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SCHOOL OF COMMERCE

DEPARTMENT OF MARKETING MANAGEMENT

**THE EFFECT OF MARKETING STRATEGY ON SMALL AND MEDIUM
MANUFACTURING INDUSTRIES PERFORMANCE OPERATING IN
ADDISS ABEBA, ETHIOPIA**

**THESIS SUBMITTED TO SCHOOL OF GRADUATE STUDIES OF ADDIS ABABA
UNIVERSITY, SCHOOL OF COMMERCE FOR THE PARTIAL FULFILLMENT FOR
THE DEGREE OF MASTER OF ARTS IN MARKETING MANAGEMENT**

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Thesis Approval Form

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Statement of Certification

This is to certify that Fiseha Berhane Meresa has carried out his research work on the topic entitled “The Effect of Marketing Strategy on Small and Medium Manufacturing industries Performance: In the Case of Addis Ababa City” is his original work and is suitable for submission for the award of Masters Degree in Marketing Management.

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Declaration

I Fiseha Berhane, do declare that this Thesis titled “The Effect of Marketing Strategy on Small and Medium Manufacturing industries Performance: In the Case of Addis Ababa City.” is my original work and that all sources of materials used for this thesis have been duly acknowledged. This work has not been submitted partially, or in full, by any other person for an award of a degree in any other university or institution and I carried out the study under the guidance and supervision of Getie Andualem (PhD).The assistance and help received during the course of this investigation have been duly acknowledged.

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The thesis has been submitted for examination with my approval as an advisor.

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Date

ADDIS ABABA, ETHIOPIA

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Definition of terms

(FeSMEDA	Federal Micro and Small Industriess Development Agency
FSMMEs	Federal Small and Medium Manufacturing Industry Agency
AAMSEDB:	Addis Ababa Micro and Small Industries Development Bureau
ANOVA:	Analysis of Variance
CO:	Customer Orientation
GTP:	Growth and Transformation Plan
SMMEs:	Small and Medium Manufacturing Industries
RBV:	Resource Based View
RM:	Relationship Marketing
SD:	Standard Deviation
SMMEs:	Small and Medium manufacturing industries
SPSS:	Statistical Package for Social Science
STP:	Segmentation, Targeting, and Positioning
SWOT:	Strength, Weakness, Opportunity, Threat
4Ps:	Product, Price, Promotion, and Place

Abstract

Small and medium manufacturing industries (SMMEs) use marketing strategies as one of their primary functional strategies to improve performance. The purpose of this study is to look at the impact of marketing strategy on the performance of small and medium-sized businesses in Addis Ababa. Only quantitative research methods and both descriptive and explanatory research designs were employed to address the research objectives and questions. Proportionate stratified and purposive sampling approaches were used to limit delimited the study. A structured questionnaire was prepared and given to a sample of 267 owners and/or managers of SMMEs in the three sub-cities to obtain quantitative data (Akaki kality, Bole, and Nifas silk). The descriptive and inferential analyses were used to examine the quantitative data. According to descriptive statistics, the mean score of marketing strategy characteristics such as STP, product, price, promotion, location, customer orientation, and relationship marketing leaned toward agreement. The dependent variable "performance" has a substantial connection with all independent variables. In this situation, relationship marketing was found to have a stronger link to performance. Similarly, the empirical findings of the multiple regression revealed that only six of the predictor variables product, place, promotion, pricing, Customer Orientation, and Relationship Marketing have a positive and significant effect on SMME Performance, but not price. These independent variables were likewise found to be significant joint predictors of performance, according to the findings. Finally, based on the study's findings, recommendations for SMMEs were given.

Key Words: Marketing Strategy, Product, Price, Promotion, Place, Customer Orientation, Relationship Marketing, Small and Medium Manufacturing industries, Performance.

CHAPTER ONE:

INTRODUCTION

1.1 Background of the Study

"Strategy is the process of determining the long-term aims and objectives of an industry, deciding on a plan of action, and allocating suitable resources." Chandler (1962), Mintzberg (1978), and Mintzberg and Waters (1985) challenged the mainstream and implicitly rational definition of strategy by arguing that strategy was more of a pattern of behavior coming from whatever anticipated (intentional) or unintended (emergent) plans were realized. Tony Proctor (2000) defines a strategy as "a plan that unites the fundamental goals, policies, options, and action sequences of an industry into a coherent whole." It can be used at all levels of a company and in any of the managerial functions. To name a few, there are production, financial, marketing, people, and corporate strategies. Price, product, promotion, distribution, marketing research, sales, advertising, and merchandising techniques are just a few examples of marketing practices. A strategy is the process of analyzing the environment and determining how well the company, its resources, its goals, and the environment fit together. It is more concerned with efficiency than with efficacy. In today's marketplace, any industry's marketing plan has become a key tool for remaining competitive and stronger. Aremu and Lawal (2012) define strategy as a pattern of resource allocation decisions made across industries. This includes attitudes about what is acceptable and, more crucially, what is not acceptable in achieving those aims. The need for and capabilities of marketing intermediaries, as well as market and environment analysis, customer buying behavior, competitive actions, and the need for and capabilities of marketing intermediates are all part of strategy.

As a result, marketing strategy can be defined as a company's attempt to contact its target markets. It begins with market research, the development of a vision for the market(s), the selection of market target strategies, the development of positioning strategies, the formulation of objectives, and the implementation of marketing programs to meet the value requirements of the target markets (Mustapha, 2013). It assesses client requests, attitudes, and rivals' products before moving on to advertising, marketing, distribution, and, if necessary, customer servicing, packaging, sales, and distribution. A marketing strategy's purpose should be to provide more value to customers and the

company for less money (Chiliya, Herbst, and Roberts-Combard, M., 2009). Marketing strategy, according to Owomoyela, Oyeniyi, and Ola (2013), is a means of supplying a high-quality product. Marketing strategy, according to Philip Kotler P., G. Armstrong, J. Saunders, and Wong (1999), is "the marketing reasoning by which the business unit aspires to attain its marketing objectives. Small and medium industrial industries are the engines of global economic progress. SMMEs are the most viable and verifiable mechanism for self-sustaining industrial development by their very nature (Oyebamiji, Kareem, and Ayeni, 2013). SMMEs in developing nations, such as Ethiopia, are battling to stay afloat in fiercely competitive domestic and international contexts. They haven't performed admirably, and as a result, they haven't played the crucial and vibrant part in the country's economic growth and development that was expected of them. These difficulties could be the result of a faulty marketing approach. excellent product that meets client wants, at an affordable price, with a wider distribution and a strong promotion strategy to back it up.

Small and medium-sized manufacturing industries (SMMEs) have become a field of study in their own right due to the innovations and solutions they provide to many economic difficulties, particularly in terms of employment. Manufacturing industries serve an important and fundamental role in many economies, and there is general agreement on this (Woldie et al., 2008). A small business is defined as a self-managed commercial entity with low industry relevance that employs fewer than 100 employees. Small businesses are more imaginative and creative than big businesses. Small businesses can operate on razor-thin profit margins and make quick decisions (Awan and Hashmi, 2014).

Despite a growing body of knowledge about the impact of marketing methods on performance in developed countries, it has received little attention. Marketing managers devise and carry out strategies aimed at enhancing their company's success. In order to build standards for determining the success of tactics, marketing academics investigate the relationships between strategies and performance. Managers and academics alike are attempting to determine which techniques, in which scenarios, might boost a company's performance to a certain degree (Huzingh and Zengerink, 2001). As a result, it would be theoretical and managerially interesting to investigate the impact of marketing strategy and the relationship between marketing strategy and performance. As a result, the purpose of this study was to look at the impact of marketing strategy on the performance of SMMEs.

1.2 Statement of the Problem

Despite the fact that the impact of marketing tactics on an industries's success is rarely investigated, especially in a specific business environment (Akwaya C. 2005). Because small and medium manufacturing industries are less productive and suffer more constraints, the impact of marketing tactics on their performance is a major concern in most developing countries (Davies H., 2004). However, they frequently confront technological limitations, such as a lack of human resource skills, a weak management system, and entrepreneurial talents, as well as a lack of access to relevant and timely information, insufficient use of information technology, and poor product quality. As a result, marketing techniques have a modest impact on the performance of small and medium industrial industries.

SMMEs can use marketing to improve the quality of their products and services. As a result, significant marketing abilities are required in the SMMES business. SMMES marketing is likely to differ from marketing in bigger industries due to constraints such as restricted access to resources and a lack of marketing skills on the side of the owner/manager (Hill, 2001). The importance of marketing strategy for SMMEs has been recognized. However, there is no solid evidence that business strategies affect SMME performance. While some academics have shown a link between SMME marketing techniques and performance, others have found the opposite. Market strategies have a direct positive impact on an SMME's success, according to studies by Dzisi (2014) and Oyewale (2013). Alberto & Gianluigi (2013), on the other hand, claim that marketing methods have a detrimental impact on SMME business performance. The aforementioned studies show that there is no apparent association between marketing strategy and SMME company performance, prompting the need for more research in varied contexts in developing nations, particularly Ethiopia. As a result, research into the relationship between marketing strategy and performance is required.

A number of research on the association between marketing tactics and SMME business performance have been conducted around the country. Yang (2005) conducted a study in China that focused solely on distinctiveness marketing strategy and product marketing strategy, disregarding all other marketing methods. Dzisi (2014) has conducted research in Ghana, focusing on the impact of traditional and non-traditional marketing methods on SMME growth. This research focused on both traditional and unconventional marketing tactics. A lot of research on the impact of marketing

strategy on SMME business performance have been conducted in Ethiopia. Muthee & Ngugi (2014) carried out a study in Kiambu town, with a focus on relationship marketing strategies. Waithaka et al (2014) also carried out a study with a focus on traditional and nontraditional marketing strategies.

Assegedech (2004) studied "Marketing Strategies for Micro and Small Manufacturing Industries" in Ethiopia, and her findings revealed that marketing issues such as lack of product diversity, pricing issues, lack of awareness of how to compete in the market, limited business management and salesmanship ability, limited capacity for promotional activities, and lack of market-related knowledge are impeding MSE development. Her research, however, did not uncover a link between marketing strategy and performance.

The study's premise is that Ethiopia's government has developed policies and formed numerous institutions to support the smooth operation of SMMEs (2018 Ethiopian Development Research Institute) (EDRI)

(EDRI) However, as observed from some empirical findings and the GTP II (2016) performance report, Many stakeholders want the sector to meet their expectations, but it has been plagued by issues, particularly in terms of promoting its products and services. The government, citizens, operators, and practitioners have all expressed worry about the situation. These difficulties may have arisen as a result of a perceived ineffective marketing strategy to address these issues, which may have had a negative impact on the industries's performance, product quality, low customer satisfaction, inappropriate and affordable pricing, ineffective promotion and distribution strategies, and inability to withstand the pressures from both local large manufacturing industries and the global market competitive environment. The primary reason for the existence of any industrial industry is to generate a profit. As a result, industries confront the issue of determining which strategy is best for their product or service. As a result, performing such study appears to be necessary, given the variety of issues that have arisen in this area.

In general, even if in different parts of the world various research studies have been conducted on the subject matter (The effect of marketing strategies on performance, in SMMEs context); it is difficult to generalize the finding of the study in the Ethiopia SMMEs' context without empirical testing.

Therefore, the most important questions will be addressed in this paper is the effect of marketing strategy on performance of Small and Medium Manufacturing industries in Ethiopia Addis Ababa.

1.3 Research Questions

1.3.1 Main Research Question

- To what extent do the marketing strategies affect the performance of Small and Medium Manufacturing industries (SMMEs) in Ethiopia?

1.3.2 Sub-Research Questions

The study will be trying to answer the following specific research questions:

- To what extent does the STP strategy affect the performance of SMMEs?
- To what extent does the product strategy affect the performance of SMMEs?
- To what extent does the price strategy affect the performance of SMMEs?
- To what extent does the promotion strategy affect the performance of SMMEs?
- To what extent does the place strategy affect the performance of SMMEs?
- To what extent does the customer orientation strategy affect the performance of SMMEs?
- To what extent does the relationship marketing strategy affect the performance of SMMEs?

1.4 Objective of the Study

1.4.1 General Objective

The main objective of the research is to examine the effect of marketing strategies on the performances of Small and Medium Manufacturing industries in Ethiopia.

1.4.2 Specific Objectives

The specific objectives of the study are:

- To investigate the impact of STP strategies on SMME performance;
- To investigate the impact of product strategy on the performance of the SMMEs;
- To investigate the impact of price strategy on the performance of the SMMEs;
- To investigate the impact of promotion strategy on the performance of the SMMEs;
- To investigate the impact of place strategy on the performance of the SMMEs;
- To investigate the impact of customer orientation strategy on the performance of the SMMEs;
- To investigate the impact of relationship marketing strategy on the performance of the SMMEs

1.5 Significance of the Study

The study's findings may be relevant to SMMEs, academics, stakeholders, and researchers interested in marketing strategies-performance relationships in the context of SMMEs. As a result, the study could be used as a resource for SMME managers and/or owners in making decisions about identifying key variables for developing marketing strategies and understanding the impact of marketing strategies on industries performance that can be used to meet industrial goals and objectives.

It also serves as a resource for policymakers (both industries and individuals) developing marketing plans for SMMEs. Similarly, the study's findings may provide stakeholders in the area with useful information about the impact of marketing strategy on the success of small and medium industries.

Furthermore, the research can be used as a stepping stone for academics and practitioners working on similar subjects and concerns, particularly the impact of marketing strategy on the performance of small and medium manufacturing companies.

Finally, the study's findings are likely to pique academics' and students' interest in conducting more research in the field of marketing strategies and performance in the SMME sector.

1.6 Delimitation/Scope of the Study

Geographically, philosophically, and methodologically, the study is delimited. The study focuses on registered small and medium manufacturing industries in Addis Ababa that operate in only three sub cities. As a result, the study attempts to investigate the impact of marketing strategies (STP, product, price, promotion, location, customer orientation, and relationship marketing) on the performance of the Small and Medium Manufacturing industries. Profitability, sales growth, brand awareness, and customer happiness are the only metrics used to assess SMME performance.

Only quantitative research methods are used when the study objectives and questions are taken into account. Both descriptive and explanatory research designs were used in this study. The study is confined to proportionate stratified and purposive sample approaches as a sampling strategy. Primary data is employed to conduct the research. A self-administered questionnaire is utilized to collect the data. The study's sample population will be limited to 806 owners and/or managers of small and medium-sized industries. The data was analyzed using descriptive and inferential statistics in the end.

1.7 Definition of Terms

1.7.1 Conceptual Definition

- ✍ **Strategy:** is a plan that integrates an industries's major goals, policies, decisions and sequences of action into a cohesive whole (Proctor, 2000).
- ✍ **Marketing Strategy:** is the marketing logic by which the company hopes to create customer value and achieve profitable relationships (Kotler& Armstrong, 2011). In this context, it is one of the key functional strategies that SMMEs adopt to enhance performance.
- ✍ **Marketing Mix:** is the set of controllable variables (Product, Price, Place, and Promotion) that the firm can use to influence the buyer's response (Kotler, 2000).
- ✍ **Customer Orientation:** A philosophy or strategy of an industries that emphasizes the long run customer focus and commitments to implement this ideology (Appian-Adu and Singh, 1998 and Narver and Slater, 1990).
- ✍ **Relationship Marketing:** refers to the efforts required to find, build, maintain, and improve profitable connections with internal and external customers, as well as other stakeholders, such that all parties' objectives are satisfied through mutual exchanges and the making, enabling, and fulfilling of promises (Payne, 1995).

1.7.2 Operational Definition

- ✍ **SMMEs Performance:** in this study, the performance of SMMEs will be measured in terms of profitability, sales growth, and brand awareness.
- ✍ **Small Manufacturing industries:** is the manufacturing industry that operates with 6-30 persons and with a paid-up capital of not exceeding Birr 1.5 million.
- ✍ **Medium Manufacturing industries:** is the manufacturing industry that operates with 31-100 persons and with a paid-up capital up to Birr 20 million.
- ✍ **Manufacturing industries:** a unit of economic industries, which is engaged in the manufacturing of goods.
- ✍ **Performance:** productivity and profitability of the Small and Medium Manufacturing industries

1.8. Industries of the Paper

This study is divided into five chapters.

Chapter One: Introduction

The first chapter introduced the background of the study, statement of the problem, basic research questions, objectives of the study, research hypothesis, definition of terms, and the significance of the study. Further scope of the study was also presented.

Chapter Two: Review of Related Literature

This chapter dealt with the review of existing literature to throw more light on the concepts of the subject matter which includes the theoretical, empirical, and conceptual literatures with regards to the topic of the study.

Chapter Three: Research Methodology

This chapter provided the information about the methods used in the thesis to provide a solution for the research questions. The methodology illustrated research approach, research design, the source of data, data collection method, data collection instrument, data analysis method, validity & reliability, and research ethics.

Chapter Four: Data Presentation, Analysis, and Interpretation

This chapter provided the information on data presentation, analysis, Interpretation, and discussion of the findings of the study.

Chapter Five: Summary, Conclusions, and Recommendations

This chapter dealt with the summary, conclusions, and recommendations that were drawn from the findings of the study.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Introduction

This chapter focuses on the literature of the study and is divided into several parts. This Include: theoretical framework, empirical review, conceptual framework, and operationalization of variables.

2.2 Theoretical Review

2.2.1 Definition of Strategy

It defined strategy as “the process of establishing the long-term goals and objectives of an industry, deciding on a plan of action, and allocating enough resources” Mintzberg (1978) and Mintzberg and Waters (1985) argued that strategy was more of a pattern of activity emerging from whatever intended (intentional) or unintended (emergent) plans were realized, challenging the standard and implicitly rational definition of strategy. Strategy is not merely a concept for dealing with an opponent, a group of competitors, or a market," Mintzberg concluded (1978).It also brings up some of the most fundamental questions about industries as tools for collective perception and action." Strategy has been carefully analyzed and re-defined throughout the last 40 years, and it is now firmly established as the central construct of the company planning process. This concept is particularly valuable because it encompasses a wide variety of players and includes both the intended and visible manifestations of strategy in a dynamic and responsive manner.

A strategy, according to Tony Proctor (2000), is a “plan that unifies an industries's primary goals, policies, choices, and action sequences into a unified whole”. It can be applied at all levels of an industries and to any of the management functional areas. There are production, financial, marketing, personnel, and corporate strategies, to mention a few. In marketing, there are price, product, promotion, distribution, marketing research, sales, advertising, and merchandising strategies, to name a few. A strategy is the process of examining the environment and designing the fit between the company, its resources, and objectives, and the environment. It is concerned with effectiveness rather than efficiency.

2.2.2 Definitions of Marketing Strategy

According to **Drucker (1973)**, strategic marketing is defined as a process that includes analyzing environmental, market competitive, and business factors affecting the corporation and its business units, identifying market opportunities and threats, forecasting future trends in manufacturing industries, and participating in setting objectives and formulating corporate and business unit strategies. In order to meet market target needs, each business unit must select market target strategies for its product markets, define marketing objectives, and plan, implement, and manage marketing program positioning strategies.

According to” **Bovee &Thil (1992)** “Marketing strategy is the overall plan for choosing a target and succeeding within it through product, pricing, distribution and promotional choices” According to Slater and Olson (2001) “Marketing strategy is concerned with decisions relating to market segmentation and targeting, and the development of a positioning strategy based on product, price, distribution, and promotion decisions.

” According to” **Varadarajan (2009)** "Marketing strategy refers to an industries's integrated pattern of decisions that specify critical choices about products, markets, marketing activities, and marketing resources in the creation, communication, and/or delivery of products that provide value to customers in exchanges with the industries, allowing the industries to achieve specific objectives."

” According to” **Kotler & Armstrong (2011)** "Marketing strategy refers to the marketing reasoning by which a firm intends to build customer value and lucrative connections. Through segmentation and targeting, the corporation determines which customers it will service. Then it decides how to differentiate and position itself. It finds the overall market, breaks it into smaller parts, chooses the most promising segments, and then focuses on servicing and delighting those clients. It creates a marketing mix utilizing mechanisms it has influence over, such as product, pricing, location, and promotion. In order to determine the optimal marketing mix and take action, it also engages in marketing analysis, strategy, implementation, and management."

The means through which marketing objectives are met is referred to as marketing strategy. Integration of all functions in transporting any form of goods or services from production to the end user is referred to as marketing strategy. Bund H, Carroll JW: It makes full use of all relevant disciplines in an industries in an integrated design (1957). The origins of marketing strategy formulation research can be traced back to Porter's study on strategy in 1980. Porter proposed a

framework that may give managers with criteria for assessing the environment prior to formulating a plan.

