.	Percent	Valid Percent	Mean	Std. Deviation
PRMN1	Textile and Garment company contributes in international trade fairs	High	5	31.2	31.2	4.87	0.343
		Very High	33	86.8	86.8		
		Total	38	100	100		
PRMN2	Textile and Garment company has visited its customers	Low	13	34.2	34.2	2.71	0.565
		Medium	23	60.5	60.5		
		High	2	5.3	5.3		
		Total	38	100	100		
PRMN3	Textile and Garment company are used commercial intermediaries	Very low	11	28.9	28.9	2.00	0.771
		Low	16	42.1	42.1		
		Medium	11	28.9	28.9		
		Total	38	100	100		
PRMN4	Textile and Garment company are used advertizing expenditure	Very low	29	76.3	76.3	1.32	0.620
		Low	6	15.8	15.8		
		Medium	3	7.9	7.9		
		Total	38	100	100		
PRMN5	Textile and Garment company uses sales promotion	Very low	29	76.3	76.3	1.29	0.565
		Low	7	18.4	18.4		
		Medium	2	5.3	5.3		
		Total	38	100	100		
PRMN6	Textile and Garment company investment in promotional activity	Very low	28	73.7	73.7	1.26	0.446
		Low	10	26.3	26.3		
		Total	38	100	100		

As we have seen from the above table, all the items of promotion:, visits to customers, using intermediaries to promote, using advertising expenditures, sales promotion and investment for marketing communication were responded from medium to very low except participation in international trade fairs that ranges from high to very high.

Similarly, the score of mean values from 1.26 to 4.87 that the company can inform, introduce, remind or encourage to generate more sales and enhance export performance. However, the Std. Deviation debates from the least 0.343 to the highest value of 0.771.

In general, the firms' product promotion strategy is medium to very low practices in the international markets by the firms to accelerate their export performance according to the firms' management groups (respondents) point of view. This not is similar with some empirical evidences: promotion is one of marketing mix that many researchers assessed its relationship with export performance to find whether sound promotion would increase sales and export performance. Although promotion effort on export profit contribution was limited, Others causal research shows, it had strong influence on intensity and sale growth of export (Leonidou et al., 2002). Promotion is relatively effective to the campaigns of competitors (Theorell, Dau, 1998). From all dimensions of export performance, the most widely researched was advertising that examined advertising procedure the company can inform, introduce, remind or encourage consumer and, therefore, generated more sale and enhance export performance (Leonidou et al., 2002). Nevertheless, the companies advertising practice is lower than the other promotional mixes.

4.5. Analysis of Export Performance of Companies

For this topic, the researcher has tried to identify and analyze the foreign sales contribution, number of markets served by the companies, estimation of relative profitability and overall business satisfaction from the export venture.

Thus, the question forwarded to the respondents are summarized in the table below and followed by its interpretation.

Table 9: Summary of Export Performance Measurement

Item Id	Item	Scale	Freq.	Percent	Valid Percent	Mean	Std. Deviation
EXPRF1	Estimate your company's percent of total sales attributable to foreign sales	Much less than domestic	33	86.8	86.8	1.13	0.343
		Less than domestic	5	13.2	13.2		
		Total	38	100	100		
EXPRF2	Total number of countries in which you are currently conducting business	1-5 Countries	38	100.0	100.0	1.00	0.000
		Total	38	100	100		
EXPRF3	Estimate your relative profitability from exporting	Much less than domestic	35	92.1	92.1	1.08	0.273
		Less than domestic	3	7.9	7.9		
		Total	19	100	100		
EXPRF4	How much satisfied you are with the results of your company's international experience?	Very Dissatisfied	1	2.6	5.3	2.08	0.359
		Dissatisfied	33	86.8	89.5		
		Neutral	4	10.5	5.3		
		Total	19	100	100		

According to the results, the share of sales revenue of foreign market as compared to domestic market is low having the percentile figures of 86.8 and 13.2 for much less than domestic and less than domestic respectively. All respondents are serving foreign markets not more than 5. 100% of the respondents are responding that they are serving 1-5 foreign markets. Respondents are replying that their relative profitability is less than domestic and much less than domestic with a percentile figure of 7.9 and 92.1 respectively. Finally, majority of respondents are dissatisfied by the results of their company's international experience.