A marketing strategy assists a business in interacting with key market infrastructure such as customers, competitors, and distribution channels (3Cs). Before establishing a strategy, it is vital to have a thorough awareness of the company's internal and external factors. Understanding the market environment aids marketers in developing effective marketing plans that add value to the company, particularly in terms of cost reduction and revenue growth. Small business can engage in marketing research that is relatively simple, focused and inexpensive that helps them in gathering information for planning for future (Pynn GA, Noonan AC (1982).

2.2.3 Approaches to Marketing Strategy Analysis

The Rational Planning Approach

A formal strategic planning process, according to the rational planning approach to strategy formulation, is the mechanism that is most likely to produce a successful strategy. This is commonly referred to as strategic market planning, or simply marketing planning, in the marketing sector (McDonald, 1996). Strategic market planning is used to get a competitive advantage over competitors. Michael Porter (1985) defined two types of competitive advantage (differentiation of the product/service along a dimension valued by customers, or cost leadership), as well as a four-fold classification of competitive strategies based on whether these competitive advantages applied to the entire market or just an only one market segment. Porter's classification gives us four strategic alternatives – differentiation, cost leadership, differentiation focus and cost focus. Porter (1980) was also responsible for formalizing the competitive environment into his famous „five forces“ (competitive rivalry, power of buyers, power of suppliers, threat of new entrants and threat from substitutes). Porter was following in the footsteps of Igor Ansoff in defining strategic planning as the process of studying the competitive environment, identifying multiple strategic alternatives available to the industries, and then selecting and implementing the option that best fits the firm's objectives (Ansoff, 1965). This is a prescriptive tradition (meaning it tells you what to do) that argues for a sequence of logical, sequential stages that companies can take to arrive at their optimal strategy. The following are the essential elements of these logical steps:

- An “external audit” examining both the competitive environment and the wider macro environment to identify key opportunities and threats.

- An „internal audit“ examining the differential strengths and weaknesses of the industries compared to key competitors.
- A summary of the marketing audit in a SWOT (strengths, weaknesses, opportunities, threats) analysis
- Identification of strategic alternatives– different possible strategies.
- evaluating strategic alternatives– assessing the effectiveness of several prospective strategies in attaining the industries's goals (which could be as simple as maximizing long-term shareholder value) (Doyle, 2000).
- Budgeting and operational planning mechanisms are used to implement the strategy, and a monitoring mechanism is used to keep track of it.

The Resource-Based View

The resource-based concept of competitive advantage is based on the assumptions that industries' control of critical strategic resources is heterogeneous and that resources are not fully transferable between competitors. "Strengths that industries can utilize to think of and implement their strategies" are defined as "firm resources" (Barney, 2001: 101). Physical capital resources, human capital resources, and industrial capital resources are the three types of resources. Physical capital resources include physical technology, plants and equipment, location, and raw material access. Individual managers and workers' training, experience, judgment, intelligence, relationships, and insight are all examples of human capital resources. The formal reporting structure, the formal and informal planning, controlling, and coordinating systems, the informal relations among groups inside a corporation, and those between a firm and other actors in the firm's environment are all examples of industrial capital resources. A corporation is said to have a persistent competitive advantage when it is implementing a value-creating strategy that is not being executed by any present or potential competitors at the same time, according to Jay Barney (2001). When a company implements a value-creating strategy that is not being applied by any present or potential competitors at the same time, and these other companies are unable to duplicate the strategy's benefits, it is said to have a prolonged competitive advantage. Note that this definition includes potential competitors as well as current competitors; a persistent competitive advantage shields a company against other companies considering a competitive market entry as well as giving it an advantage over existing competitors. A prolonged competitive advantage, according to Barney, cannot be defined in terms of a set period of calendar time; rather, a sustained competitive

advantage is one that cannot be neutralized by other industries' efforts to imitate it. A prolonged competitive advantage will last until the industry undergoes a structural shift that renders it obsolete.

To summarize, the resource-based perspective of the company finds that a corporation can only create a lasting competitive advantage if it possesses valuable, unique, inimitable, and non-substitutable physical, human, or industrial assets. The resource-based view, in contrast to the rational planning approach, which focuses primarily on the external environment and assumes that resources can be acquired and deployed to respond to environmental imperatives, advises industries to focus on their unique resources and seek business opportunities that allow them to exploit these resources..

Marketing Competencies

When comparing industries to their competitors, marketing competency is assessed by assessing how well or poorly they conduct specific marketing-related activities. Marketing competency, according to Davidson (1997), "represents the consolidation of firm-wide technology and talents into a coherent framework that makes a corporation unique to the target market and also competitively superior." In terms of both the target market and the competition, distinct marketing competencies become an industry's thirst." According to recent studies, industries can only boost their market competitiveness by coordinating functional area competencies (Porter, 2004). In recent years, marketing has been characterized by two fundamental themes. The first is the firm's market orientation, while the second is its resource-based perspective. The importance of market orientation in marketing cannot be overstated. A market-oriented company could have the following characteristics:

- Developed a knowledge of the need of understanding current and potential client needs in order to provide exceptional customer value;
- Encouraged systematic collection and sharing of information about current and potential customers, competitors, and other associated constituencies;and
- To exploit opportunities and avoid dangers, an integrated, industry-wide priority was instilled to respond to changing consumer needs and rival activity (Hunt and Morgan, 1995; Kohli and Jaworski, 1990; Narver and Slater, 1990).

Market orientation emphasizes firms' high performance through generating and disseminating high-quality market knowledge across the industries, resulting in response to market needs. Superior performance, on the other hand, is thought to indicate historically developed resource endowments,

according to the resource-based view of the firm. To achieve strategic success, both of these approaches are essential. The choice of strategy must reflect the demands of environmental change while also developing the company's unique competencies. The benefits of both of these distinct techniques are acquired through competitive positioning. It allows industries to compete by identifying target markets and capturing the competitive advantage that will be sought in order to reach them. It understands that if the advantage is to last in the face of competition, it must be built on the firm's unique resources and competencies (Proctor, 2000, pp. 43) While pursuing a market orientation may be a worthy goal, the amount to which industries exhibit qualities linked with such an orientation appears to vary greatly. This is due to a number of factors. Firms may face inter-functional rivalry, for example (Fisher et al., 1997), which might limit market-oriented actions and behaviors. They may also lack appropriate processes, protocols, and procedures for accelerating strategic and tactical activities, which can severely limit the firm's ability to respond to change (Jaworski and Kohli, 1993).

Marketing Resources

Marketing resources, according to Daft (1983), are all assets, capabilities, industrial processes, firm attributes, information, knowledge, and other assets under the control of a firm that enable it to lead, conceive of, and implement strategies that improve and lead its efficiency and effectiveness. Resources are defined by Amit and Schoemaker (1993) as stocks of available factors, including as know-how, financial or physical assets, and human capital, and capabilities are defined as a firm's potential to employ resources. The resource-based approach sheds additional light on how small and medium manufacturing industries perform better than each other in the same industry. It focuses on the internal resources of the Small and Medium Manufacturing industries when designing marketing strategies in order to achieve a long-term competitive edge in their markets and industries. According to the theory, all resources in the Small and Medium Manufacturing industries are important in enabling them to generate a competitive advantage. These resources must be valuable, inimitable, and non-transferable in order to have a sustainable competitive advantage by making above-average profits.

Small and medium manufacturing industries pool resources from several sources to gain a competitive advantage. According to Barney (2009), each Small and Medium Manufacturing industry has unique characteristics and capabilities, and the way these industries acquire, develop, manage, bundle, and apply these resources leads to superior performance and a competitive

advantage over time. Not only do resources in the Small and Medium Manufacturing industries become strategic when they are valuable, difficult to copy, non-transferable, or have close substitutes, but they also become strategic when they are valuable, difficult to copy, non-transferable, or have close replacements. Hunt and Derozier (2004) compiled a review of the literature on the resources available to the Small and Medium Manufacturing industries.

a. Internal Resources

The resource-based approach is founded on the notion that greater performance from internal resources gives them a competitive edge. As a result, the tangible and intangible resources of the Small and Medium Manufacturing industries are their strategic resources, allowing them to beat their competitors (Barney, 2001). Internal resources of Small and Medium Manufacturing industries, according to Barney (1986), are more likely to be sources of economic rents than the resource required from external resources. Many empirical research have looked into the relationship between small and medium manufacturing industries' internal resources and their performance.

b. External Resources

Because of the dynamic and complicated external environment, Small and Medium Manufacturing industries are being pushed to not rely primarily on internal resources for competitive advantage. One of the fundamental strategic issues of Small and Medium Manufacturing industries, as stated by Alvarez and Barney (2007) and Dyer and Singh (1998), is that they rarely have all of the necessary resources to capture fast emerging market possibilities. Dyer and Singh (1998) backed up this claim, claiming that small and medium industries create value by combining internal and external resources. External resources gathered through competitors, suppliers, customers, consultants, research institutions, partnerships, and acquisition are influencing the success of Small and Medium Manufacturing industries, according to recent studies in the marketing strategies literature.

2.2.4. Marketing Strategy

Models Evidence and frameworks for analyzing the current state of the firm are required by both practitioners and theoreticians in order to uncover causes for the industries's bad performance and develop a competitive marketing strategy (Hambrick & Schechter, 1983). It aids in the analysis of market data, allowing for faster adaptability to changes. Many writers have proposed various marketing strategy models that follow an iterative cycle path that begins with the creation of

mission and objectives, then moves on to the analysis of the business's internal and external environment, plan formulation, and implementation. Porter's five forces model, Boston Consultancy Group (BCG) matrix, General Electric (GE)/McKinsey matrix, Ansoff Matrix, Strength Weakness Opportunity Threat (SWOT) analysis, and McCarthy's marketing mix model are used in the strategy development process for early company analysis. Strategic management is frequently used to supplement the literature on marketing strategy formulation.

The need of realistic, attainable, and firmly founded on company capacity targets and strategy must have been emphasized throughout the major process of marketing strategy. In practice, this amounts to an almost unlimited number of options available to a company. Porter (1980) has grouped them together and defined three generic categories of strategy – overall cost leadership, distinctiveness, and emphasis – that serve as a useful foundation for strategic planning. He emphasizes the importance of the strategist identifying a clear and relevant selling proposition for the company

Porter proposes that industries that pursue a certain generic strategy directed at the same market or market segment form a strategic group when selecting the three generic strategies.

The company that is able to efficiently implement the strategy will be the one to profit the most. As a result, in the event of industries pursuing a low-cost strategy, the firm that achieves the lowest cost will ultimately succeed.

Porter's Three Generic Competitive Strategies

Cost Leadership Strategy

cost leadership strategy is one in which a company aims to have the lowest costs in the industry and sells its products or services to a bigger market at the lowest possible price (David, 2011). Low level difference, a focus on the typical consumer, the utilization of historical production experience to reduce production costs, and the addition of new product features only after the market needs them are all characteristics of cost leadership (Grant, 2000). The advantage of a cost leadership approach is that it protects the company against new entrants since a price reduction can be utilized to safeguard the company from new entrants (Dess and Davis, 1984).

These characteristics, when considered collectively, indicate the forces that shape the nature and intensity of rivalry within a given industry. According to Porter (2008), a company can set its pricing higher than the industry average prices of its competitors in order to make profits, or it can set prices lower than the other players in the industry in order to maintain or acquire market share.

In the event of a price war, a firm can still generate a profit while its competitors continue to lose money, but if the industry is mature, a firm can still maintain profitability for a longer period of time. However, if other industries fail to decrease costs to the same degree, they might still maintain a competitive edge through cost leadership (Porter, 2004). According to Porter (2010), a firm must have the following internal strengths in order to successfully implement a cost leadership strategy: access to the capital required to make a significant investment in production assets; this investment is a barrier to entry that many firms may not be able to overcome; skill in designing products for efficient manufacturing, such as having a small component count to shorten the assembly process; and a high level of expertise in manufacturing (McCracken, 2012).

The risk of cost leadership, on the other hand, is that competitors may profit from the technology, nullifying the firm's cost savings (Porter, 2008). Customer value creation should be a business's major strategic goal, and it must be backed up by top management (Porter, 2008). Customers' internal and external relationships should be built and maintained by top management (Amit and Schoemaker, 2008). It improves its productivity and image by doing so (Grant, 2013).

Differentiation Strategies

One of Porter's main business tactics is differentiation (Reilly, 2012). When using this strategy, a company concentrates its efforts on providing a one-of-a-kind product or service. Because the product or service is one-of-a-kind, this technique results in great customer loyalty. Customer expectations are met when a product is differentiated (Stone, 2005). To develop a successful differentiation strategy, companies must guarantee that product quality, appearance, and after-sales service fulfill consumer expectations. Other factors to consider are outstanding customer service, distribution capacity, and delivery system (Porter, 2006). The first stage in developing a differentiation strategy is to figure out what sets a business apart from its competitors (Reilly, 2012). To differentiate a firm, factors such as market sector quality of work, firm size, image, geographical reach, involvement in client industries, product, delivery method, and marketing technique have been recommended (David, 2010). Because customers' impressions of a company are crucial, firms should express the message of differentiation to reach out to them (McCracken, 2012). Firms must be willing to put a premium to the cost when leveraging differentiation (Hyatt, 2011).

Differentiation can take many forms, such as concentric diversification, which needs similarities in technology between two industries but a different marketing strategy between the two companies (Ramirez, 2005). This indicates that a company may use its technology expertise to stay competitive. Synergy is achieved in the form of complementary marketing, financial, operational, or management efforts as a result of this synergy (Thomson and Pedersen, 2010). Horizontal diversification is a type of differentiation in which a company begins a new business (related or unrelated) at the same stage of production as its current operations (Lins and Servaes, 2012). This type of strategy is usually advantageous in a highly competitive market where a company has a large number of devoted customers.

Cost Focus Strategies

A focus strategy is when a company focuses on a specific market segment (Bauer and Colgan, 2011; Hyatt, 2011). In order to grow its market share, the company can choose to specialize on a specific consumer group, product line, geographic location, or service line (Davidow and Uttal, 2009). A successful focus strategy (Porter, 2010) relies on a market segment that is large enough to expand but not so small that it is unimportant to competitors. A key focus approach could be market penetration or market development (Stock, 2009). Focus-based strategies are used by midsize and big industries, but only in conjunction with generic differentiation or cost leadership strategies (Baum and Oliver, 2012). Focus methods, on the other hand, function well when consumers have various preferences and competitive firms have none. The focuser's basis for competitive advantage is either lower costs than competitors serving that market segment or an ability to offer niche members something different from competitors (Stock, 2009). Focusing is based on selecting a market niche where buyers have distinctive preferences (Porter, 2010). The niche is defined by geographical uniqueness, specialized requirements in using the product or by special attributes that appeal to members, (Stone, 2005).

Ansoff Product/Market Matrix

Market Penetration Strategy of Existing Markets

In this case, the approach entails expanding sales of existing products while attempting to maintain present profit margins on sales. When the market is expanding, this can be accomplished with little marketing expenditures by attracting more first-time consumers, increasing existing purchasers' product usage, or increasing the frequency of use. Extra sales may be created exclusively as a result of greater market share in a saturated market. However, promoting new

applications to existing product customers is another option. Market research geared at establishing how customers use the brand can help identify such new uses (Proctor, 2000, pp. 239)

Reminder communications are important to increase the frequency of use. In order to encourage customers to use the product more frequently, it may be as simple as shifting it from an occasional to a regular usage product, which can be accomplished through a repositioning promotional campaign. Incentives-competitions and sales promotions can also be used to improve the frequency of purchases. Reminder notifications and incentives are examples of approaches that can be used to improve the quantity used on each occasion (Proctor, 2000, pp. 240).

Market Development Strategy

Finding new markets does not guarantee long- or short-term success, but economies of scale in production or supply can assist enhance earnings. However, there may be market entrance obstacles, making short- and long-term contributions to overall profitability unappealing.

Expanding into other markets by duplicating the business operation, maybe with minor adaptations, is a logical course to take. When it comes to market expansion, the same experience and technology can be applied, as well as the same plant and operations facility. As a result, there's a chance for cost savings and synergy in both investment and operation. Of course, market development is reliant on the idea that the business is profitable (Proctor, 2000). Geographic growth can take several forms, including transitioning from a regional to a national industry, expanding into a new region, or expanding into a new country. A business can grow by entering new markets. There are a variety of techniques to establishing target segments and, as a result, growth trajectories. a necessary component

- **Usage:** Non-users can be an attractive target
- **Distribution System:** By introducing new distribution channels, new markets can be reached.
- **Age:** advocating on behalf of additional age groups in the population (consumer products)).

When exploring for new markets, consider a variety of segmentation parameters. It's quite useful for locating underrepresented market niches. Look for segments where the brand may add value in general (Proctor, 2000, pp. 240-241)

Product Development Strategy

The introduction of new products has the potential to boost sales. Initially, profitability may not improve because the venture may have significant research, development, and launch costs that must be recouped. New products must have longer-term rates of return on investment that are at least equal to the current rate of return on capital utilized. This may not be practicable, and industries may be forced to accept the prospect, if not certainty, of diminished profitability in order to stay in business. Predicting demand for new items, as well as estimating profit potential, can be tricky (Proctor, 2000).

Depending on whether the perspective used is that of the business or that of the market, a product can refer to a physical thing or a cluster of predicted customer benefits. A product innovation can be viewed from the perspective of a company as a change or addition to the physical entities that make up its product line. The word refers to a fresh or revised set of client perceptions about a certain cluster of benefits from the standpoint of the market. As a result, what a business manufacturing industry considers a product innovation may not be acknowledged as such by its customers. We'll take a business approach here. A new product is one that has never been seen before.

Diversification Strategy

Diversification entails entering new items and markets at the same time. It's a risky technique, but with careful selection of the correct kinds of industries, it's possible to see significant increases in profitability. It can occur in items that are similar or unconnected. A company that makes microcomputers might branch out into personal telecoms devices. Because both goods require microelectronic technology, and experience gained in one industry may be valuable in the other, this might be considered as diversifying into similar products. Diversifying into shoe production would also mean diversifying into unrelated products. Moving into sectors where a company has no prior experience is extremely dangerous, hence companies may prefer to move into similar markets. Furthermore, there may be some synergy to be gained from moving into related markets (Proctor, 2000, pp. 253).

Synergy could exist in marketing or even production. Diversification offers a chance for expansion and revival. It's a strategy for approaching markets that aren't already served by the company. An acquisition (or merger), a new company venture, or a strategic alliance can all be used to accomplish a diversification plan.

It is common practice to distinguish between "related" and "unrelated" diversification. A related diversification occurs when the new venture shares significant similarities with the existing business. These offer the possibility of achieving economies of scale or synergy through the sharing of talents and resources. In theory, the business should be able to improve its return on investment (ROI) as a result of diversification because of increased revenues, lower costs, or lower investment. Distribution channels, images and their impact on the market, sales and advertising efforts, facilities, production processes, R&D efforts, operating systems, and staff demands are all examples of meaningful commonalities (Proctor, 2000).

2.2.5 Dimensions of Marketing Strategy

A successful marketing strategy must address a number of questions, including who the company will target, what the company will produce, how much the product will cost, how the product will be delivered, how the company will promote their product, and how they will build long-term relationships with customers. As a result, we need a strategy that incorporates several factors in order to meet our marketing objectives. There are four primary elements that are utilized to discuss the details of marketing strategy in the literature. Marketing mixes, customer orientations, and relationship marketing are examples of STP (Segmentation, Target Market, and Positioning) (Roger Brooks bank, 1994).

Market Segmentation, Targeting, and Positioning

a. Market Segmentation

Market segmentation and target market identification, on the other hand, are critical components of every marketing strategy. Market segmentation is the division of a market based on some commonality, likeness, or kindred. Within a market, buyers' "wants," "needs," "resources," "locations," "purchasing attitudes," and "buying behaviors" may differ. If the industries wishes to efficiently match a product or service to their specific demands, it must consider these distinctions among clients. Buyers can be subdivided in both consumer and corporate markets, for example, by geographic area, benefits sought, user and loyalty status, and attitude. Demographics (industry, firm size), operating features, buying ways, situational considerations, and personal qualities are some of

the other criteria used to segment a business market. By By choosing certain market segments the company is more able to deliver value and be rewarded for considering the customers' needs (Kotler et al., 2005; Kotler and Keller, 2009).

b. Market Targeting

Following market segmentation, the corporation must identify specific categories by evaluating their desirability and deciding which ones to target with its product or service. Segment attractiveness and corporate fit are two strategies for evaluating segments to make the choosing process easier. When evaluating segment appeal, the correct size and growth characteristics are observed. For example, a profitable segment with a high growth rate and profit margin, or a smaller, less enticing segment (Kotler et al, 2005). The attractiveness of a market sector is influenced by the company's aims and resources. The profitability of a firm is determined by analyzing its current market position and competencies.

When determining which segments to pursue, consider the attributes of enticing segments in connection to the company's long-term ambitions. The industries may realize that it lacks specific abilities throughout this step of the process. Competing in the section, for example, necessitates certain abilities. The corporation will decide how many and which segments to target after examining the market categories (Kotler et al, 2005, pp. 415-418; Kotler and Keller, 2009, pp. 268).

c. Positioning

Positioning is the use of marketing to enable people to form a mental image of your product in their minds (relative to other products). Positioning refers to how a target market will perceive a product or service in comparison to the competitors. It provides an answer to the question, "Why should someone in the target market(s) buy my product or service over the competition?" "What should be the perceived worth of my offering in comparison to the competition?" is a similar question. 2007 (Kotler) To flourish in the targeted market segments, a company must differentiate itself from its competitors. The company or its products and services are associated with tangible or intangible assets in the minds of customers. The corporation uses these assets to place its services in the minds of the target market. Customers are more likely to purchase things that provide them with the most value, so the company should strive to satisfy them.

Analyze the top rivals and how they position themselves in the market to define the company's image and brand identity. The industries should obtain a competitive edge by offering more than its competitors in order to have a successful differentiation strategy. Differentiation and low cost are

two significant strategic thrusts for gaining a competitive edge. Companies that focus on distinction might improve their products or services to justify a higher price, for example, by improving performance, quality, reliability, convenience, distribution, and/or service. The term "low-cost approach" refers to a product or service that has a long-term cost advantage. For example, the more is produced the fewer costs or through high market share (Aaker, 1995).

II. Marketing Mix Strategy

"Winning organizations meet their customers' demands and exceed their expectations in a cost-efficient, convenient, and effective manner." (pp. 63 in Kotler and Keller, 2009). Following the selection of an overarching competitive marketing strategy, the following stage is to plan a detailed marketing mix. The marketing mix allows the industries to manage tactical marketing tools and, most importantly, impact demand for its product (Kotler et al., 2005, pp. 33-34).

The 4Ps of marketing are four basic principles that are used to describe marketing mix tools: product, pricing, promotion, and place.



Figure 1: The 4P Components of Marketing Mix

Each of the 4P's includes several marketing variables, which can be seen in Figure 1. The marketing mix decisions are made by carefully considering each of the variables and reflecting the product or service on them. The variables are intricately linked, and marketers must understand how they interact. In contrast to products or places that are only available on a long-term basis, price and promotion are easy to adjust according to short-term plans (Kotler and Keller, 2009, pp. 63). Marketers and purchasers have different perspectives on the four Ps. The marketer uses the 4Ps to try to persuade and attract buyers to acquire a product or service, while the buyer examines how the 4Ps offer the customer benefit (Kotler and Keller, 2009, pp. 63).

Elements of Marketing Mix Strategies

i. Product Strategy

A product can be classified in a variety of ways, but simply said, it is "anything that can be provided to a market to meet a want or need." The product can be tangible; for example, physical goods, or intangible, such as services, experiences, persons, properties or industries. The marketing mix starts with the product as it is the most important part and other elements are tied around it (Kotler and Keller, 2009, pp. 358, 382).

The product can be regarded of as having multiple levels, each of which provides the buyer with more value. Customers buy a product to get something out of it, to meet a need, and this is how the product's core is formed. On top of the core is the actual product, which comprises qualities such as quality, product and service features, styling, a brand name, and packaging. By constructing around the core and actual product, an augmented product, the business produces benefits that best satisfy the consumer. At the product augmentation stage, product diversification and competitiveness begin, resulting in a competitive advantage (Kotler and Keller, 2009, pp. 358; Kotler et al., 2005, pp. 539-540). The characteristics of the product stated above have a big impact on how customers react to it. The quality level of a product in production determines where it belongs in the target market; yet, in marketing, product quality reflects how a product executes its functions. According to Kotler et al. (2005), a product's overall longevity, reliability, precision, ease of operation, and maintenance are among the valued features that indicate customer value and satisfaction.

There are two approaches to developing a product strategy.

A. Develop Adequate Core benefit

The product is the sum of all or some of the physical performance, psychological elements, service impression, and symbolic meanings that provide satisfaction and advantages. The primary benefit or reason for which a consumer purchases a product differs from one consumer to the next. Harrel and Fazier (1999) divide a product into three dimensions: core product, which refers to the product's basic function and benefits; branded product, which refers to the packaging, characteristics, quality, style, and brand image of the product; and third augmented product, which includes not only the product's core benefits and physical being, but also other sources of benefits such as shipping service, warranty, returns, product liability, and pr. As a result, deciding on a product strategy should be based on whether the fundamental benefit is important.

B. Utilize the Relation between the Product classification and Implicit Exchange Cost

According to Commodity School, the consumer products are categorized into convenience, shopping, and specialty goods (Copeland, M.T., 1923). The key to determining the high or low Implicit Exchange Cost for the above classification is "level of engagement." For example, if a first-time convenience goods shopper had to select between two brands, he or she would choose a brand with a long-term identical posture. Because such a brand product lowers the cost of information search, it is more convenient for this low-involvement buyer. The rest, on the other hand, is the contrary.

Product strategy, in general, identifies market demands that can be met by various product offerings. It is a company's product strategies, which are closely linked to market strategies, that have come to dominate overall strategy and the company's spirit. Product strategies address issues such as product quantity and variety, product innovation, product scope, and product design.

Product Positioning Strategy

The phrase "positioning" refers to putting a brand in a market segment where it will be well received in comparison to competing products. Because the market is so diverse, no single brand can have a significant impact. As a matter of strategy, a product should be matched with the market segment where it has the best chance of succeeding. The product should be positioned in such a way that it stands out from the competition.

Product Elimination Strategy

Marketers have long argued that sick items should be phased out. It is only in the last several years that these views have become a strategy. It is no longer significant if a product's role shrinks or if it does not fit into the portfolio. When a product's performance falls short of expectations and continuous support is no longer justifiable, it's time to retire it from the market. Walker, Boyd, and Larreche (Walker, Boyd, and Larreche (1992).

New Product Development Strategy

For industries looking to expand, new product creation is critical. Companies can better sustain competitive competitiveness on their present items and gain progress by adopting a new product strategy as their stance. Because of technical advancements and clients' openness to adopt new methods of doing things, implementing this strategy has gotten easier. The term "new product" has several meanings. The new product strategy will be divided into three options for our purposes: product improvement/modification, product imitation, and invention (Andrew E., 2001).

Product Mix Strategy

A product mix (also known as a product offerings) is the collection of all products and items that a company sells. The width, length, depth, and consistency of a company's product mix can be described in terms of width, length, depth, and consistency. The company's breadth refers to the number of distinct product lines it offers. The length refers to the total number of items in the mix. The consistency of the product mix refers to how closely the various product lines are related to one another in terms of end use, production requirements, distribution routes, or other factors. These four product mix dimensions enable the company to grow its business by (1) expanding its product mix by adding new product lines; (2) prolonging each product line; (3) deepening the product mix by adding more variants; and (4) pursuing more product line consistency (Aaker, D.A. and Keller, K.L.1990).

ii. Price Strategy

According to (Kotler, 2005), price is the amount of money charged for a product/service or the total values that consumers exchange for the benefits of having or using the product or service. After discounts and payment terms, price is essentially what brings in money and allows the company's many tasks to continue. Other marketing mix elements, aside from pricing, represent cost.

In the buyer's opinion, price is quite important. Depending on the product or service given, the price can be set at a single price for all or adjusted based on the company's pricing strategy and decisions. The price decision maker changes depending on the size of the company. In small industries, the boss sets the prices; in larger industries, product line managers do so, with senior management setting price objectives and policies before making the ultimate decision (Kotler and Keller, 2009, pp. 416-417).

Today's pricing environment is rapidly changing, and price wars are common. Companies who sell solely on price risk losing a significant amount of money. Companies should sell based on value rather than price, justifying the price to the buyer with higher benefits gained. When deciding on rates, the corporation should consider the entire marketing mix. If a product's placement is based on non-price elements, the price is affected by quality, promotion, and distribution. If the positioning is based on pricing, it has a significant impact on other marketing mix factors (Kotler et al., 2005, pp. 664-665).

iii. Promotion Strategy

Marketing communications, also known as promotion mix, is the combination of numerous communication tactics available to marketers, such as advertising, personal selling, sales promotion, and public relations/product publicity, in order to impact attitudes and behaviors. As a result, the company communicates with its clients, intermediaries, and the general public using a promotion mix (Kotler et al., 2005, pp. 719). Because of more fragmented marketplaces and enormous developments in information technologies, there is a shift in current marketing communication patterns compared to the past: marketers are moving away from mass marketing and toward building closer relationships with customers. Marketers are better able to assess customer wants and build well-targeted marketing strategies thanks to new technologies and information (Kotler et al., 2005, pp.720).

The mind of the buyer can easily become lost in a maze of advertising messages, resulting in a muddled company image and brand position. By selecting the most efficient channels in the communication process with available resources, the industry may better control its image, position itself, and manage customer relationships in the long run (Kotler et al., 2005, 725-727; Rope 2005, pp. 279). Advertising, sales promotion, public relations, personal selling, and direct marketing are examples of marketing communication methods that can be divided into two categories: non-personal and personal communication channels. Advertising, sales promotion, and public relations are examples of non-personal communication channels, whereas selling is personal in personal communication channels, with people communicating directly with one another. Personal selling and direct marketing are two types of personal communication methods (Kotler et al., 2005, pp. 737).

The AIETA model depicts the customer going through the stages of awareness, interest, trial, and adoption, according to Kotler (2006). This procedure will be experienced by buyers who have a high or low level of involvement. This model outlines a buyer's behavior from being aware of a product, developing an interest in it, evaluating it, trying it out, and, if satisfied, adopting it.

iv. Place Strategy

Producing, pricing and promoting the product may not count for much unless the company is able to deliver superior value to the customer, and thus actually reaching its market. To guarantee availability the product must be delivered at the right time, at appropriate quantity and at the right place for the customer (Kotler et al., 2005, pp. 897; Rope 2005, pp. 248).

Key suppliers and resellers make up a supply chain. There are a number of companies that supply the stuff sold, whether it's raw material, parts, information, or experience, upstream from the product or service provider. Marketing channels or distribution channels exist downstream of the customer. Customers' pleasure and product value can be greatly influenced by downstream partners between the provider and the client (Kotler et al 2005; pp. 857, 897). In order to learn about industry standards and acquire a competitive advantage through best practices, the company must remember to change its whole supply chain and marketing channels based on those of its competitors (Kotler et al., 2005, pp. 857). Distributors, wholesalers, retailers, and other distribution channels supply products or services to customers.

In general, there are two main kinds of place strategy. "Push" and "pull strategy". A push strategy uses a company's sales force and trade promotion activities to create consumer demand for a product. The promotion process is the product producer promoting the product to wholesalers, the wholesalers promoting it to retailers, and finally, the retailers promoting it to consumers. On the other hand, a pull strategy requires high spending on advertising and consumer promotion to build up consumer demand for a product. If the strategy is successful, consumer will ask their retailers to order the product, the retailers will order the product from the wholesalers, and finally the wholesalers will order it from the product producer (Harrel, G. D. and Frazier G.L., 1999).

III. Customer Orientation Strategy

Customer orientation is defined by Day (1994) as "superior talents of understanding and gratifying customers." Transforms marketing into a powerful competitive weapon by transforming industry values, beliefs, assumptions, and premises into a two-way customer-firm connection." Customer orientation is defined by Narver and Slate (1990) as "sufficient understanding of one's target purchasers in order to consistently provide higher value for them." Furthermore, it is necessary for a seller to comprehend the complete value chain of a buyer, not just as it exists today, but also as it will grow over time as a result of internal and market dynamics."

"Customer orientation needs a continuous positive disposition toward addressing client's exigencies and hence a high degree of regard for this customer," according to Schneider et al., (2006). Consumer-oriented culture, according to Schneider and Bowen (1993), is "nurtured by constant delivery of customer knowledge about their needs so that we can design and provide good goods." Customer orientation, according to McEachem and Warnaby (2005), is "a component of market orientation with its primary drive in pursuit of putting customers at the center of strategic

emphasis." Then, "a process of putting customers at the core of an industry, that is, having the appropriate vision of customers and their requirements; a phenomenon that causes industries to perceive themselves through the eyes of customers," is their description. A customer-specific definition necessitates the following:

- Definitive customer service objectives that may change and express both client and management endeavors (Plakoyianniaki, 2005).
- Feedback systems that allow industries to communicate with their customers and vice versa.
- Customer education and information system that works.
- Good understanding of behavioral nature and consumption impact.
- The entire industry reserved definition of customers' needs by a "know-it-all position." about their customers' needs, the premise is that the industries understands what the customers know, what they want, and would endeavor to meet them (Chimhanzi, 2004).
- Nwankwo (1995) proposes a two-state framework for categorizing sensitivity levels, such as pro-active sensitivity and reactive sensitivity. Proactive sensitivity resulting from a real effort to include client interests into industry decision-making procedures. The following are some examples of how industries can indicate the severity of customer concerns: Viewing all customers as marketing opportunity, not market opportunities.
- Developing customer strategy based on perceptive marketing research.
- Inactive attention to client orientation, which is frequently confused or misled.
- Responding to client complaints with a defensive attitude.
- Coerced management attention: when management is compelled to act under duress, it usually acts in the best interests of the consumer.
- Management is led by the "bandwagon effect," which satisfies the need to imitate what other industries are doing.

Several industries, according to Payne (1988) and Nakata and Zhu (2006), have well-developed planning processes, but the extent to which customer targets are included, implemented, and monitored is incompetent. The industries's responsibility to its consumers must be well-coordinated, and the existing performance level in this regard must be double-checked.

IV. Relationship Marketing Strategies

Relationship marketing provides an industries with long-term financial rewards. It is a tool for achieving a goal, and it is founded on two economic considerations. To begin with, gaining a new

customer is more expensive than keeping an old one. Second, the more time a company has been associated with a consumer, the more profitable the relationship is for the company. Relationship marketing strengthens bonds between a company and its consumers in order to improve feedback and increase client loyalty. Customers are easily swayed by competitive deals and are willing to switch brands or stores. A company's relationship with its clients must be much stronger. Relationship marketing aims to inspire customers to actively support the company and its products by encouraging others to do the same.

The aim of relationship marketing is to identify new ways to improve the mutual benefits that come from a partnership. Customers of sufficient value to justify the investment in developing a relationship with them are the focus of successful relationship marketing. Relationship-building efforts can be allocated to client groups that will benefit both parties. The most powerful connections are built on mutual trust and respect between the companies involved (Proctor, 2000, pp. 272).

Customers stick with companies that provide them with more value and satisfaction than they expect from competitors. Relationship marketing, simply described, is the art of cultivating a close and personal relationship with your customers. This is due to the fact that everyone may start a business, but not everyone can establish a solid customer relationship. Martins (2015) suggests the following relationship marketing strategies:

- Make every customer interaction count.
- Offer incentives and product attributes that are tailored to the needs of your customers.
- Customers should be treated as unique individuals who are respected and treasured. Listen to customers.
- Build a strong brand identity.
- Surround your customers with valuable information
- Create a user-friendly website.
- Reward loyal customers.

Long-term relationships help to secure loyal customers and repeat sales. Customers want to know and believe that they are respected as individuals. Existing clients who are shown that you value and appreciate them are more likely to suggest other potential consumers to your business, such as colleagues, friends, relatives, and others (Martins, 2015).

2.2.6 Performance

When used as a topic in study, performance is a subject with a lot of variation because it is a fairly vague word (Folan, et.al, 2007). The lack of agreement on a definition creates confusion and clearly limits the potential for generalizability and comparability of research in this area (Franco-Santos, et.al, 2007). The business dictionary, on the other hand, defines performance as the completion of a work in comparison to predetermined standards of accuracy, completeness, cost, and speed. According to Molly (2013), in order to objectively analyze how well a business is operating, one must construct measurable measurements by recognizing which areas of the business processes need to be improved and which are performing well. This information can then be utilized to assess the company's productivity over time. According to Kellerton Consulting (2013), performance management should aim to ensure that as much information and decision-making as feasible is directed toward improving performance in line with the company's goals and strategy. In general, the research on performance shows that no single criterion or set of criteria for performance evaluation has been agreed upon by marketing strategy scholars (Venkatraman and Ramanujam, 1986). Financial performance, market performance, customer performance, and overall performance are all ways to measure performance.

Therefore, in this study, the performance of Small and Medium Manufacturing industries was measured in terms of profitability, sales, customer satisfaction, and brand awareness.

2.2.7 Definitions of SMMEs in Ethiopia

In the Ethiopian context, there is lack of uniform definition at the national level to have a common Understanding of the MSE sector. While the definition by Ministry of Trade and Industry (MTI) according to the Small & Micro Industriess Development Strategy of Ethiopia (published 2011) uses the working definition of MSEs based on capital and Labor, the Central Statistical Agency (CSA) uses employment and favors capital intensive technologies as a yardstick. The Ethiopian Development Bank was also defining industriess by the number of Employment and their capital threshold without categorizing as micro, small and medium.

The name given to Micro and Small Industriess which were administered by Federal Micro and Small Industriess Development Agency (FeSMEDA) had also rearranged due to structural change, regulation # 201/2011. Following structural arrangement of the industries in Ethiopia FeSMEDA sub divides in to two as; Federal Small and Medium Manufacturing Industry Agency (regulation # 373/2016) and Federal Urban Job Creation and Food Security Agency (Regulation No.374/2016).

Based on the recent regulation, regulation No. 373/2016, states the definition of both Small Manufacturing Industry and Medium Manufacturing Industry as follows. A small manufacturing industry is defined as one with a total capital of Birr 100,001 to Birr 1,500,000 in the manufacturing sector that employs between 6 and 30 people, including the owner, his household, and other personnel. A medium manufacturing industry is one with a total capital, excluding buildings, of between Birr 1,500,001 and Birr 20,000,000 in the manufacturing sector that employs between 31 and 100 people, including the entrepreneur, his family, and other personnel. Consequently, the operational definition of Small and Medium Manufacturing Manufacturing industries is in line with regulation No. 373/2016 will be used in this study.

Table 1; SMMEs definition of Ethiopia

Level of Industries	Sector	Hired labor	Total capital (in Birr)
Small Industries	Manufacturing	6-30	100,0001-1,500,000
Medium Industries	Manufacturing	31-100	1,500,001-20,000,000

Source: (Federal Negarit Gazzete of 22nd Year No.40, Regulation No. 373/2016)

2.3 Empirical Review

2.3.1 Empirical Literature Review--Global Related

The empirical evidence of the effect of marketing strategy on the performance of the business is mixed. In some studies, individual elements of the marketing mix are shown to have a significant effect on market share and profitability (Miller and Camp, 1985; MacMillan and Day, 1987; Tsai, MacMillan and Low, 1991). In another study using the same database, marketing had no significant effect on corporate venture performance (Robinson, 1990).

This data can then be used to evaluate the productivity of the company over time. Performance management, according to Kellerton Consulting (2013), should attempt to guarantee that as much information and decision-making as possible is aimed toward increasing performance in accordance with the company's goals and strategy. In general, performance research demonstrates that marketing strategy researchers haven't agreed on a single criterion or collection of criteria for evaluating performance (Venkatraman and Ramanujam, 1986). Performance can be measured in a variety of ways, including financial performance, market performance, customer performance, and overall performance.

Marketing strategy is one of the important parts of export performance and one of the key determinants influencing export performance, according to empirical research on export marketing strategy and business export performance. Mavrogiannis et al., 2008; Lages and Lages, 2003; Julian and OCass, 2003; Cavusgil and Zou, 1994) found a strong link between export marketing strategy and export performance, as well as a positive and direct impact of marketing strategy on the export performance of the industries in question. In their study, Salavou and Halikias (2008) discovered that the majority of exporter industries who achieved increased profitability did so as a result of their marketing-based initiatives. Researchers like Julian and Ocass (2003), on the other hand, found that export marketing methods had no effect on export performance. Also in the research by Abdul Adis and Md.Sidin (2010) revealed that there was no direct or significant relationship between export marketing strategy (concluding product adaptation, promotion adaptation, distribution strategy, design strategy, price competitiveness, support to foreign distributor, target market specification) and export performance of Malaysian wooden furniture industry. In brief, although a few studies mention there is not any relationship between the two variables. On the other hand, most researchers concluded that marketing strategy had significant positive effects on export performance and it was an important part of studies that had been evaluated many times previously.