4.6. Correlational Analysis between Marketing Strategy and Export Performance

To find out the relationship between marketing strategy and export performance, Pearson's correlation coefficient (r) which measures the strength and direction of a linear relationship between two variables is used. Values of Pearson's correlation coefficient are always between -1 and +1. A correlation coefficient of +1 indicates that two variables are perfectly related in a positive sense; a correlation coefficient of -1 indicates that two variables are

perfectly related in a negative sense, and a correlation coefficient of 0 indicates that there is no linear relationship between the two variables. A low correlation coefficient; 0.1-0.29 suggests that the relationship between two items is weak or non-existent. If r is between 0.3 and 0.49 the relationship is moderate. A high correlation coefficient i.e. >0.5 indicates a strong relationship between variables. The direction of the dependent variable's change depends on the sign of the coefficient. If the coefficient is a positive number, then the dependent variable will move in the same direction as the independent variable; if the coefficient is negative, then the dependent variable will move in the opposite direction of the independent variable. Hence in this study both the direction and the level of relationship between the dimensions of service quality and customer satisfaction are conducted using the Pearson's correlation coefficient.

Table 10: Pearson Correlation Table

		PRODUCT_ STRATEGY	PRICE_STR ATEGY	DISTRIBUTI ON_STRATE GY	PROMOTIO N_STRATEG Y	EXPERF_ST RATEGY
PRODUCT_STRATEG Y	Pearson Correlation Sig. (2-tailed) N	1 38				
PRICE_STRATEGY	Pearson Correlation Sig. (2-tailed) N	.035 .000 38	1 38			
DISTRIBUTION_STRATEG Y	Pearson Correlation Sig. (2-tailed) N	.468** .000 38	.121 .000 38	1 38		
PROMOTION_STRATEG Y	Pearson Correlation Sig. (2-tailed) N	.264 .000 38	.273 .000 38	.614** .000 38	1 38	
EXPERF_STRATEGY	Pearson Correlation Sig. (2-tailed) N	.850 .000 38	.930 .000 38	.406 .000 38	.457* .000 38	1 38

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

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

From the result we can see that product (0.850) and price (0.930) strategy of the companies has a very strong relationship with their performance in the export venture. Promotion is

moderately correlated to export performance (0.457) followed by distribution strategy (0.406). As indicated in the above Pearson Correlation Table, the all of marketing mix strategies have positive correlation with export performance.

4.7. Reliability Test

To measure consistency of the scale, the Cronbach alpha coefficient was used as a measure of reliability. A high value of the Cronbach alpha coefficient suggests that the items that make up the scale ‘hang together’ and measure the same underlying construct. A value of Cronbach alpha above 0.70 can be used as a reasonable test of reliability.

Table 11: Reliability Statistics
Reliability Statistics

Variables	N of Items	Cronbach's Alpha
Product Strategy	6	0.762
Price Strategy	6	0.874
Place Strategy	6	0.918
Promotion Strategy	6	0.791
Export Performance	4	0.840

As a result, as shown in the table above, measurement scale of marketing mix strategies was high. The lowest scale of cronbach alpha was product strategy 0.762 and the highest was 0.886 for place or distribution strategy. Cronbach alpha for price strategy, promotion strategy and export performance (EXPERF) measuring scale was 0.874, 0.791 and 0.840 respectively. Therefore the four elements of marketing mix strategies were found to be high in their internal consistency and thereby in measuring the performance of interest.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATION

5.1. Conclusion

This study focused on the analysis of the relationship between practices of marketing strategies (product, price, promotion and distribution strategies) of textile and garment exporting companies on their export performance. As per the findings, the researcher draws the conclusions listed hereunder.