A number of studies have offered empirical support for the relationship between marketing strategy and financial performance of a company. The majority of these studies have focused on corporate performance in the United States and have been based on the Profit Impact of Marketing Strategy (Faria and Wellington, 2005; Kyle, 2004). Various research, such as Shim et al., (2004) and Patterson and Smith (2001), have suggested that marketing strategy has an impact on overall firm performance. However, the results of the aforementioned research are equivocal for a variety of reasons (Chiliya, 2009).

In their study Impact of Marketing Strategy on Business Performance on SMMEs in Nigeria, Adewale et al. (2013) discovered that the independent variables (i.e. product, promotion, place, price, packaging, and after-sales service) were significant joint predictors of SMME business performance in terms of profitability, market share, return on investment, and expansion. Promotion, on the other hand, has no substantial positive effect on business success, according to the study. Except for the finding of promotion, which is opposed to the previous researchers, the study follows the viewpoints of Sajuyigbe et al. (2013); Francis & Collins-Dodd, (2004); Shamsuddoha and Ali (2006); Chiliya et al. (2009) and Owomoyela et al. (2013).

Taiwo (2010) investigated the impact of strategic marketing practices on firm performance in the Nigerian oil and gas industry, and his findings revealed that strategic marketing practices have a considerable impact on performance factors and interact with many components to improve performance. This statement backs up previous research findings (Day & Montgomery, 1999; John and Davies, 2002; Folan et. al., 2007; Franco- Santos et. al., 2007). According to David et al. (2013), there is a clear link between SMME marketing strategies and performance in terms of revenue and job opportunities, increased efficiency, and a stronger connection with customers. It also allows SMMEs to compete on an equal footing with larger companies.

Appian-Adu and Singh (1998), Asikhia (2010) did a study on the Customer Orientation-Performance Relationship of SMMEs and discovered that customer orientation has a favorable effect on SMME performance..

2.3.2 Empirical Literature Review-Ethiopian Context

Because of the context and breadth sought by the researcher, there is very little empirical literature on the subject in Ethiopia. As a result, the following studies were carried out in Ethiopia:

Assegedech (2004) has studied “Marketing Strategies for Micro and Small Manufacturing industries” and her work identified that the marketing problems such as lack of product diversity, pricing problems, lack of awareness how to compete in the market, limited business management and salesmanship ability, limited capacity to promotional activities, and lack of market-related knowledge are hindering the development of MSE. However, her study doesn’t reveal the relationship between marketing strategy and performance. Lidia Samuel (2015) has studied on „The Impact of Marketing Strategy on a Firm’s Performance Opinion Survey on Employees of Dashen Bank S.C.” Her study has revealed that the marketing mix variables have made the impact on the financial performance of the Bank. The influence of each of these variables on financial performance, however, varies. Price, location, people, and promotion are some of the more powerful factors. The findings also revealed that the marketing mix variables only explained a portion of the Bank's financial success. However, because the study's findings were tested in the setting of the banking business, it's difficult to extrapolate the findings to SMMEs.

Similarly, Solomon Abera (2016) has studied on Assessing the Effectiveness of Marketing Strategy in the Case of Bank of Abyssinia S.C and his study identified that STP, product, price, promotion, and place strategies have played a considerable contribution towards the performance of the bank, while product and place have better prediction power than price and promotion. However,

because this study was conducted in the setting of banking, it is difficult to extrapolate the findings to the context of the subject matter. Furthermore, all of these experts believed that the marketing mix strategy is the lifeblood of a company.

As a result, even if several research studies on the issue (marketing strategies-performance linkages in the context of SMMEs) have been undertaken in various areas of the world, it is difficult to generalize the findings of the study in the Ethiopian setting. Furthermore, to the best of the researcher's knowledge, there has been essentially little research on the impact of marketing tactics on the performance of SMMEs in Ethiopia.. Hence, this study was aimed to examine the effect of marketing strategies (i.e. STP, product, price, promotion, place, customer orientation, and relationship marketing) on the performance of SMMEs.

2.4 Conceptual Framework

This part provides an explanation for building the research framework and developing the hypothesis. It's primarily based on key findings from the literature review of the marketing strategy research.

2.4.1 Conceptual Framework

The goal of marketing strategies is to impact mutually gratifying trade transactions and relationships by making judgments on a variety of criteria. Day (1994) asserted in the mid-1990s that higher corporate performance is the outcome of superior talents in understanding and delighting customers, which is nearly an article of faith within marketing..

Marketing strategy and SMME performance measurement are two interrelated aspects of the study framework. Within the domains of the STP, marketing mix, relationship marketing, customer orientation, and so on, the marketing strategy components will be studied. According to Akroush (2003), the marketing mix, which specifies the primary components of marketing strategy in various firms, is used to construct marketing strategy components.

Although there is often overlap between the two, the link between marketing strategy and performance has been proven at the company and functional levels (Walker 2004, Porter 1985). Performance can be judged based on sales growth, market share, brand recognition, and profitability, according to Haghghinasab, Sattari, Ebrahimi, and Roghanian (2013). The higher the indices, the better the business's performance is, and vice versa. SMME performance is determined by both behavior (activity) and results. This explanation includes achieving expected levels as well as reviewing and setting objectives. When management conduct is correct, the expected levels of

output are reached, and vice versa for failure. This has something to do with the idea of customer orientation. It's a notion that turns marketing into a competitive weapon by altering industrial values, attitudes, assumptions, and premises toward a two-way relationship between customers and the company. Management attitudes toward marketing methods that are targeted in the right direction have a positive impact on SMME success. The conceptual framework and hypothesis described below were developed as a result of the marketing strategy elements and performance literature review.

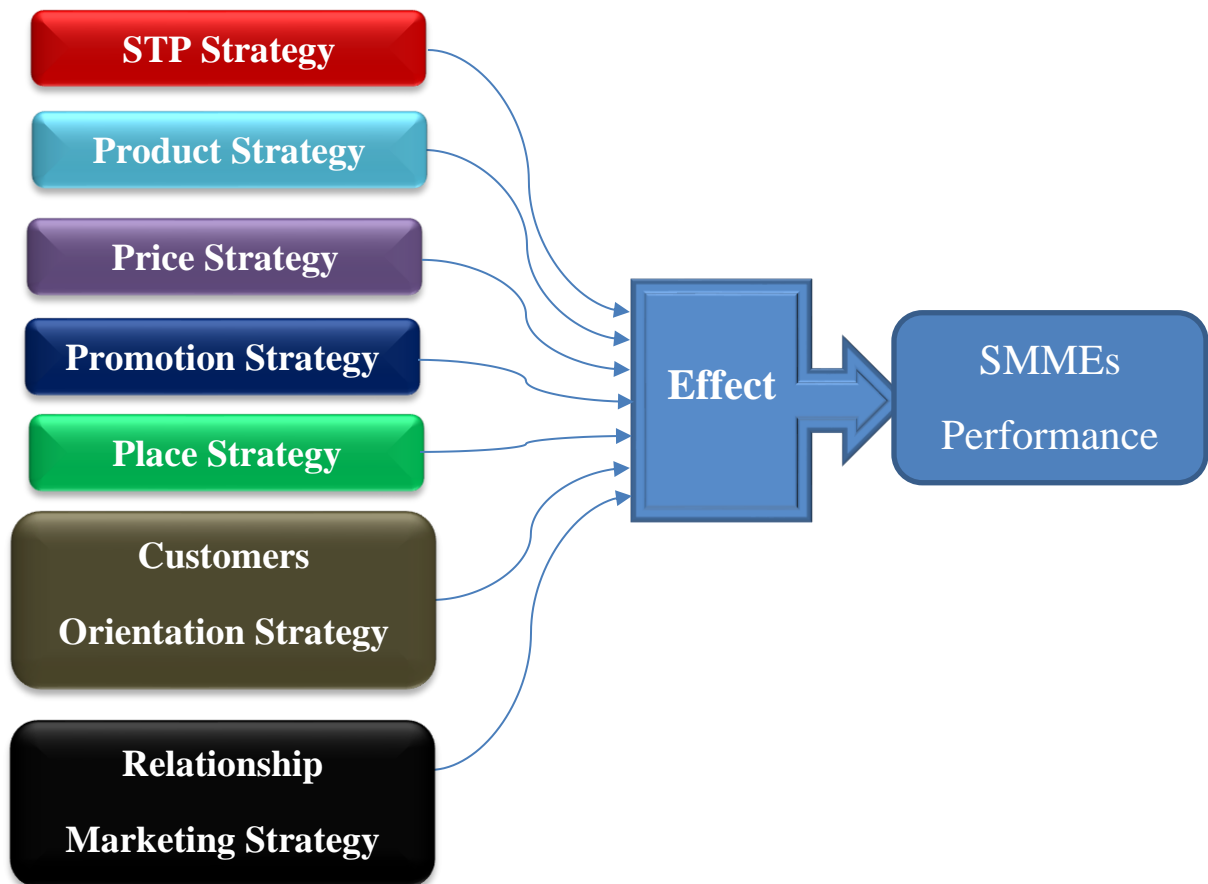


Figure 2: conceptual framework adapted from Fekadu Tufa 2018 Hypothesis Development STP Strategy and SMMEs“ Performance

For successful SMMEs service/product offerings, STP (segmentation, targeting, and positioning) practices plays a major role on their performance. It's a component of a larger marketing strategy that allows marketers to separate, analyze, and evaluate market layers in order to create a marketing mix. The STP strategy assists industries in focusing on all of their consumers' requirements and desires. In a study conducted on Commercial Bank of Ceylon PLC, Premkanth

(2012) clearly demonstrated that "market segmentation, targeting, and positioning have a highly beneficial impact on customer satisfaction." In today's competitive commercial environment, a corporation must match its customers' needs and wants while also recruiting new customers to develop its business, according to the report. STP approach, according to previous studies, has a major impact on business performance (Christians and Ayana, 2011). As a result, the following hypothesis was established based on these evidences.

H1: STP strategy has positive significant effect the performance of SMMEs.

Product Strategy and SMMEs' Performance

A product, according to Kotler and Armstrong (2012), is anything that may be supplied to a market in exchange for attention, acquisition, use, or consumption in order to satisfy a demand or need. Product impacts have a big impact on how well a company does (Gbolagade, et al, 2013). However, the quality of a product should always be consistent with the rest of the marketing mix. For example, a premium-based pricing strategy will demand a high-quality product that may be branded to support the price increase. Consumers buy products on a regular basis after giving careful thought to and comparing brands based on price, quality, and style. According to Kotler, quality, design, features, brand name, and size are all elements that influence product purchases (2003). Mustapha (2013) also says that product refers to a product's physical appearance, packaging, and labeling information, all of which might influence consumer behavior when they see, assess, and/or buy a product in a store. Past researchers have clearly suggested that product influences have a significant effect on business performance (Kazem and Heijden, 2006; Kemppainen, Ogunmokun and Esther, 2004; Owomoyela et al, 2013). As a result, the following hypothesis was established based on these evidences.

H2: Product strategy has positive significant effect the performance of SMMEs.

Pricing Strategy and SMMEs' Performance

Price, according to Kotler (2003), is the cost of creating, distributing, and promoting the product that the industries will trade. According to Zeithaml (1988), one of the elements that influences a consumer's opinion of a product's worth is its monetary cost. Price refers to the actual or total rated value of an item that is available for exchange. The price you choose for your product or service has a significant impact on its ability to sell. In their studies, Colpan (2006), Doole et al (2006), and Owomoyela et al (2013) discovered a significant correlation between price and business performance. As a result of these findings, the following hypothesis was developed.

H3: Price strategy has positive significant effect the performance SMMEs.

Promotion Strategy and SMMEs' Performance

Promotion, according to Zeithaml et al. (1995), is a targeted attempt to encourage customers to inform others about their services. Duncan (2005) claims that promotion is the most important aspect of the market exchange process for communicating with current and potential stakeholders, as well as the general public. According to Hakansson (2005), promotion appears to be a problem of determining the best mix of marketing communication tools to deliver a product's message and brand from the manufacturer to the consumer. Sales promotion, advertising, personal selling, public relations, and direct marketing are all terms used by Borden (1984). According to Kotler (2007), promotions have become a vital component of the product marketing mix, which is the company's unique combination of advertising, personal selling, sales promotion, public relations, and direct marketing methods used to achieve its advertising and marketing goals. The considerable association between promotion and business success has been established by previous studies Amine and Cavusgil (2001); Francis and Collins-Dodd (2004). As a result, the following hypothesis was established based on these evidences.

H4: Promotion strategy has positive significant effect on the performance of SMMEs.

Place Strategy and SMMEs' Performance

The considerable association between promotion and business success has been established by previous studies Amine and Cavusgil (2001); Francis and Collins-Dodd (2004). As a result, the following hypothesis was established based on these evidences. The considerable association between promotion and business success has been established by previous studies Amine and Cavusgil (2001); Francis and Collins-Dodd (2004). As a result, the following hypothesis was established based on these evidences.

H5: Place strategy has positive significant effect on the performance of SMMEs.

Customer Orientation and SMMEs' Performance

Small and medium manufacturing industries with minimal resources cater to a narrow clientele in a small local market. Eggers et al. (2013) discovered that SMMEs with limited financial resources are more focused on their customers. It will be difficult and costly to modify their major

services or locations due to a lack of resources. Small manufacturing industries rely on a specific group of consumers and the local market, which are the primary sources of market knowledge and revenue. Small manufacturing industries can develop and differentiate products or services to meet the Needs of the niche markets which are neglected by large companies. They can also concentrate their full attention to serving a stable and loyal group of consumers. Because of their modest market size, small manufacturing industries can react quickly to market changes and client needs. Furthermore, tiny manufacturing firms employ a restricted number of people. This entails a simple internal industrial structure and a culture that is largely cohesive.

Customer orientation, as an industries management strategy, is widely accepted by business SMMEs (Appian-Adu and Singh, 1998; Zhou, 2007).

Previous research has looked into the link between market orientation and company performance. The majority of studies show a link between market orientation and firm performance (Kumar et al., 1998; Narver and Slater, 1990). As a result, customer orientation, as a basic component of market orientation, is positively associated to company performance (AppiahAdu and Singh, 1998; Asikhia, 2010; Zhou et al., 2007). Small manufacturing industries that are customer-oriented focus on their current clients and try to figure out how to fulfill them as efficiently as possible. Putting a customer focus on small manufacturing industries in a small local market will help them generate more money and possibly attract new clients. As a result of these findings, the following hypothesis was developed:

H6: Customer Orientation strategy has positive significant effect on the performance of SMMEs.

Relationship Marketing and SMMEs“ Performance

Long-term customer ties and repeat sales are aided by long-term relationships. Customers want to know and believe that they are loved and appreciated for who they are. Existing customers that feel valued and appreciated are more likely to refer additional potential consumers to your firm, such as colleagues, friends, relatives, and others (Martins, 2015). Relationship marketing has been shown to have a major impact on business performance in previous studies (Christiana and Ayana, Therefore, based on these evidences the following hypothesis is developed.

H7: Relationship marketing has positive significant effect on the performance of SMMEs.

CHAPTER THREE

3. RESEARCH METHODOLOGY

3.1 Introduction

This chapter reviews the research methodology that was used and the areas focused on in the study. It includes: research design/type, sampling design, source of the data, data collection method, data collection instrument, method of data analysis, validity and reliability, and research ethics followed.

3.2 Description of the Study Area

The study was conducted in Addis Ababa town administration which is the capital city of Ethiopia. The town is found in Empress Tiyitu in 1887. Today Addis Ababa also served as head quarter of Africa Union and also a center of different industries. The town is astronomically coordinated at 9°34'30" _9045'00"N 39°27'00" _39037'30"E. The total area of the town under the municipal-pal jurisdiction (which include the surrounding areas) is estimated to be about 18,000 hectares while according to the information which is obtained from population office of Addis Ababa town administration the latest estimation of the town population in 2021GC reached 1,088,876, among this 492,590 of them are male while 596,176 are female. The study will give special attention to the investigate the effect of marketing strategy on SMMEs performance in Addis Ababa Town administration. The city is divided into 11 sub-cities (Kifle Ketema). These are: Addis Ketema, Akaki Kaliti, Arada, Bole, Gullele, Kirkos, Kolfe Keranio, Lideta, Nifas Silk-Lafto, Yeka sub-cities and lemi kora. Therefore, out of the eleven sub-cities found in the City, the study was conducted within the three sub-cities i.e. Akaki Kaliti , Bole, and Nifas Silk-Lafto sub-cities.

3.3 Research Approach.

The research instrument for this study is designed through conducting the quantitative method in the study because Quantitative research approach is based on the philosophy of post positivism world view. It is also reductionist in that the goal is to condense the ideas into a limited, distinct set of concepts to test, such as hypotheses and research questions. Furthermore, the quantitative approach employs tactics of investigation like as experiments and surveys, as well as statistical approaches in identifying patterns of behavior and generalizing findings from samples to the population of interest (Creswell 2003, pp. 13-15). The temptation is to use a large number of data points to illustrate the probable relationships between one or more independent variables. When

compared to other methodologies, quantitative research is seen as a more appropriate and manageable tool for testing this context. As a result, a quantitative research approach was adopted, taking into account the research objectives and questions. The hypothesis and research questions are tested using a quantitative research approach, which is ideal for testing relationships (Zikmund, 2003).

3.4 Research Design/Type

In this study, descriptive and explanatory research design was employed to determine how the selected explanatory and descriptive variables affect marketing strategy on small and medium scale manufacturing industries performances in Addis Ababa Town Administration.

The researcher is used to test the research hypothesis and investigate the link between dependent and independent variables using empirical models since this study emphasizes determining the cause and effect relationship of selected variables..

Descriptive and explanatory research designs are used in addition to taking the research aims and nature of the investigation into account. Descriptive research studies, according to Kothari (2004), are those that are concerned with describing the features of a specific individual or group. As a result, it was employed in this study to describe the respondents' demographics and basic information, as well as the industrial industries.

Explanatory studies, on the other hand, clarify the relationship between two features of a situation or phenomenon, as Kumar (2011) suggests. As a result, the explanatory research design was chosen for this study since it investigates the effect of the predictors (marketing techniques) on the dependent variable (performance). This study's research design is a hybrid of descriptive and explanatory research methods.

3.5 Sampling Design

A sample design is a way for selecting a representative sample of a population from a larger population.. It refers to the method or procedure used by the researcher to pick things for the sample. The sample design may also specify the number of items that will be included in the sample, i.e. the sample size. Before any data is gathered, the sample design is determined (Kothari, 2004). As a result, the study's target population, sampling frame, sampling technique, sample size, and sampling procedure are detailed in this section.

3.5.1 Target population

The phrase "population" refers to the people or groups being polled. The list of all units in the population from which the sample is drawn or selected is also known as the entire population. Populations, in other words, relate to the groups or individuals who are able to respond to the survey's questions and to whom the results apply.

As Addis Ababa city is divided in to eleven sub city in which the total number of manufacturing SMMEs are 2164, of which 1,404 (64.9%) are Small and 757 (35%) are medium in their scale. Accordingly the population of the study was SMMEs still working in Akaki kaliti, bole and nifas silk sub cities. In view of that the target population of study was 806 manufacturing SMMEs of which 460(57%) are small and 346(43%) are medium. Hence the sample frames was the list of manufacturing SMMEs operating in these sub cities. The number of SMMEs in terms of sub-city is presented on Table 3.1 below.

Table 2; Target population of the study

SN	Sub City	Small Scale Manufacturing industries	Medium Scale Manufacturing industries	Small and Medium Scale Manufacturing industries
1	Akaki	147	109	256
2	Bole	109	46	155
3	N/silk	204	191	395
Total		460	346	806

Source: Data collected from Job Creation and Industriess Development Bureau (JCEDB), 2022

3.5.2. Sampling Frame

Sampling is the deliberate selection of a group of people to provide data from which you can draw conclusions regarding a broader group that these individuals represent. The sampling frame for any sample is a complete list of all the cases in the population from which the sample will be drawn (Saunders et al, 2000). In view of that, the sampling frame for this study was drawn city government of Addis Ababa Labor, Industries and industry development bureau list of the registered SMMEs operated in that engaged on manufacturing,

3.5.3 Sampling Technique

The stratified and purposive sampling strategies are employed in this study. According to Kothari, when a population from which a sample is to be taken does not consist of a homogeneous group, stratified sampling is frequently used to obtain a representative sample (2004). The population is divided into many sub-populations that are more homogeneous than the whole population (the different sub-populations are referred to as strata) in this technique." As a result, because each stratum is more homogeneous than the total population, the researcher can obtain more precise estimates of the sample for each stratum, as well as a better estimate of the whole, by estimating each of the component parts more precisely; in other words, stratified sampling produces more reliable and detailed information (Kothari, 2004, pp. 63).