- Product strategy practices on export products of the sample companies were analyzed in six statements. According to the analyses resulted, product strategy is low to every range on export product strategy.
- The level of Price strategy adaptation on export products of the sample companies was interpreted in six announcements. Based on the interpreted results, price strategy practice is very low on export products of the sample companies.
- The level of distribution strategy adaptation on export products of textile and garment companies was taken in six statements. Based on the interpret results, distribution strategy is low export of this sample companies in the industry.
- The level of promotion strategy practice on export product of the sample companies was interpreted in six accounts. Based on the understanding or the results, promotion strategy ranged from medium to low export products of the sample companies.
- The EXPERF measurement scale of export measurement scale indicates that the share of sales revenue of foreign market as compared to domestic market is low, all respondents are serving not more than 5 foreign markets, in all companies the relative profitability is less than domestic and much less than domestic and finally, majority of the respondents are dissatisfied by the results of their company's international experience.
- Generally, the researcher concluded that the sample companies are practicing the 4ps of marketing strategies but their level of adaptation have difference: Price marketing strategy, distribution marketing strategy and promotion marketing strategy are

medium or an averagely adapted on the export product of firm's .whereas the product marketing strategy is highly adapted on the export product of the sample companies.

5.2. Recommendation

According to the research findings, the researcher has provided some suggestions from the analysis of marketing strategy and firm's export performance perspectives.

Out of the four marketing strategy product strategy is low as practiced by the sample companies. To enhance their export, the management of the companies should give attention to improve the level of adaptation with respect to quality, own Brand, design and in offering variety of the products. The design of the product should not be the same for a long period of time and it should be flexible with fashionable offerings.

Price strategy is alarmingly very low practiced on export products by the sample companies. But, according to empirical evidence, price strategy adaptation is the most common tool frequently adjustable by textile companies in order to enhance their export. Therefore, the companies should focus on price strategy adaptation with respect to price adjustment, low cost advantage, adjustment of export price according the international market situation.

Distribution strategies was replied my the management team of the companies medium to high and should improve the level of distribution strategies adaptation with respect to direct channels because it is prefer to establish contact with direct buyers which give them more control in negotiation and provide better return and same is suggested in other literatures. Besides, promotion strategies was responded as medium to very low level of practice by the sample companies but, according the review of literature the companies should have to improve the level of promotion adaptation suing different promotional activities as per the situation demands.

Furthermore, most of the sample companies have to increase the number of markets being served in international market by usage of promotional tools, diversification of products and organizational commitment towards export performance. And this sample companies should fully practice marketing mix elements in order to enhance their export performance and gain competitive advantage.

Finally, from the researcher's personal observation, the companies have to hire creative, energetic and committed workforce to cope up with the dynamic market environments.

5.3. Direction for Future Study

Further research can be done to determine the policy barriers to implement the marketing mix elements which are not covered by this study. Any future research should reflect on the effect of intervening variables by using other dimensions of the marketing strategy such as segmenting, positioning and targeting strategy. Researchers could also include more companies for depicting the holistic problems of the industry.

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APPENDIX

QUESTIONNAIRE



ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
(SCHOOL OF COMMERCE)

QUESTIONNAIRE

Marketing Strategy Practices in Generating Sustainable Export Revenue
(A Perspective of the Ethiopian Textile and Garment Industry)
(To be Filled by Marketing Managers of Textile & Garment Exporting Companies)

Dear Respondents,

This Questionnaire is designed to capture information on Ethiopian textile companies' marketing strategy practices in generating sustainable export revenue. Kindly, provide your opinion on the various questions addressed herein under to measure the contribution of various factors on your export performance.

The purpose of the study is purely academic and information gained from each one of you will be kept strictly confidential. Completing the questionnaire won't take you more than 15 minutes. Your cooperation is highly appreciated. Together we can make a difference.

Please do not write your name or your company's name on the questionnaire.

Thank you.

Section One: Background Information of Respondents

Direction: Choose the suitable answer and tick (V) in the box given for each choice

BG-1	Respondents gender	Male		Female		
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BG-2	Respondents age	<30	31-40	41-50	51-60	>60
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BG-3	Education level	H.School	Diploma	Degree	Masters	PhD
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BG-4	Years of experience in the company (as mkg manager)	<1	1-5	6-10	11-15	>15
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Section Two: Marketing Mix Strategy

Direction: Please select a response category by encircling or ticking (V) the appropriate number that best represents your opinion.