Purposive sampling is used to pick respondents from each stratum in addition to the stratified sampling technique. To answer research questions and/or fulfill research objectives, this technique is required to select people of the population to engage in the study purposefully based on the researcher's own judgements.

3.5.4 Sample Size

The appropriate sample size for a study is determined by the characteristics of the population and the study's goal. Although there are no general rules, the sample size usually depends on the population to be sampled (Catherine, 2009).

In this study to determine the sample size, list of the population of interest for this survey are 806 manufacturing SMMEs of Akaki kality, bole and nifas silk sub city (JCEDB, 2021).

The sample size selected here is considered as representative of manufacturing SMMEs of different sub-sectors and is large enough to allow for precision, confidence and generality of the research findings to regions of Addis Ababa city. Because it is relevant to studies that employ a probability sampling method, the following formula is used to calculate the sample size. Yamane (1967) developed a simplified scientific formula based on the whole population of the study, i.e.

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

Where: n represents sample size, N represents total number of population size, and e represents sampling error/level precision

According to the information obtained from JCEDB, there were total of 806 SMMEs in three sub-cities operating in 7 sub-sectors which include: textile and garments (101), Metal and wood

work (451), leather and leather products (22), agro-processing (85), construction input (101), chemicals and detergent (20) and minerals and hand crafts (26) at September, 2021.

Therefore, based on the above formula the sample size of the study is 806 SMMEs.

In which e is the level of precision .i.e. = 0.05 (level of significance)

$$N = N / (1 + N(e)^2)$$

$$= 806 / (1 + 806(.05)^2) = 267$$

Accordingly, 267 respondents were selected randomly from 806 SMMEs. Based on this, manufacturing industries from each stratum operating in these sub-cities was selected. Consequently, 152 and 115 samples are taken from each stratum by applying proportionate method indicated as follows in table 3

Table 3; Application of Proportionate method for sample determination

No	sub city and industry scale	Manufacturing sub sectors															
		Textile and Garments population	Proportionate sample size	Metal and Woodwork	Proportionate sample size	Leather and Leather products	Proportionate sample size	Agro processing	Proportionate sample size	Construction input	Proportionate sample size	Chemical and detergent	Proportionate sample size	Minerals and hand crafts	Proportionate sample size	total	proportion total
1	akaki small scale	13	4	65	21	1	1	19	6	47	16	5	2	2	1	147	51
2	akaki Medium scale	6	2	75	24	1	0	6	2	16	5	2	1	3	1	109	35
3	Bole small scale	33	11	38	12	9	2	18	6	4	1	4	1	3	1	109	34
4	Bole medium scale	6	2	32	11	0	0	3	1	5	2	0	0	0	0	46	16
5	Nifas silk small scale	37	12	84	28	9	3	35	11	21	8	6	2	12	3	204	67
6	Nifas silk Medium scale	8	3	15 9	53	2	1	4	1	8	3	3	1	6	2	191	64
	Total	101	34	45 1	149	22	7	85	27	101	35	20	7	26	8	806	267

Source: The researchers own computation

3.5.5 Sampling Procedure

To select a sample, first the lists of those SMMEs that were currently registered and operating in Addis Ababa Town would be identified as sampling frame by a researcher. Samples have been selected using stratified random sampling technique, where the entire population was divided into subgroups (strata) 7 manufacturing sub-sectors (textile and garment, Leather, agro processing, metals and woodwork, chemicals and pharmaceuticals, construction inputs, and Minerals and handcraft's). According to Janet (2006), this step increases the probability that the final sample would be representative in terms of the stratified groups.

3.6 Data Sources and Types

To gather the necessary forms of data, both primary and secondary sources of data was examined in this report. Primary data will be gathered from the owner and/or manager of SMMEs. Secondary data was collected from books, internet sources, guides, annual reports, proclamations, regulations and different reports of SMMEs to support the primary data.

3.7 Data Collection Instrument and Procedure

The method of data collection is critical for proper interpretation. The data collected in the course of the questionnaire is analyzed and presented through descriptive statistics such as tables, percentages and mean and standard deviations. The qualitative method of data analysis was also employed for feedback obtained using semi-structured questionnaires for each response given by the respondents.

The questionnaire was preparing in line with the objectives of the study and structured into three sections. The first section of the questionnaire is concerned with obtaining some demographic and general data about the respondents and manufacturing industries. While, the second section is dealt to investigating the marketing strategies dimensions i.e. STP strategy, product strategy, price strategy, promotion strategy, place strategy, relationship strategy, and customer orientation in small and medium manufacturing industries. The third section of the questionnaire is dealt with the performance measurements in SMMES, The questions are structured in close-ended type and responses to the questions are measure by Likert scale of five rating scale where: Strongly Agree (SA)= 5; Agree (A)= 4; Neutral (N)=3, Disagree (D) = 2; and Strongly Disagree (SD) =1. The Likert scale is used to make the questions easier for respondents to answer in a simple way and permit an efficient use of statistics for the interpretation of data. The measuring instrument can be described as a selfreport questionnaire, which the participants had to indicate the degree to which they agreed or disagreed with each statement in every dimension in the questionnaire

The questionnaire was first designed in English language and then translated into Amharic language. This can be due to the samples of the study is targeted different SMMEs owners/or managers with different educational background, and to obtain the reliable information from the respondentsThe questionnaire is pilot tested after it has been approved by the adviser and internal examiner. Following that, the questionnaire is revised based on the comments from the respondents and delivered to the sampled owners and/or managers of Small and Medium Manufacturing industries operating in Addis Ababa. Abrief orientation on the purpose of the study and its

significance was given to the participants three data collectors were recruited. The data collectors were facilitate the data collection process for those participants to fill the self-administered questionnaire.

3.8 Validity and Reliability

Validity and reliability of the measures need to be assessed before using the instrument of data collection (Hair et al., 2003). Validity is concerned with whether an instrument can accurately measure, whereas reliability is concerned with measurement consistency. As a result, the study's reliability and validity are being tested.

3.8.1 Validity

According to (Best and Kahn, 2002), describing the items on the instrument should represent a significant aspect of the purpose of the investigation. Cross-referencing the content of the instruments to those aspects contained in the stated objectives to evaluate if there was a match was used to establish content validation. Validity is concerned with whether an instrument can accurately measure, whereas reliability is concerned with measurement consistency. As a result, the study's reliability and validity are being tested. Content validity, according to (Best and Kahn, 2002), is the amount to which an instrument's items cover the whole range of significant characteristics of the area under investigation. It is the extent to which the measurement instrument, in this case the measuring questions in the questionnaire, covers the research investigating inquiries sufficiently. To maintain the validity of the instruments, most of the questionnaires were adopted from previous research. Some of the questionnaires were developed based on a careful review of the literature.

According to (Best and Kahn, 2002), the validity of a study can be checked by defining the meaning of all terms in the instrument so that they give the same meaning to all respondents. The researchers also changed the construction of some items in the questionnaires based on consultation with their research colleagues, advisors and the feedback they received during the pilot-testing.

3.8.2 Reliability

The degree to which measurements are repeated when performed by various people on different occasions under varied conditions with seemingly separate devices that measure the same item is referred to as reliability (Drost, 2011). The term "reliability" refers to measuring consistency or stability under a variety of settings in which essentially the same results should be produced. According to (Best and Kahn, 2002), the reliability of the responses can be determined by

administering the questions again and comparing the results to the first. The researcher personally met all the respondents and gave a detail orientation to complete all the items in order to avoid the 29 unintentional bias. The respondents were told not to worry about recalling their responses from the last pilot test and instead to answer the surveys honestly. According to (Drost, 2011), the researcher must do all possible to encourage a high response rate and reduce inadvertent bias during pilot testing. The most popular method of testing for internal consistency in the behavioral sciences is Cronbach's coefficient alpha. Cronbach's alpha reliability coefficient generally runs between 0 and 1 (Gliem, 2003), and the following suggestions should be followed: > 0.9 – Excellent, > 0.8 – Good, > 0.7 – Acceptable, > 0.6 – Uncertain, > 0.5 – Poor, and 0.5 – Unacceptable. The Cronbach alpha was calculated and compared to the 0.7 threshold value. An overall value of 0.831 was obtained which implied that high level of internal consistency of research instruments.

3.9 Data Analysis Methods

The collected data was checked, coded, and entered into Epi-data version 4.4.1.0 and exported to SPSS version 26.0 software for analysis. Data entry will be done by the principal investigator. In order to test the reliability and validity of the instrument; factor analysis and Cronbach's alpha tests will be used.

Descriptive statistics will be used mainly to organize and summarize the demographic and general data of the respondents and manufacturing industries. It will be employed percentage, frequency, mean, and standard deviation. Whereas, inferential statistics move beyond the description of a specific observation to make inferences about the larger population from which the sample was drawn. It will be used for testing hypothesis and investigated research objectives. In this study, different types of inferential statistics were employed. Thus, the Pearson Correlation is used to explore the relationship between marketing strategy and performance variables. Likewise, multiple regression analysis is used to measure the magnitude effect of marketing strategies on performance of small and medium manufacturing industries. Multiple regression formula is used in the analysis of relationship between dependent and multiple independent variables and formula is represented by the equation $Y = a + bX_1 + cX_2 + dX_3 + E$ where Y is dependent variable, X1, X2, X3, X4, X5, X6, X7, are independent variables, a is intercept, b, c, d are slopes, and E is residual value.

$$Y = MX_1 + MX_2 + MX_3 + B$$

Where,

- ✍ Y= SMMEs performance
- ✍ M= slope of the regression
- ✍ X1= STP Strategy
- ✍ x2= product strategy
- ✍ x3= price strategy
- ✍ X4= Promotion strategy
- ✍ X5= Place Strategy
- ✍ X6= Customer Orientation Strategy
- ✍ X7= Relationship Marketing Strategy
- ✍ B=constant

At the end, the quantitative data will be presented in the form of tables, graphs, and charts as desired so as to make all the data readable and understandable.

3.8 Data presentation

Data presentation is the process of organizing information into logical, systematic, and meaningful groups and classifications. Primary data will be collected via a semi-structured questionnaire from owners and managers of SMMEs operating in three sub-cities (bole, nifas silk, and akaki kality).

Finally, the data analysis and interpretation of the survey will be presented, starting with the response rate for the disseminated questionnaire, empirical evidence, and a discussion of the findings.

3.8 Ethical Consideration

First and foremost, the study will be approved by the Addis Ababa University school of commerce, Department of Marketing Management, in order to obtain appropriate data from individual respondents. The confidentiality of the respondent's replies and the information collected from the key informant will be taken into account. Because the study was being conducted at the addis ababa city administration, the government office was notified and official clearance was asked for. As a result, it was necessary to consider several ethical considerations throughout the study process, particularly during data gathering. Additionally, verbal and written consent were produced and read to the respondents before the interview to obtain their consent. Those who do not wish to participate

in studies have the option to decline. All the respondents' privacy and confidentiality were respected. All respondents were given a detailed explanation of the study's purpose and value, but their names and other identifiers were not revealed in the study. They were also assured that the information they provided would only be used for research purposes.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS, AND INTERPRETATION

The main objective of the study has been to examine the Effect of Marketing Strategy on Small and Medium Manufacturing industries Performance by formulating hypothesis with the seven independent variables. In order to meet the objective of the study, the data that were gathered from the primary source using questionnaire was analyzed, presented, and interpreted in this section.

4.1. The Questionnaire Response Rate

The questionnaires were physically distributed to SMMEs owners and/managers of SMMEs operating .The total sample of the study was 267 owners of small-scale business who engaged in Manufacturing sector seven sub sectors in addisababa three sub cities and the survey questionnaires distributed for all samples. Out of 267 questionnaires distributed; 267 were returned timely.

4.2. Testing of the Research Instruments

Prior to analyzing the influence of the independent variables on the dependent variable, the researcher conducted a validity and reliability test to ensure that the research instruments were both valid and reliable.

4.2.1. Validity Test

The extent to which a measuring instrument adequately covers the issue under research is referred to as content validity. If an instrument's content validity is good, it contains a representative sample of the universe. It makes decisions based on judgment and intuition. It can also be determined by a panel of people who will judge how well the measuring device satisfies the standards, but there is no way to express it numerically (Kothari, 2004).

All of the variables were taken from previous research studies to ensure the validity of the research instrument, as described in the methods section. All variables (items) were evaluated by experts in the field, primarily FSMMIA officials, in order to go over the overall content validity of the instrument, such as clarity, length, and language. The English version of the questionnaire has been translated into Amharic to improve clarity and understandability. In addition, the researcher conducted a pilot test of the questionnaire with the owners and/or managers of seven SMMEs to gain input in order to improve the instrument's content validity. Furthermore, in order to improve the research instrument validity, the researchers obtained and integrated the opinions of SMME owners and/or managers, as well as instructors.

4.3.2. Reliability Test

The degree to which a measurement produces consistent findings is known as reliability, and it is primarily concerned with concerns of measure consistency (Bryman and Bell, 2003).

Cronbach's alpha is a measure of internal consistency, or how closely a group of sample items are related to one another. It is regarded as a scale dependability indicator. The presence of a "high" alpha value does not imply that the measure is one-dimensional. Cronbach's alpha is a coefficient of reliability in technical terms (or consistency). According to Hair, et al., (2006), a value of greater than 0.7 indicates good reliability, 0.5 indicates adequate reliability, and a value of less than 0.3 indicates inadequate dependability.

Accordingly, the overall Cronbach's alpha result of the 45 items in the study (10 STP items, 6 product items, 6 price items, 6 promotion items, 4 place items, 5 customer orientation items, 4 relationship marketing items, and 4 performance items) was 0.977 which is higher than the minimum alpha value set as acceptable (i.e. 0.70). The Cronbach's alpha result of each item used in the questionnaire is shown in the following table.

Table 4; Reliability test Cronbach's Alpha of each variables

Reliability Statistics		
	Cronbach's Alpha	N of Items
STP	.934	10
Product	.918	6
Price	.903	6
Promotion	.897	6
Place	.863	4
Customer Orientation	.933	5
Relationship Marketing	.888	4
Performance	.909	4
Overall Reliability	.977	45

Source: Own Survey Result,2022

4.3. Descriptive Analysis

4.3.1. Demographic Characteristics of the Respondents

Demographic characteristics are essential markers of performance in any company and serve as the foundation for survey response. Even though demographic parameters have a minor impact on this study, the researcher includes a few of them because they are thought to be related. As a result, the demographic features of gender, age, education, experience, industry size, industry sub-sector, number of employees, industry total capital, and the amount to which marketing strategy is used are stressed.

Table 5; Demographic Characteristics of the Respondents and General informatio

Demographic and General Information Related			
Variables	Categories	Outcomes	
		Frequency	Percentage
Gender of the Respondents	Male	177	66.3
	Female	90	33.7
	Total	267	100.0
Age of the Respondents	21-30 years	66	24.7
	31-40	126	47.2
	41-50	54	20.2
	Over 50	21	7.9
	Total	267	100.0
Educational Status	Less than secondary school	42	15.7
	Certificate Diploma	93	34.8
	First Degree	102	38.2
	Second Degree and Above	30	11.2
	Total	267	100.0
Experience in the Industries	≤ 5 years	21	7.9
	6-10 years	147	55.1
	11-15 years	69	25.8
	Over 15 years	30	11.2
	Total	267	100.0
Size of Industries	Small	152	56.9
	Medium	115	43.1
	Total	267	100.0

	Textile and garment	34	12.7
	Leather	7	2.6
	chemicals and pharmaceuticals	7	2.6
	agro-processing	25	9.4
	Metals and wood work	150	56.2
	Construction Input	36	13.5
	Minerals and Hand crafts	8	3.0
	<u>Total</u>	267	100.0
Employee number	6-30	152	56.9
	31-100	115	43.1
	Total	267	100.0
Total Capital of the Industries	100,000-1,500,000	152	56.9
	1,500,000-20,000,000	115	43.1
	Total	267	100.0
The Extent to use Marketing Strategy	low extent	3	1.1
	moderate extent	30	11.2
	great extent	216	80.9
	very great extent	18	6.7
	Total	267	100.0

Source: Own Survey Result, 2022

Table 5 above is designed to display the respondent's demographic and general information outcome. When we look at the first demographic distribution of the respondents by gender, we find that 66.3 percent were male and 33.7 percent were female. This indicates that the majority of respondents were male, implying that males owned and/or managed the majority of SMMEs.

When we look at the age of the respondents, we find that the majority of them are between the ages of 31 and 40, representing for 47.2 percent of the total, followed by the age range of 21 to 30, accounting for 24.7 percent. The remaining 20.2 percent and 7.9 percent, respectively, were discovered in the age brackets of 41-50 years and >50 years. This means that the majority of those who owned and/or managed SMMEs were under the age of 35. As a result of this finding, the researcher concluded that youthful managers and/or owners are capable of providing additional talents and are regarded as productive in their field of expertise.

In terms of educational attainment, 38.2 percent of respondents had a bachelor's degree, 34.8 percent had a certificate diploma, 15.7 percent not completed secondary school, and the remaining 11.2 percent had a second/degree master's or above. As a result of this study, the vast majority of respondents have a high level of education and are familiar with/understand marketing strategy principles.

The respondents were asked to state the number of years they had served, taking into account the number of years they had served or the amount of experience they had. As a result, more than half of the respondents (55.1%) claimed that they had worked at the industries for 6-10 years. While, 11-15 years, >15 years and below 5 years of experience were represented by 25.8 percent, 11.2 percent, and 7.9 percent of them, respectively. As a result, the vast majority of respondents had a firm grasp on customer service.

With regards to the size of the industry, the majority of the respondents were from small-size industries which accounted for 56.9% and the rest 43.1 are medium scale industries. The manufacturing sub-sector, on the other hand, accounted for 56.2 percent of the total number of industries are metal and wood work The remaining 13.5 %,12.7% ,9.4%,3.0%,2.6% and 2.6% worked in the construction inpute,taxtile and garment,agro-processing,minerals and handcrafts,leather and leather products and chemicals and pharmaceuticals manufacturing sub-sectors, respectively.

In terms of employee number and total capital, the majority of them have 6-30 employees, accounting for 56.9%, and the remaining 43.1% employees have 31-100 employees. However, when it comes to total capital, more than half of them (56.9%) have a total capital from 100,001-1,500,000 and the rest 43.1 industries have a total capital ranges from 1,500,001-20,000,000.

From the same table 4 above, with regards to the extent of the Manufacturing industries to use marketing strategy, the majority of them were using the marketing strategy to the great extent which

accounted for 80.9%; whereas, 11.2%, 6.7%, and 1.1% of them were using the marketing strategy to the moderate extent, very great extent, and low extent, respectively. Therefore, this result implies that the respondents have know-how about marketing strategies and fair enough to evaluate the marketing strategies of SMMEs.

4.4.2. Descriptive Analysis of the Variables

The main features of the data in a study were described using descriptive statistics. It gives quick summaries of the sample and the measurements. The researcher employed descriptive statistics to give quantitative descriptions in an easy-to-understand format; each descriptive statistic condenses a large amount of information into a concise summary (Gelman, 2007).

For marketing strategy and performance dimensions, respondents were asked to rate their understanding on a five-point Likers scale ranging from 1 to 5, with 1 being "Strongly Disagree" and 5 being "Strongly Agree." As a result, each variable's descriptive statistics (mean and standard deviation) are listed in the table below..

Table 6; Descriptive Statistics

Descriptive Statistics					
Variables	N	Minimum	Maximum	Mean	SD
Customer Orientation	267	3.00	5.00	3.8607	.41989
STP	267	3.00	5.00	3.8702	.42257
Price	267	3.00	5.00	3.8333	.45195
Promotion	267	3.00	5.00	3.8614	.41678
Place	267	3.00	5.00	3.8399	.40308
Relationship Marketing	267	3.00	5.00	3.8708	.40459
Product	267	3.00	5.00	3.9045	.44839
SMMEs Performance	267	3.00	5.00	3.8933	.39893

Source: Own Survey Result, 2022

The researcher used measuring scale intervals or ranges from Poonlar Btawee, 1987, as referenced by Hailu Demissie, in order to analyze the aforementioned descriptive data (2013). According to Btawee, mean scores between 4.51 and 5.00 are considered "great or very good," 3.51- 4.50 are considered "good," 2.51-3.50 are considered "average or moderate," 1.51-2.50 are considered "fair," and 1.00- 1.50 are considered "bad" (Hailu Demissie, 2013).

According to these parameters, as shown in the table above, all of the research variables fall into the range of 3.51 to 4.50, indicating that respondents have a favorable opinion (agree) that marketing strategy variables have an impact on the performance of small and medium manufacturing industries. Similarly, all variables have relatively modest standard deviation scales, indicating that the data is tightly dispersed. This indicates that the respondents had intense preferences about each of the study's variables.

4.5. Correlation Analysis

A correlation refers to a quantifiable relationship between two variables, and the statistic that provides an index of that relationship is called a correlation coefficient r , which is a measure of the relationship between two interval or ratio variables. It's a handy way to summarize the relationship between two variables using a single number that ranges from -1 to +1. (Field,2005).As per the guideline suggested by Field (2005), the strength of relationship 0.1-.29 shows weak relationship; 0.3-0.49 is moderate; >0.5 shows the strong relationship between the two variables. Hence, in this study correlation analysis was used to examine the relationships between marketing strategies and performance. As a result, the relationship between variables is shown in the table below.

Table 7; Pearson Correlation Matrix

Correlations

		Stp	Product	Price	promotion	Place	customer_orent ation	relationship	
STP	Pearson Correlation	1							
	Sig. (2-tailed)								
	N	267							
PRODU CT	Pearson Correlation	.817	1						
	Sig. (2-tailed)	.000							
	N	267	267						
PRICE	Pearson Correlation	.617	.574	1					
	Sig. (2-tailed)	.000	.000						
	N	267	267	267					
PROMO TION	Pearson Correlation	.640	.672	.747	1				
	Sig. (2-tailed)	.000	.000	.000					
	N	267	267	267	267				
PLACE	Pearson Correlation	.586	.648	.629	.768	1			
	Sig. (2-tailed)	.000	.000	.000	.000				
	N	267	267	267	267	267			
CUSTO MER_Or entation	Pearson Correlation	.673	.692	.563	.701	.764	1		
	Sig. (2-tailed)	.000	.000	.000	.000	.000			
	N	267	267	267	267	267	267		
RELATI ONSHIP	Pearson Correlation	.640	.678	.571	.718	.664	.780	1	
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		
	N	267	267	267	267	267	267	267	
SMME_ PERFOR MANCE	Pearson Correlation	.544	.586	.584	.640	.717	.722	.818	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	
	N	267	267	267	267	267	267	267	267
Correlati	N	267	267	267	267	267	267	267	267

ons

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

Bivariate Correlation Whether the relationship between two variables is linear is indicated (as one variable increases, the other also increases or as one variable increases, the other variable decreases). As seen in the correlation matrix, all of the independent factors (marketing strategies variables) were positively and strongly linked with the dependent variable, as shown in the table above (performance). The first highest strong coefficient of correlation in this research is between customer orientation variable and performance ($r=0.818$, $p \leq 0.01$). It implies that customer orientation and performance have a strong, positive, and significant association. The second highest strong coefficient of correlation is with the place which has strong positive and significant with performance ($r=0.722$, $p \leq 0.01$). Promotion, Price, STP, product, and marketing relation variables have also strong, positive, and significance relationships with dependent variable (performance) with ($r=0.717$, $p \leq 0.01$; $r=0.640$, $p \leq 0.01$; $r=0.586$, $p \leq 0.01$; $r=0.584$, $p \leq 0.01$, and $r=0.544$, $p \leq 0.01$, respectively). In general, all independent factors were positively and significantly correlated with the dependent variable, as shown in the correlation matrix above.

Sig (2-Tailed) value: - This value indicates whether or not two variables have a statistically significant correlation. The researcher can conclude that there is no statistically significant connection between two variables if the Sig (2-Tailed) value is higher than .05. Increases or reductions in one variable do not have a meaningful relationship with increases or decreases in the other. The researcher can conclude that there is a statistically significant correlation between two variables if the Sig (2-Tailed) value is less than or equal to .05. That is, increases or decreases in one variable are related to increases or decreases in the second variable in a meaningful way (Pedhazur, 1982).

As shown in the above correlation table, the numbers next to Sig. (2-tailed) indicate that all are positive (.000). If this value is smaller than .05, the correlation is considered significant, according to convention (meaning that the researcher can be 95 percent confident that the relationship between variables is not due to chance). As a result, the researcher can conclude that the independent factors (predictor variables) and the dependent variable have a substantial relationship.

4.6. Regression Analysis

Regression is a technique that uses one or more independent variables to predict the value of a dependent variable (Albaum, 1997). Regression analysis is a statistical method for determining the relationship between two or more variables. In most cases, the investigator is looking for the causal effect of one variable on another. To investigate such questions, the researcher collects data on the underlying factors of interest and uses regression to determine the quantitative effect of the causative variables on the variable that he or she influences. The investigator also typically assesses the “statistical significance” of the estimated relationships, that is, the degree of confidence that the true relationship is close to the estimated relationship (Malhotra, 2007). In this study, the researcher was tried to test the assumptions before running the regression analysis.

4.6.1. The Assumptions for Testing Regression Analysis

The test of assumptions is necessary because assumptions violations affect the usage of multivariate statistical methods (Hair et al., 2006). As a result, Hair et al. (2006) recommended that many assumptions about the use of multivariate statistical techniques, such as normality, homoscedasticity, linearity, and multicollinearity, be applied before undertaking any multivariate study. As a result, the researcher attempted to verify that the data acquired accurately reflected the sample and produced the best findings.

1. Test of Normality

According to Hair et al. (2006), normalcy refers to the shape of a metric variable's data distribution and its relationship to the normal distribution. One way for determining Normality is to assess the variables' levels of skewness and kurtosis. Skewness, in reality, is a measure of the symmetry of a distribution. Kurtosis refers to the distribution's peak or flatness in comparison to the normal distribution.

As a result, skewness and kurtosis statistics are used to detect the normal distribution. According to George and Mallery (2010), the normalcy range for both statistics is between -2 and +2. As seen in the table below, all Kurtosis and Skewness variables are practically inside the allowed range for

normality. As a result, all items have a close to normal distribution when measured by Skewness and kurtosis values between -2 and 2. As a result, the data in this investigation had a normal distribution.

Table 8; Normality of Distribution Using Descriptive Statistics (Skewness and Kurtosis)

Descriptive Statistics					
Variables	N	Skewness		Kurtosis	
		Statistic	Std. Error	Statistic	Std. Error
STP	267	-.321	.149	.178	.297
Product	267	-.297	.149	.352	.297
Price	267	-.027	.149	-.069	.297
Promotion	267	-.245	.149	.454	.297
Place	267	-.420	.149	.995	.297
Customer Orientation	267	-.480	.149	.961	.297
Relationship Marketing	267	-.557	.149	1.184	.297
SMMEs Performance	267	-.637	.149	1.575	.297
Valid N (listwise)	267				

Source: Own Survey Result, 2022

A P–P plot (probability–probability plot) is another valuable graph that the researcher can study to discover if a distribution is normally distributed. The plots differ from residuals plots in that the standardized residuals are compared to the normal distribution, according to Hair et al. (1998). In general, the normal distribution produces a straight diagonal line, which is compared to the plotted residuals. The residual line will closely follow the diagonal if the distribution is normal (Hair et al.,

1998). As a result, the data were regularly distributed, as shown in the graph below.

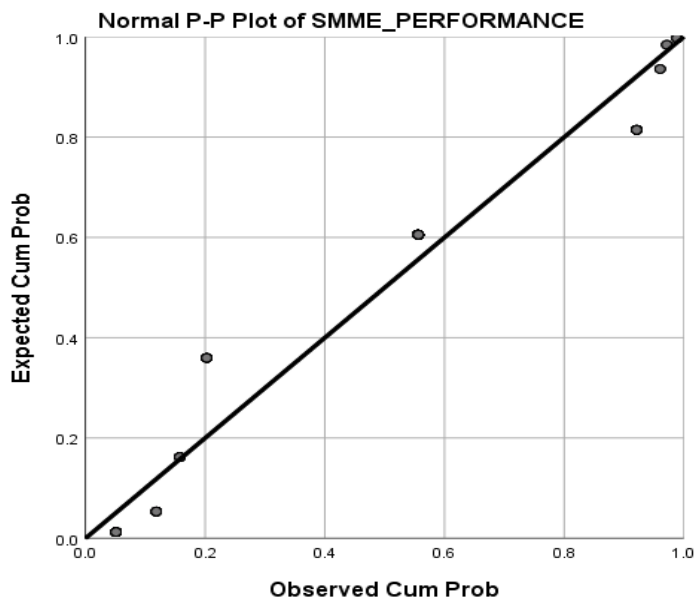


Figure 3: Normal P-P Plot of dependent standardized residual of dependent variables

Hair et al. (2006) also recommend using a histogram to compare observed data values to a distribution that approximates the normal distribution. The histogram of the research variables is said to support the expectation of a normal shape data distribution. The histogram obtained for the research variables is shown in Figure 4.

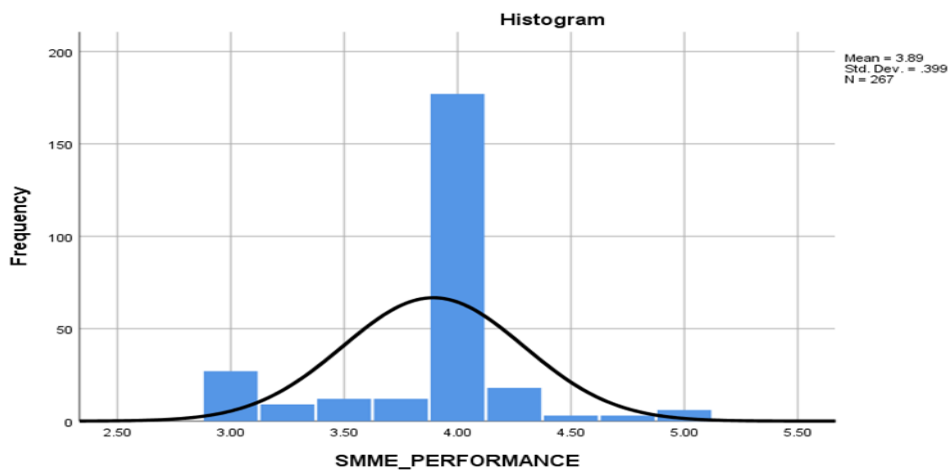


Figure 4: Histogram for dependent variables SMEPer

2. Multi-collinearity:- When two or more independent variables are so highly associated that certain mathematical procedures are impossible, this is known as multi collinearity. Multicollinearity is not a worry because the correlation coefficients are above 0.80 and considered-

very high, thus multicollinearity will be formed (Hair et al. 2006). However, there are two common methods for determining collinearity: tolerance and variance inflation factor (VIF) (Pallant, 2007). When the VIF is less than ten, the data will be free of multicollinearity, and the tolerance value will be more than 0.10 but less than one (Robert Ho, 2006).

Table 9: Collinearity Statistics

Coefficients ^a			
Model		Collinearity Statistics	
		Tolerance	VIF
1	STP	.285	2.714
	Product	.271	2.169
	Price	.402	4.403
	Promotion	.252	2.945
	Place	.300	2.059
	Customer Orientation	.262	2.260
	Relationship Marketing	.320	4.766

a. Dependent Variable: SMMEs Performance

Source: Own Survey Result, 2022

3. As shown in the table below, the collinearity statistics analysis of variance inflation factors (VIF) value varies from 2.059 to 4.766, with a tolerance value of .252 to .402. The results of the correlation coefficient are also shown in the table of correlation analysis.

4. Homoscedasticity of the Error Terms

Homoscedasticity, according to Hair et al. (2006), refers to the assumption that the dependent variable explains the same amount of variance throughout the range of independent factors. The test of homoscedasticity, according to Hair et al. (2006), is essential because the variation of the dependent variable being explained in the dependence relationship cannot be focused in a small range of independent values. This study used a scatterplot to test homoscedasticity for metric variables, similar to Hair et al. (2006). All of the variables were subjected to scatter plots of standardized residuals, with the results depicted in Figure 5. In effect, the scatterplot revealed that

the data point pattern does not contain any exact patterns, indicating that the assumptions were not broken (e.g., no discernible patterns of residuals were indicated).

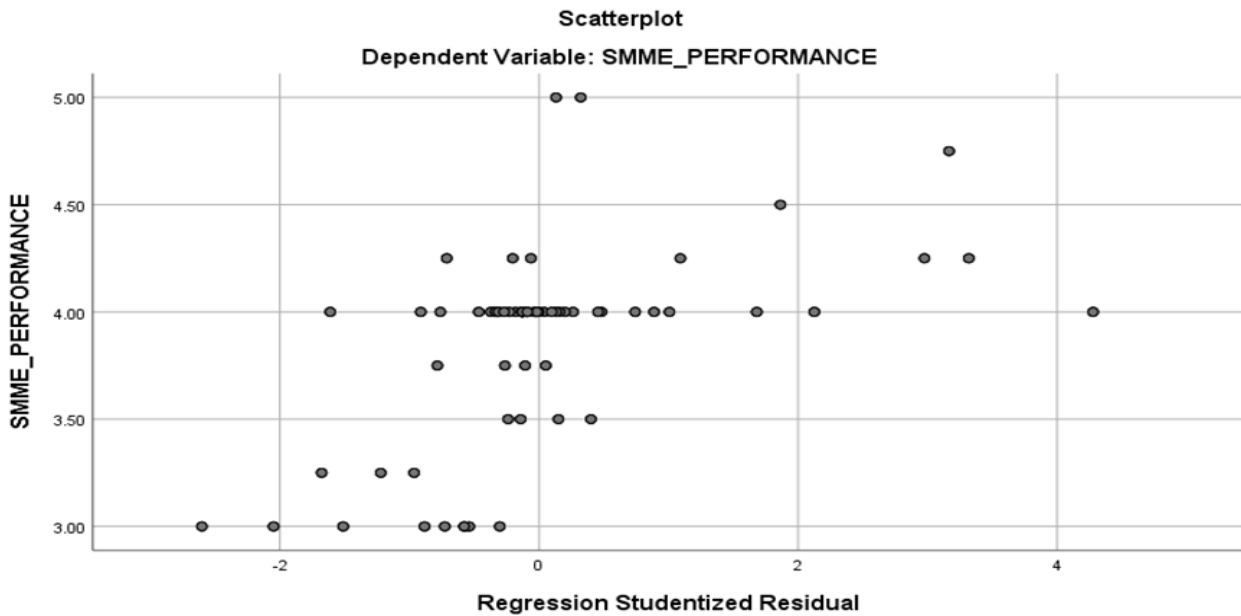


Figure 5: Scatterplot of dependent variable SMMEsPerf

4. Independent errors

The residual terms should be uncorrelated for any two observations (or independent). A lack of autocorrelation is a term used to characterize this situation. The Durbin–Watson test, which looks for serial correlations between errors, can be used to evaluate this assumption. It examines if nearby residuals are connected in any way. The test statistic ranges from 0 to 4, with 2 indicating uncorrelated residuals (Field, 2005). The Durbin-Watson test result of 1.939, as shown in the table below, is closer to the acceptable criterion of 2. The value 0 indicates that the model has no autocorrelation issues.

5. Linearity

The test statistic runs from 0 to 4, with a value of 2 indicating uncorrelated residuals (Field, 2005). The Durbin-Watson test result of 1.939 is displayed in the table below, which is near to the acceptable standard of 2.0 indicates that the model is free of autocorrelation. Scatterplots or residual plots can be used to check the linearity assumption: plots of the residuals vs. either the projected values of the dependent variable or against (one of) the independent variable/s (Hoekstra et al.,

2014). From figure 5, the scatter plots of standardized residuals vs fitted values for the regression models were visually examined.

4.6.2 Multiple Linear Regression Analysis

The coefficients of a linear equation are estimated using linear regression, which involves one or more independent variables that best predict the value of the dependent variable (Field, 2005). Multiple linear regressions were used to establish the explanatory power of the independent variables (STP, product, pricing, promotion, location, customer orientation, and relationship marketing) in order to discover the link and the most dominant variables that influenced performance. The significance level was set at 0.05, with a 95% confidence interval. Multiple regression analysis was used to determine the direct impact of marketing strategy factors on performance. The regression analysis model summary is shown in Table 10.

Table 10: Model Summary for SMME Performance

Model Summary ^b										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.861 ^a	.741	.734	.20560	.741	106.056	7	259	.000	1.939
a. Predictors: (Constant), Relationship marketing, Place, price, Product, Customer Orientation, STP, Promotion										
b. Dependent Variable: SMME Performance										

Source: Own Survey Result, 2022

The above regression model shows how the underlying marketing strategy variables explain how much variance in the measure of SMME Performance. To further clarify R, R², modified R², and Durbin–Watson, consider the following: -

R: Indicates the value of the numerous correlation coefficients between the predictors and the outcome, with a range of 0 to 1 and 1 denoting an equation that precisely predicts the observed value (Pedhazur, 1982). The linear combination of the seven independent factors (STP, product, price, promotion, place, customer orientation, and relationship marketing) strongly predicted the

dependent variable ($R=0.861$), according to the model summary ($R=0.861$) (SMME's Performance).

R Square (R^2): The proportion of variance in the dependent variable that can be explained by a linear combination of the independent factors. In other words, R^2 is a measure of how much the predictors account for in the outcome variability. R^2 values range from 0 to 1 as well (Pedhazur, 1982). STP, product, pricing, promotion, site, customer orientation, and relationship marketing are among the marketing strategy variables or predictors that explain 74.1 percent of the variance in SMMEs. Extraneous variables, which are not included in this regression model, account for the remaining 25.1 percent of performance. To put it another way, changes in the aforementioned independent variables account for 74.1 percent of the variation in SMME performance, while other factors account for the remaining 25.1 percent.

Adjusted R Square (R^2): The adjusted R^2 gives an indication of how well the model generalizes, and its value is equal to, or very close to, R^2 . That is, the value of R^2 is adjusted to better represent the population under study (Pedhazur, 1982). The final model's change is minimal (the difference between R^2 and Adjusted R^2 is $(0.864 - 0.859 = 0.005)$, or roughly 0.5 percent). This shrinkage suggests that the model would account for about 0.8 percent less variance in the outcome if it were derived from the population rather than a sample.

Durbin-Watson: The Durbin–Watson statistic expresses whether or not the independent error assumption is acceptable. Values less than 1 or greater than 3 should clearly ring alarm bells, according to the conservative rule (Field, 2005). As a result, the desired result is when the value is closer to 2, and the value for this data is 1.975, which is so near to 2 that the assumption is virtually likely met.

Table 11: ANOVA result

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	31.385	7	4.484	106.065	.000 ^b
	Residual	10.948	259	.042		
	Total	42.333	266			

a. Dependent Variable: SMME_PERFORMANCE

b. Predictors: (Constant), RELATIONSHIP, PRICE, STP, PLACE, PRODUCT, CUSTOMER_Orientation, PROMOTION

From a statistical standpoint, the ANOVA table indicates the model's overall significance/acceptability (Pedhazur, 1982). The p-value is less than 0.05, i.e. 0.000, as shown in the table above, indicating that the variance explained by the model is not attributable to chance. As a result, the model's acceptance is demonstrated in the ANOVA table above. As shown in table 4.8, the researcher can conclude that R, R², and Adjusted R² used in multiple regression to predict SMME performance based on a linear combination of marketing strategy independent variables are statistically significant.

F-Ratio: The F-ratio determines whether the model fits the data well. The F-ratio is determined by dividing the model's average improvement in prediction (MSM) by the model's average difference from observed data (MSR). If the benefit of fitting the regression model outweighs the model's inaccuracy, the value of F will be greater than 1, and SPSS will calculate the exact probability of getting the value of F by chance (Pedhazur, 1982). The above model's F-ratio is 106.06, which is extremely improbable to have occurred by chance.

The Regression Coefficient

The goal of this study is to find the independent variable that has the greatest impact on the dependent variable's prediction. Thus, standardized Beta coefficients can be used to assess the strength of each predictor (independent variable) influencing the criterion (dependent variable).

The regression coefficient describes how a unit change in the independent variable causes an average amount of change in the dependent variable. The higher the Beta coefficient of an independent variable, the more evidence there is that it is a more important determinant in predicting the dependent variable.

Table 12: Regression coefficient

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.390	.138		2.818	.005
	STP	.196	.054	.200	3.621	.000
	PRODUCT	.021	.054	.066	.396	.001
	PRICE	.059	.043	.047	1.383	.168
	PROMOTION	.188	.060	.196	3.112	.004
	PLACE	.337	.057	.073	5.897	.000
	CUSTOMER_Orientation	.060	.059	.340	1.025	.003
	RELATIONSHIP	.642	.055	.651	11.665	.000

a. Dependent Variable: SMEs Performance

The marked column B is the value for the intercept (a) in the regression equation on the first row, labeled (constant). The values for the regression coefficients for STP, product, pricing, promotion, place, customer orientation, and relationship marketing are listed below the column “beta” The standardized regression coefficient Beta (β) comes in useful in multiple regressions since it allows us to examine the relative strength of each independent variable's effect on the dependent variable (Pedhazur, 1982).