Q-Code	Product Strategy	Very low	Low	Medium	High	Very high
PDCT-1	The products of Textile and Garment satisfy the quality as per the standard	1	2	3	4	5
PDCT-2	The products of Textile and Garment are known brand	1	2	3	4	5
PDCT-3	The products of Textile and Garment company are adapted and designed to each country standard	1	2	3	4	5
PDCT-4	The products of Textile and Garment company are diversified	1	2	3	4	5
PDCT-5	The products of Textile and Garment company are with its own design	1	2	3	4	5
PDCT-6	The products of Textile and Garment design attract customer's advantage than its competitors	1	2	3	4	5
Q-Code	Price Strategy	Very low	Low	Medium	High	Very high
PRCE-1	Textile and Garment company offer lower price than its competitors	1	2	3	4	5
PRCE-2	Textile and Garment company is make adjustment on price based on the situation in the foreign market	1	2	3	4	5
PRCE-3	Textile and Garment company facilitate credit to their customers	1	2	3	4	5
PRCE-4	The price method of Textile and Garment company is better than its competitors	1	2	3	4	5
PRCE-5	Textile and Garment factory is delivered price to its customers within 24 hours	1	2	3	4	5
PRCE-6	Textile and Garment company has confidence in its product price	1	2	3	4	5
Q-Code	Place/Distribution Strategy	Very low	Low	Medium	High	Very high
PLCE-1	Textile and Garment company has used direct exporting channel	1	2	3	4	5
PLCE-2	Textile and Garment company has its own distribution net work	1	2	3	4	5
PLCE-3	Textile and Garment company has good transportation facility	1	2	3	4	5
PLCE-4	Textile and Garment company use agents /intermediaries to distribute its products	1	2	3	4	5
PLCE-5	Textile and Garment company has good storage facility	1	2	3	4	5
PLCE-6	Textile and Garment company has sales representative office in foreign countries	1	2	3	4	5
Q-Code	Promotion Strategy	Very low	Low	Medium	High	Very high
PRMN-1	Textile and Garment company contributes in international trade fairs	1	2	3	4	5
PRMN-2	Textile and Garment company has visited its customers	1	2	3	4	5
PRMN-3	Textile and Garment company are used commercial intermediaries	1	2	3	4	5
PRMN-4	Textile and Garment company are used advertizing expenditure	1	2	3	4	5
PRMN-5	Textile and Garment company uses sales promotion	1	2	3	4	5
PRMN-6	Textile and Garment company investment in promotional activity	1	2	3	4	5

Section Three: Measures of Export Performance			
Direction: Please select a response category by ticking (v) the appropriate number that best represents your opinion.			
Q-Code	Export Performance		
EXPRF-1	Estimate your company's percent of total sales attributable to foreign sales	<input type="checkbox"/>	Much less than domestic
		<input type="checkbox"/>	Less than domestic
		<input type="checkbox"/>	Equal to domestic
		<input type="checkbox"/>	More than domestic
		<input type="checkbox"/>	Much more than domestic
EXPRF-2	Total number of countries in which you are currently conducting business	<input type="checkbox"/>	1-5 Countries
		<input type="checkbox"/>	6-10 Countries
		<input type="checkbox"/>	11-15 Countries
		<input type="checkbox"/>	16-20 countries
		<input type="checkbox"/>	More than 20 Countries
EXPRF-3	Estimate your relative profitability from exporting	<input type="checkbox"/>	Much less than domestic
		<input type="checkbox"/>	Less than domestic
		<input type="checkbox"/>	Equal to domestic
		<input type="checkbox"/>	More than domestic
		<input type="checkbox"/>	Much more than domestic
EXPRF-4	How much satisfied you are with the results of your company's international experience?	<input type="checkbox"/>	Very Dissatisfied
		<input type="checkbox"/>	Dissatisfied
		<input type="checkbox"/>	Neutral
		<input type="checkbox"/>	Satisfied
		<input type="checkbox"/>	Very Satisfied

Thank you for your time!!!