In the above coefficient table, the constant beta value (β) and the p-value of the variables are shown to examine the hypothesis' significance. The significance level of each variable (P-value) is: .000, .001, .168, .004, .000, .003, and .000 and their standardized coefficients are .200, .066, .047, .196, .073, .340, and .651 respectively. Except for price, all of the independent variables

have a p-value of less than 0.05. This indicates that the independent variable are related to the dependent variable (SMME Performance), but the price is not.

Based on these findings, the regression equation for predicting SMME performance using a linear mix of STP, product, pricing, promotion, location, customer orientation, and relationship marketing is:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + e$$

$$Y = .390 + .200X_1 + .066X_2 + 0.047X_3 + 0.196X_4 + 0.730X_5 + 0.340X_6 + 0.651X_7 + e$$

Where: Y= SMMEs Performance (Dependent Variable) β_0 = Intercept

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6,$ and β_7 = Coefficients of the line X_1 =STP (Segmentation, Targeting, and Positioning) X_2 = Product

X_3 =Price X_4 =Promotion X_5 =Place

X_6 =Customer Orientation X_7 = Relationship Marketing e = Sampling error

This illustrates, first, that when all independent variables are zero, the intercept is .390. The STP then increases the Performance of SMMEs by .200 for each incremental STP level increment, while holding product, price, promotion, place, customer orientation, and relationship marketing unchanged. This coefficient's p-value is statistically significant (p.05), indicating that STP is a good predictor of SMME performance. As a result, the data collected on this survey supports the first hypothesis that "STP" strategy has a positive significant effect on the performance of SMMEs (p-value < 0.05; $\beta=0.200$), indicating that the alternative hypothesis is accepted.

The second hypothesis, that product strategy has a positive significant effect on SMME performance, is also supported by the fact that the P-value of product strategy is less than (P<0.05; $\beta=0.066$), implying that product strategy has a significant positive effect on SMME performance; thus, the alternative hypothesis is accepted.

The third hypothesis, that price strategy has a positive significant effect on "SMME performance," is unsupported; the P-value is 0.168, which is greater than 0.05, implying that price strategy has an insignificant association with SMME performance. Furthermore, the regression analysis indicates that the price strategy has a weak and insignificant positive influence on SMME performance ($\beta=0.047$; P>0.05), rejecting the alternative hypothesis.

The fourth hypothesis, that the **promotion** approach has a positive significant influence on "SMME performance," is also supported by the fact that the P-value is 0.004 which is less than 0.05. As a result,

promotion strategy has a significant impact on SMME performance. Furthermore, the regression study indicates that the promotion strategy has a positive and significant impact on SMME performance ($\beta = 0.196$; $P < 0.05$).

The fifth hypothesis, that place strategy has a significant positive effect on SMME performance, is also confirmed because the P-value of product strategy is 0.066, which is ($\beta = 0.073$; $P < 0.05$) implying that place strategy has a significant positive effect on SMME performance; thus, the alternative hypothesis is supported.

The sixth hypothesis which states the customer orientation strategy has positive significant effect on the performance of SMMEs is also supported because the P-value of customer orientation strategy is 0.003 which is ($P < 0.05$; $\beta = 0.340$); hence, the customer orientation strategy has the significant positive effect on the performance of SMMEs; thus the alternative hypothesis is confirmed.

Finally, the regression coefficient results show that relationship marketing has a significant impact on marketing strategy ($P < 0.05$; $\beta = 0.651$). As a result, the last hypothesis H7, is supported, stating that relationship marketing strategy has a positive significant effect on SMMEs performance.

4.5 Discussion of the Result

The purpose of this study was to look at the impact of marketing strategy on the performance of small and medium manufacturing industries. STP, product, pricing, promotion, place, customer orientation, and relationship marketing were chosen as marketing strategy aspects under the umbrella of marketing strategy, as described in the literature review part.

All of the regression coefficients (Beta Coefficients) between marketing strategy and performance had positive values, as shown in table 12. As a result, the marketing strategy variables and performance did not have any inverse connections. Below is a brief discussion of each hypothesis.

Relationship Marketing is the strongest predictor or has the most significant effect on the Small and Medium Industries performance because it has the highest Beta coefficient result ($\beta = 0.651$; $p < .05$). The Beta Coefficient of 0.651 indicates that a 1 unit change in the independent variable (Relationship Marketing) will result in a 0.651 unit change in the dependent variable (Performance). Relationship marketing is a critical aspect that influences the performance of the Small and Medium Manufacturing industries, as evidenced by this finding. This study's findings are in line with those of Ebitu (2015), who discovered that relationship marketing has a considerable positive impact on SMME performance. For SMMEs to survive in today's entrepreneurial global economy, customer acquisition and retention are critical. Relationship Marketing (RM) is one of the greatest marketing strategies that SMMEs should use because consumer purchasing decisions are influenced not only by quality and price, but also by their relationship with the company. Long-term partnerships, according to Martins (2015), help to assure long-term customers and repeat sales. Customers that feel valued and appreciated are more likely to refer other potential customers to your business, such as coworkers, friends, relatives, and others. The purpose of relationship marketing (or customer relationship marketing), according to Rouse (2015), is to build strong, even emotional, consumer ties to a company that can lead to repeat business, free word-of-mouth promotion, and information from customers that can generate leads.

SMMEs have found this strategy to be effective because they recognize that the firm's business performance, particularly market share, improves when the firm values and respects customers; gives gift packs to loyal customers on occasion; and engages in discussions with customers to get their feedback on product features and quality. As a result of the findings, it can be concluded that building long-term relationships supports SMMEs in ensuring long-term consumers, improving sales, profitability, brand awareness, and customer satisfaction.

The second strongest predictor is **Customer Orientation** ($\beta=0.340$; $P<.05$). The Beta Coefficient of 0.340 indicates that a one-unit change in the customer orientation strategy will result in a 0.340-unit change in performance. This finding is in line with Appian-Adu and Singh's (1998) study of the Customer Orientation-Performance Relationship in Small and Medium-Sized Manufacturing Industries (SMMEs) in the United Kingdom, which discovered that a customer orientation has a favorable effect on SMME performance. In Nigerian SMMEs, Asikhia (2010) discovered a significant and positive Customer Orientation-performance link. The link between client orientation and corporate performance is the subject of some theoretical and empirical research. Customer orientation, which emphasizes a thorough understanding of customers' demands and the complementation of that ideology, is in line with the primary goal of small businesses. Small businesses with few employees have a straightforward industry structure and a homogeneous culture, making it simple to introduce and convey a customer-focused worldview. Small businesses might pool their limited resources and attention to address the demands of their target clients, according to industry behavior. Small businesses that are customer-oriented focus on their existing and future customers' demands and figure out how to best serve them. As a result of the results and certain empirical findings, customer orientation has a considerable positive impact on the performance of small and medium businesses.

Promotion is the means by which a company seeks to reach out to its target audience. As entrepreneurs seek to make customers aware of various products/services and their benefits, it is vital. The study's participants agree that using a promotion strategy is valuable to their organization. As a result of the findings, it can be concluded that efficient promotion of SMME products/services can boost industry performance. The "**STP**" variable ($=0.168$; $P.05$) was discovered to be the fourth highest predictor of performance.

The study's findings revealed that a Beta Coefficient of 0.200 indicates that a 1 unit change in the STP strategy variable will result in a 0.200 unit change in the dependent variable (Performance). This study's findings are congruent with Solomon A.'s (2016) research, which indicated that the STP method had a significant impact on performance. STP is significant since it is part of a larger marketing plan that allows marketing managers to separate, identify, and assess the layers of a market in order to develop a marketing mix, according to the findings. Market segmentation is a consumer-oriented strategy that identifies and then serves the needs of customers within a sub-market. When a corporation segments a market, it typically develops a different type of product for each group. That is, you are providing a one-of-a-kind product to a separate market. An industry must decide how many and which segments to target after segmenting the market. As a result, a corporation might join its target market using unique or undifferentiated marketing strategies. Because segmentation is used to develop market objectives via which a firm can define its market and decide the position of its product range for expansion, it is an essential input to market planning.

Place is the fifth most powerful predictor ($\beta=0.073$; $P.05$). The study's findings revealed that a Beta Coefficient of 0.073 means that for every one unit change in the place strategy variable, the dependent variable (Performance) will vary by 0.073 units. This study's findings are in line with those of Owomoyela et al (2013) and Amine and Cavusgil (2001), who concluded that location had a major impact on business performance. Ambler (2000) discovered that the link between distribution channels had a favorable impact on market share and performance. For service industry customers, place provides convenience and achieves fundamental, yet major, benefits such as time, place, form, and delivery. As a result, the findings of this study suggest that location has a considerable beneficial impact on SMME performance.

The sixth predictor of performance is **Product** at ($\beta=0.066$; $P<.05$). The Beta Coefficient of 0.066 indicates that a 1 unit change in product strategy will result in a 0.066 unit change in the dependent variable (Performance). This study's findings are in line with those of Kazem and Heijen (2006) and Owomoyela et al. (2013), who discovered that product effects had a considerable positive impact on business performance. Cavusgil and Zou (1994) discovered that altering a product to satisfy the needs of export clients can improve company performance.

Product refers to a product's physical appearance, packaging, and labeling information, all of which can impact consumer behavior, such as whether they notice a product in-store, investigate it, and/or buy it. As a result, the findings of this study suggest that product strategy can assist SMMEs in improving their performance. This is due to the fact that customers evaluate product features such as quality, features, design, and styles before making a purchase, either rationally or emotionally.

The data revealed that the "**Price**" factor ($\beta=0.047$; $P>.05$) had a favorable but non-significant effect on the performance of SMMEs. This study's findings are consistent with Solomon A.'s (2016) investigation of the effectiveness of marketing strategy on performance in Abyssinia Bank, which indicated that price had a negligible impact on the bank's performance. Colpan (2006), Owomoyela et al. (2013), and Lidia S. (2015), on the other hand, all concluded that price had a significant impact on business performance. Pricing is the method adopted by a firm to set its selling prices for its products and services. The pricing is usually determined by cost factors as well as the consumer's perception of the products' and services' worth in comparison to competing firms, products, and services. Most of the SMMEs spend time and effort to be informed about their competitor's prices and the changes in inflation and also they use the competitors' prices as a benchmark for setting their own prices. When determining product costs, the majority of them will take into account the benefits that customers will receive from utilizing the product, the strength of the customer relationship, and favorable feedback about the products or services

Table 13: hypothesis result

Hypothesis	Analysis Used	Findings		Result
H ₁	Multiple Regression	$\beta = 0.117$; $p < .05$	Positive Significant	<i>Supported</i>
H ₂	Multiple Regression	$\beta = 0.066$; $p < .05$	Positive Significant	<i>Supported</i>
H ₃	Multiple Regression	$\beta = 0.047$; $p > .05$	Positive but, insignificant	<i>Not supported</i>
H ₄	Multiple Regression	$\beta = 0.196$; $p < .05$	Positive Significant	<i>Supported</i>
H ₅	Multiple Regression	$\beta = 0.73$; $p < .05$	Positive Significant	<i>Supported</i>
H ₆	Multiple Regression	$\beta = 0.340$; $P < .05$	Positive Significant	<i>Supported</i>
H ₇	Multiple Regression	$\beta = 0.651$; $p < .05$	Positive Significant	<i>Supported</i>

CHAPTER FIVE

SUMMARY OF MAJOR FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

In this study, the researcher tried to investigate the impact of marketing strategy on the performance of small and medium manufacturing industries. The study's major findings, conclusions, recommendations, limitations, and suggestions for further research are all presented in this chapter. As a result, the first section of this chapter discussed the study's findings, which includes a quick synopsis, as well as the conclusion reached from it. Finally, the following section of this chapter shows the findings' recommendations as well as the direction for further research.

5.1 Summary of Major Findings

- Regarding the demographic characteristics of the respondents and general information:
- ✓ Males composed 66.3 percent of the respondents, while females made up 33.7 percent.
- ✓ Around half of the total respondents (47.2%) were between the ages of 31 and 40, followed by the age category of 21-30, which accounted for 24.7 percent.
- ✓ The majority (38.3%) had a first degree, 34.8 percent had a certificate diploma, and the remaining 15.7 percent and 11.2 percent had a master's degree or above and had less than secondary school.
- ✓ Over half of the respondents (55.1%) have 6-10 years of experience in the industry. While 25.8%, 11.2 percent, and 7.9% of them had 11-15 years, >15 years, and fewer than 5 years of experience, respectively.
- ✓ In terms of industry size, the majority of respondents were medium-sized industries, accounting for 56.9%, followed by small enterprises, accounting for 43.1 percent.
- ✓ In terms of sub-sectors, the majority of the Industries sub-sectors produced metals and woodwork accounting for 56.2 percent. Construction Input, Textile and garment, agro-processing, Minerals and Hand crafts, Leather, and chemicals accounted for the remaining 13.5 percent, 12.7 percent, 9.4 percent, 3.0, 2.6, and 2.6 percent.
- ✓ When it comes to the number of employees, the majority of them have 6-30 employees, accounting for 56.9%, followed by industries with 31-100 employees, accounting for 43.1 percent.
- ✓ In terms of total capital, more than half of them have a total capital of Birr 100,000-1,500,000, accounting for 56.9% of their entire capital. The remaining 43.1 percent has a total capital of

between \$1,500,001 and \$20,000,000.

- When it came to the extent to which they used marketing strategy, the majority of them used it to a large extent (80.9%), while 11.2 percent, 6.7 percent, and 1.1 percent used it to a moderate extent, very great extent, and low extent, respectively.
- The mean score for performance (dependent variable) was above the midpoint, i.e. 3.8933 on the Likert scale, indicating that it was inclined to agree, according to the average descriptive statistics.
- The mean score of marketing strategy variables (independent variables) i.e. customer orientation, STP, pricing, product, promotion, place, and relationship marketing was 3.8607,3.8702,3.8333, 3.8614, 3.8399,3.8708,3.9045, according to the results of independent variables of descriptive statistics. The independent variable with the highest mean score is 3.9045 for relationship marketing and the lowest mean score is 3.8333 for price, according to the results. As a result, SMMEs outperformed the other independent factors in terms of establishing long-term client relationships.
- According to the correlation analysis, the first strongest strong coefficient of correlation in this study is between customer orientation and performance ($r=0.818$, $p 0.01$). It suggests a strong, positive, and significant link between client orientation and performance. The place with the second highest strong coefficient of correlation has a strong positive and significant relationship with performance ($r=0.722$, $p 0.01$). Promotion, Price, STP, product, and marketing relationship factors all have strong, positive, and significant associations with the dependent variable (performance) ($r=0.717$, $p 0.01$; $r=0.640$, $p 0.01$; $r=0.586$, $p 0.01$; $r=0.584$, $p 0.01$, and $r=0.544$, $p 0.01$, respectively. In general, all independent factors were positively and significantly correlated with the dependent variable, as shown in the above correlation matrix.
- Finally, the regression analysis revealed that, with the exception of price, all independent variables were statistically significant at a p-value of .05. The coefficient correlation determination (R^2) score is 0.615, indicating that the seven independent variables explained 61.5 percent of the variability in total performance. Other variables not taken into account in this study account for 38.5 percent of the variance in SMME performance. The Beta weight score in this study suggested that relationship marketing had a bigger effect than the other independent factors. As a result, the study model matches the regression equation.

$$Y = .390 + .2X_1 + .066X_2 + 0.047X_3 + 0.196X_4 + 0.73X_5 + 0.340X_6 + 0.651X_7 + e$$

5.2 Conclusions

Marketing is seen as a critical component of any successful organization, regardless of its size, industry, type of labor, or even goals and objectives. The main objective of any industry is to be profitable while staying successful. And it's no secret that an industry's success or failure is determined by its marketing strategies (Akroush, 2003).

Most people automatically think of the 4Ps when it comes to marketing techniques (Product, Price, Place, and Promotion). However, market segmentation and target market identification, customer orientation, and relationship marketing are all significant aspects of marketing strategy. These serve as the foundation for determining any marketing mix and the resulting business performance of any company. In keeping with this, a number of empirical studies have discovered a strong link between firm marketing strategy efforts and overall business performance.

As a result, the researcher conducted an acceptable scientific study with the goal of examining the impact of marketing strategy on the performance of small and medium manufacturing industries.

The following conclusions are reached from the research findings as a result of this study:

The study discovered that the independent variables (chosen marketing strategy variables) had a significant effect on the performance of small and medium manufacturing industries, but that the price does not. Each one contributes and has an impact on the success of the small and medium manufacturing sectors in its own way. This also demonstrates the need of a marketing plan, regardless of the size of the company. Its performance is proportionately affected by and corresponds to the marketing strategy applied. As a result of this finding, it can be concluded that when business industries produce high-quality products that are appropriately priced and promoted, efficiently distributed/located at suitable places, needs are customisable, and long-term relationships are established, business performance improves in terms of profitability, sales, customer satisfaction, and brand awareness.

The correlation matrix confirmed that all coefficients of correlation of independent variables were positively and strongly correlated with the dependent variable; the correlation matrix revealed that all coefficients of correlation of independent variables were positively and strongly correlated with the dependent variable. Multiple regression analysis was also carried out to see if the independent factors had an impact on performance.

To summarize the findings of this research, they are as follows:

The **1st hypothesis**, that the **STP strategy** has a positive significant influence on SMME performance, has been confirmed (p-value \leq 0.05;=0.200). As a result, SMMEs are in compliance with the following factors: This variable is critical since it is part of a larger marketing strategy that allows SMME managers and/or owners to divide, identify, and assess market layers in order to create a marketing mix. As a result, the STP strategy assists SMMEs in focusing on their customers' needs and wishes, so improving their business success.

Because the P-value of the **product strategy** is (P-value \leq 0.05;=0.66), the **2nd hypothesis**, that product strategy has a positive significant effect on SMME performance, is confirmed. The findings of this study reveal that product strategy has an impact on the profitability, sales, customer happiness, and market expansion of small and medium manufacturing industries. This is due to the fact that customers examine product characteristics such as quality, features, design, and styles before making a purchase, either rationally or emotionally. When the features and the customer's wants are in sync, there is a higher likelihood of repeat purchases and positive word-of-mouth recommendations. As a result, one can conclude that product strategy has a considerable positive impact on the success of SMMEs.

Because the P-value of the **price strategy** is (P-value $>$ 0.05;=0.047), the **3rd hypothesis** that the price strategy has a positive significant influence on the performance of SMMEs is **rejected**. This indicates that, while pricing has an effect on performance, it isn't significant in this case. This is due to the fact that the majority of SMMEs devote time and effort to staying updated about their competitors' prices as well as fluctuations in inflation. They do, however, use competitors' prices as a benchmark for setting their own prices, taking into account the benefits that customers will receive from using the product, the strength of the customer relationship, and positive feedback about the products or services when determining product/service prices.

Because the P-value of the **promotion strategy** is (P-value \leq 0.05;=0.196), the **4th hypothesis**, that the promotion strategy has a positive significant effect on the performance of SMMEs, is **confirmed**. Because promotion is about communication, which brings about and produces awareness, interest, and trial, the impact of promotion strategy on performance is quite crucial. Because of the interpersonal contact and network that encourages word of mouth communication, entrepreneurs have not been skeptical of mass promotion, such as media advertising at this level. This could be owing to the high costs of product promotion, which are

always negative for industries.

The 5th hypothesis which states that the place strategy has the positive significant effect on the performance of SMMEs is **confirmed** because the P-value of the place strategy is (P-value <0.05 ; $\beta=0.073$). Another aspect affecting the performance of Small and Medium Industries is location selection. This simply indicates that the business industries' location, accessibility, and distribution channels are a big problem.

The 6th hypothesis The P-value of the **customer orientation strategy** (P-value 0.01 ; $=0.340$) **confirms** that it has a positive significant effect on SMME performance. Because customer orientation turns marketing into a powerful competitive weapon, it shifts industry values, attitudes, assumptions, and premises toward a two-way connection between the customer and the organization. It is essential for all organizations, but especially small and medium manufacturing industries, to put in the effort to understand the marketplace and establish appropriate product and service strategies in order to meet consumer wants and desires, which transform into performance.

Finally, the regression coefficient of the **7th hypothesis** shows that **relationship marketing** has a substantial positive effect on performance (P-Value 0.01 and $=0.651$). As a result, the final hypothesis (H7) is also **confirmed**. According to the H7 finding, establishing long-term relationships assists SMMEs in ensuring long-term customers, increasing sales, enhancing profitability, build brand awareness, and satisfying customers.

5.3 Recommendations

The researcher forwards the following recommendations based on the research findings and the conclusions drawn in the previous sections.

In order to address the issues raised above with regard to the effect of marketing strategy on the performance of SMMEs, the following actions are recommended

- Market segmentation, targeting, and positioning strategies should be developed by SMMEs so that they may provide customized service to their clients and better serve them based on their needs.
- Customers do look at product aspects such as quality, features, design, and style, so SMMEs should think about product strategy. As a result, in order to gain a competitive advantage over huge industries, SMMEs should manufacture high-quality products.
- Because promotion is demonstrated to strongly predict SMME performance, SMMEs should ensure that their products and/or services are properly and properly disseminated to the public via the right mix of promotion tactics.
- Another major factor that influences the performance of SMMEs is their place strategy. As a result, SMMEs should improve their place's accessibility and convenience, as well as assure the availability of multiple distribution alternatives.
- Customers have become more demanding and selective about what they want in recent years. As a result, in order to gain a competitive advantage, the requirements and wants of current and potential customers should be included during the marketing strategy development process through a customer orientation program. As a result, SMME owners and/or managers should concentrate on their customers' wants and preferences, and serve them efficiently in order to achieve better outcomes.
- Relationship marketing has the ability to increase a company's sales, profitability, customer satisfaction, and brand exposure. SMMEs should not mistake its power. As a result, SMMEs should value and respect their customers' viewpoints, practice the art of rewarding loyal customers with presents, and pay special attention to customer feedback.
- Customers are more demanding today, and they are willing to transfer providers for a reduced price. SMMEs should establish their prices against this context and pay an acceptable price, as well as communicate with customers in an easily understandable manner, even if the price strategy has a minor impact in this situation.

5.4 Limitations and Suggestions for Future Research

This study's findings will serve as a foundation for a number of future research projects. Only small and medium manufacturing industries were considered in this research. As a result, it is suggested that a similar study be conducted utilizing large Manufacturing industries in the same sector and a comparison analysis be conducted.

It's also a good way of looking at the research model used in this study in other fields, as this will aid with generalization. As a result, future research should look into the impact of marketing strategy on the success of other industries, particularly in Ethiopia. This study is very limited in that it only looked at the profitability, sales, customer satisfaction, and brand recognition of businesses. As a result, future studies could look into the impact of marketing strategies on ROI, market share, growth, ROA, ROE, and other metrics (marketing, financial, and non-financial measurements).

Furthermore, this study did not come into consideration mediating/moderating elements that influence the relationship between marketing tactics and performance. According to Akroush (2003), the most influential effect and master moderators on the interactions between the marketing strategy components and the company's performance are the company's marketing assets and capabilities, as well as the company's marketing experience. This opens the door to a research project involving these moderators.

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ANNEX

Appendix I: English Version Questionnaire

Addis Ababa University School of Commerce

Marketing Management Graduate Program

My name is Fiseha Berhane. I am a graduate student in the field of Marketing Management at Addis Ababa University School of Commerce. I would like to seek your assistance in completing the attached questionnaire which forms a basic part of my MA thesis. The purpose of this research is to study “**The Effect of Marketing Strategy on Small and Medium Manufacturing industries Performance in the Case of Addis Ababa City**”. Therefore, your genuine and honest response is very important for the success of the research and the researcher would like to thank you for your cooperation in advance. Kindly be assured that all information that you provide will be kept strictly confidential and used for academic purpose only. If you require any further information, want feedback on the study or unclear situation please contact me by the following address;

- ❖ Email: fiseha4370@gmail.com
- ❖ Cell phone: +251 910818785

Thank you in advance for your Space Time and Cooperation!

General Instruction:

- ☞ No need to write your name.
- ☞ Instruction is given at the beginning of each part of the questionnaire.

Part I: Demographic and General Information Question

Please put the tick “√” mark under the choice, write your opinion on the blank space

1. **Gender:** Male Female
2. **Age:** ≤20 years 21-30 years 31-40 years 41-50 years Over 50 years
3. **Educational status:** Less than secondary school Certificate Diploma 1st Degree 2nd Degree and above If others, please specify _____
4. **Your Experience in the industry :**
≤ 5 years 6-10 years 11-15 years over 15
5. What is **scale** of your industry: Small Medium If others, please specify _____
6. What **type/sub-sector** is your industry engaged in?
Textile and garment leather chemicals and pharmaceuticals agro-processing Metals and wood work Construction Input Minerals and Hand crafts
7. How many **employees** your industry has?
≤ 6 6-30 31-100 ≥100
8. What is your **total capital** (in ETB)?
Less than 100,000 100,001-1,500,000 1,500,001-20,000,000 >20,000,000
9. To what extent does your industry uses the marketing strategy (STP/Segmentation, targeting and positioning/, product, price, promotion, place, relationship marketing and customer orientation) to attract and keep customers?
Very low extent Low extent Moderate extent Great extent Very great extent

Part II: Marketing Strategy Related Questions

2022

Please indicate how much you agree or disagree with each of the following statements by circling the number that best represents your opinion. **1** indicates strongly disagree (SDA), **2** indicates disagree (DA), **3** indicates neutral (N), **4** indicates agree (A), and **5** indicates strongly agree (SA).

S/no	Statement	SDA	DA	N	A	SA
2.1.	Segmentation, Targeting, and Positioning (STP) Strategy					
1	Focusing on a one or specific market segment can be beneficial to the Small Medium Industries.	1	2	3	4	5
2	Market segmentation helps us to adjust specific needs in market.	1	2	3	4	5
3	Effective segmentation can allow us to serve our customer according to their needs.	1	2	3	4	5
4	Targeting can enable us to focus of the precise need of the target segment.	1	2	3	4	5
5	Targeting can permit us to determine the amount of price to offer.	1	2	3	4	5
6	Targeting can allow us to understand the market structure and how to serve it.	1	2	3	4	5
7	Market targeting can assist us to develop and sustain an appropriate marketing mix.	1	2	3	4	5
8	Market positioning can help us to build our image.	1	2	3	4	5
9	Market positioning can help us to create proper appeals in the minds of the target market/s.	1	2	3	4	5
10	Positioning can allow us to fulfill the requirements of our target market/s.	1	2	3	4	5
2.2.	Product Strategy					
1	We provide a wide range of product/service.	1	2	3	4	5
2	The product or service portfolio of our industries is up to the customers" expectations.	1	2	3	4	5
3	Providing better quality products/services helps us to meet our customers"	1	2	3	4	5

	needs.					
4	We employ the most advanced technology than our competitors.	1	2	3	4	5
5	We introduce and develop new products/services based on customers" needs.	1	2	3	4	5
6	We build our brand reputation by providing a distinctive service quality.	1	2	3	4	5
2.3.	Price Strategy					
1	Our pricing strategy pays attention to the competition and act accordingly.	1	2	3	4	5
2	The new product pricing strategy encourages customers willing to try new products easily.	1	2	3	4	5
3	We are offering discounts on the basis of loyalty.	1	2	3	4	5
4	The price charged are commensurate to the quality of service offered.	1	2	3	4	5
5	The prices are well communicated and easily understandable.	1	2	3	4	5
6	Our pricing strategy helps us in maximizing our profit.	1	2	3	4	5
2.4.	Promotion Strategy					
1	We use different advertising media to promote our products/services.	1	2	3	4	5
2	We offer various sales promotions such as gifts, discounts etc.	1	2	3	4	5
3	Sponsoring special events such as sports, charities and the like help us to promote products/services of the SME.	1	2	3	4	5
4	Participating on exhibition, trade fair, etc help us to sell and promote the products and/services.	1	2	3	4	5
5	Using publicity and public relations helps to enhance image.	1	2	3	4	5
6	Our promotion strategy is able to inform customers about new product/service.	1	2	3	4	5
2.5.	Place Strategy					

1	Place strategy improves accessibility towards the customers.	1	2	3	4	5
2	Place strategy is able to give location benefits to customers.	1	2	3	4	5
3	The place strategy matches the demand and supply to functions well.	1	2	3	4	5
4	Place strategy is able to serve our customers well in time.	1	2	3	4	5
2.6.	Customer Orientation Strategy					
1	We believe in obtaining client or customer feedback on the services offered.	1	2	3	4	5
2	Information regarding quality of the products and services gives the leverage on marketing offering.	1	2	3	4	5
3	Customer requirements are incorporated in the overall customization of the products to meet customer preference.	1	2	3	4	5
4	We value customer feedback „they come first“.	1	2	3	4	5
5	We have a strong team that is tasked with obtaining and addressing customer concerns.	1	2	3	4	5
2.7.	Relationship Marketing Strategy					
1	A good and positive relationship with customers promotes customers Loyalty	1	2	3	4	5
2	Good customer relationship provides increased value to new and existing Customers	1	2	3	4	5
3	Customer relationship marketing attracts and keeps the customers in the industries.	1	2	3	4	5
4	Maintaining and enhancing customer relationships is an important aspect of our business.	1	2	3	4	5

Part III: Small and Medium Industries Performance

S/no	SMEs Performance	SDA	DA	N	A	SA
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1	Our sale is better as compared to other competitors.	1	2	3	4	5
2	Our marketing strategies enable us to attain customer satisfaction.	1	2	3	4	5
3	Our customers have better brand awareness.	1	2	3	4	5
4	The profit of our industries is better as compared to other competitors.	1	2	3	4	5

Thank You!

አባሪ “ሀ”፡ አማርኛ ትርጉም መጠይቅ

አዲስ አበባ ዩኒቨርሲቲ የንግድ ሥራ ት/ቤት

የድህረ ምረቃ ትምህርት ፕሮግራም

ውድ ተሳታፊዎች

የተከበራቹ የጥናቱ ተሳታፊዎች ስሜ ፍሰሃ ብርሃነ ሲሆን በአሁኑ ወቅት በአዲስ አበባ ዩኒቨርሲቲ የንግድ ሥራ ትምህርት ቤት ውስጥ የገበያ ስራ አመራር (በማርኬቲንግ ሜሎንት) የሁለተኛ ዲግሪ ተመራቂ ተማሪ ነኝ። በመሆኑም የዲግሪ ማሟያ ጥናት ማድረግ የትምህርቱ አካል ስለሆነ በአዲስ አበባ ከተማ የሚገኙ የአነስተኛ እና መካከለኛ አምራች ኢንዱስትሪዎች አፈፃፀም ላይ ያለው የገበያ ስልት ውጤት እየሳደረ ለው ተፅእኖ (“The Effect of Marketing Strategy on Small and Medium Manufacturing industries Performance”) በመለየት ጥናት ማድረግ አስፈላጊ ሆኖ ስለተገኘ በአዲስ አበባ ከተማ በ ሶስት(3) በተመረጡ ክፍለከተሞች የማስተርስ ድግሪ ፕሮግራም ጥናት ስነ-ምግባር ኮሚቴ ባፀደቀው መሰረት ይህን ጥናት እያካሄድኩ እገኛለሁ። ስለዚህ ጥናቱን ለማካሄድ በየወረዳው ያሉ ኢንዱስትሪዎች የጥናቱ ተሳታፊዎች ይሆናሉ። በዚህ መሰረት ከ15-20 ደቂቃ በመስጠት የጥናቱ ተሳታፊ እንዲሆኑ ጥሪዮን እያቀረብኩኝ ሙሉ በሙሉ በፍቃደኝነት ላይ የተመሰረተ ሲሆን የሚሰጠውት መረጃ ለትምህርት ዓላማ ብቻ ጥቅም ላይ የሚውል መሆኑን እያረጋገጥኩኝ እርስዎ ለጥናቱ ውጤታማነት ትክክለኛና ወቅታዊ ምላሽ በመስጠት የበኩልዎን ድርሻ እንዲወጡ በታላቅ አክብሮት እጠይቃለሁ።

ውድ ግዜዎን ሰጥተው በጥናቱ ስለተሳተፉና ስለትብብርዎ በጣም አመሰግናለሁ

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አጠቃላይ መመሪያ

☞ ስም መፃፍ አያስፈልግም

☞ በእያንዳንዱ ጥያቄዎች መጀመሪያ ላይ መመሪያ ተቀምጧል

ክፍል 1: የተሳታፊዎች እና አጠቃላይ መረጃ ጥያቄ

እባክዎ በምርጫዎ ላይ “v” ምልክት ያድርጉ፣ አስተያየትዎን በባዶው ቦታ ላይ ይጻፉ

1. ያታ ወንድ ሴት
2. ዕድሜ: ≤20 ዓመት 21-30 ዓመት 31-40 ዓመት 41-50 ዓመት >50 ዓመት
3. የትምህርት ደረጃ: ከሁለተኛ ደረጃ በታች ሰርተፍኬት ዲፕሎማ የመጀመሪያ ዲግሪ ሁለተኛ ዲግሪ እና በላይ ሌላ ካለ -----
4. በድርጅቱ ውስጥ ያሉት ልምድ: ከ5 ዓመት በታች 6-10 ዓመት 11-15 ዓመት ከ15 ዓመት በላይ
5. የኢንዱስትሪው ደረጃ: አነስተኛ መካከለኛ ሌላ ካለ -----
6. የኢንዱስትሪዎ ምን ዓይነት / ንዑስ ክፍል ውስጥ ነው የተሰማረው?
 ጨርቃጨርቅ ቆዳና ቆዳ ውጤቶች ኬሚካልና መድሃኒት አግሮ ፕሮሰሲንግ እንጨትና ብረታብረት የግንባታ ግብአት መክሊትና ዕድገት
7. በኢንዱስትሪዎ ውስጥ ምን ያህል ሰራተኞች አሉ?
 ≤6 6-30 31-100 ≥100
8. አጠቃላይ ካፒታልዎ ምን ያህል ነው?
 ከ 100,000 በታች 100,001-20,000,000 20,000,001-30,000,000 >30,000,000
9. የእርስዎ የንግድ ሥራ ደንበኞችን ለመሳብ እና ለማቆየት የገበያ ስትራቴጂውን (የ ገበያ ክፍፍል ፣ ኢላማ ማድረግ እና አቀማመጥ ስልት፣ ምርት፣ ዋጋ ፣ ማስተዋወቂያ ፣ ቦታ እና ለ ደንበኞች ለማሳወቅ ስልት) ምን ያህል ይጠቀማል?
 በጣም አነስተኛ ደረጃ በአነስተኛ ደረጃ በተሻለ ደረጃ በትልቅ ደረጃ በጣም ትልቅ ደረጃ

ክፍል 2: የገበያ ስትራቴጂ/ስልት/ ጥያቄዎች

እባክዎ ምን ያህል መስማማትዎን ወይም አለመስማማትዎን በእያንዳንዱ በሚከተሉት ዓረፍተ ነገሮች ላይ ባሉት ምርጫዎች የመስማማትን ምርጫ ያክቡ

1 የሚያመለክተው በጣም አልስማማም 2 የሚያመለክተው አልስማማም 3 የሚያመለክተው መልስ አልሰጥም 4 የሚያመለክተው እስማማለሁ 5 የሚያመለክተው በጣም እስማማለሁ

ተቁ	ዓረፍተ ነገር	በአ	አ	ሜ	እ	በእ
2.1	የገበያ ክፍፍል፣ ኢላማ ማድረግ እና የእኛን ተቋም ከሌሎች የመለየት ስልት					
1	በአንድ ወይም በተወሰነ የገበያ ክፍይ ላይ ትኩረት ማድረግ ለአነስተኛና መካከለኛ አምራች ኢንዱስትሪዎች ጠቀሜታ አለው።	1	2	3	4	5
2	የገበያ ክፍፍል የተወሰነ ፍላጎትን በገበያ ውስጥ ለማስተካከል ይረዳል።	1	2	3	4	5
3	የተሳካ የገበያ ክፍፍል ደንበኞችን እንደየ ፍላጎታቸው ለማገልገል ይረዳል።	1	2	3	4	5
4	ተወሰነ ክፍል ላይ ዲላማ አድርጎ መስራት ዲላማ የተደረገውን ገበያ ክፍፍል ፍላጎት ላይ ትኩረት ለማድረግ ይተቅማል።	1	2	3	4	5
5	የተወሰነ ክፍል ላይ ዲላማ አድርጎ መስራት ለገበያ የሚቀርበው የዋጋ መጠንን ለመወሰን ይጠቅማል።	1	2	3	4	5
6	የተወሰነ ክፍል ላይ ዲላማ አድርጎ መስራት የገበያን አወቃቀርና እንዴት ማገልገል እንዳለብን ለመረዳት ይጠቅማል።	1	2	3	4	5
7	በገበያ ላይ ማነጣጠር አግባብ ያለው ገበያ ስብጥር ለመፍትረና በገበያ ለመቆየት ይረዳል።	1	2	3	4	5
8	ምርታችን በሰዎች አዕምሮ ውስጥ እንዲኖር ማድረግ ስለድርጅታችን ጥሩ ምስል ለመገንባት ይረዳል።	1	2	3	4	5
9	ምርታችን በሰዎች አዕምሮ ውስጥ እንዲኖር ማድረግ በዲላማው ገበያ/አእምሮ ውስጥ ተገቢውን አመለካከት ለመፍጠር ይረዳል።	1	2	3	4	5
10	ምርታችን በሰዎች አዕምሮ ውስጥ እንዲኖር ማድረግ ትኩረት ላይረግጥን ገበያ ፍላጎት ለሚሟላት ይረዳል።	1	2	3	4	5
2.2	የምርት ስልት					
1.	ድርጅታችን ስፋት ያለው ምርትና አገልግሎት ይሰጣል።	1	2	3	4	5

2	ድርጅታችን ስፋት ያለው ምርትና አገልግሎት መጠን ደንበኞቻችን በሚፈልጉት መልኩ ነው።	1	2	3	4	5
3	የተሻለ ጥራት ያለው ምርትና አገልግሎት መስጠት የደንበኞቻችንን ፍላጎት ለሚሟላት ይረዳናል።	1	2	3	4	5
4	ከተወዳዳሪዎችን የበለጠ ጊዜውን የሚመጥኑ ቴክኖሎጂዎችንና መሳሪያዎችን እንጠቀማለን።	1	2	3	4	5
5	በደንበኞቻችን ፍላጎት መሰረት አዳዲስ ምርትና አገልግሎቶችን እናቀርባለን።	1	2	3	4	5
6	ልዩ አገልግሎት በማቅረብ የምርት ስማችንን በመልካም ስም እንገነባለን።	1	2	3	4	5
2.3	የዋጋ ስልት					
1.	የዋጋ አተማመን ስርዓታችን የገበያ ውድድሩን መሰረት አድርጎ ተግባራዊ ሚደርግ ነው።	1	2	3	4	5
2.	አዳዲስ ምርቶች ዋጋ አተማመን ደንበኞች አዳዲስ ምርቶችን እንዲጠቀሙ ያበረታታል።	1	2	3	4	5
3.	ታማኝነትን መሰረት ያደረገ የዋጋ ቅናሽ እናቀርባለን።	1	2	3	4	5
4.	የምናቀርበው የገበያ ዋጋ የሚሰጠውን አገልግሎት ጥራት ይመጥናል።	1	2	3	4	5
5.	የገበያ ዋጋ በአግባቡ የተነገረ እና በቀላሉ ለመረዳት የሚቻል ነው።	1	2	3	4	5
6.	የዋጋ አተማመን ስርዓቱ ትርፋማነትን ለመጨመር ይረዳል	1	2	3	4	5
2.4	የማስታወቂያ ስልት					
1.	ምርቶቻችንን እና አገልግሎታችንን ለማስተዋወቅ የተለያዩ የማስታወቂያ ጥራትን እንጠቀማለን።	1	2	3	4	5
2.	የተለያዩ የሽያጭ ማስታወቂያዎችን እንደ ስጦታ የዋጋ ቅናሽና የመሳሰሉትን እናቀርባለን።	1	2	3	4	5
3.	የተለያዩ ፕሮግራሞችን እንደ ስፖርት፣ እርዳታዎችን እና የመሳሰሉትን ዋቢ በማድረግ መደገፍ ለአነስተኛና መካከለኛ አምራች ኢንዱስትሪዎችን ምርትና አገልግሎታችንን ለማስተዋወቅ ይረዳል።	1	2	3	4	5
4.	በተለያዩ ንግድ ትርኢት ላይ መሳተፍ ምርትና አገልግሎታችንን ለመሸጥና ለማስተዋወቅ ረድቶናል።	1	2	3	4	5
5.	የህዝብ ግንኙነት ማስታወቂያዎች ጥሩ እይታ ለመፍጠር ይረዳሉ።	1	2	3	4	5
6.	የማስታወቂያ ስልታችን አዳዲስ ምርቶችንና አገልግሎትን ለደንበኞች ለማስተዋወቅ	1	2	3	4	5

	ይረዳሉ።					
2.5	የቦታ ስልት					
1.	የቦታ አጠቃቀም ስልታችን ደንበኞች ዘንድ ለመድረስ ይረዳል።	1	2	3	4	5
2.	የቦታ አጠቃቀም ስልታችን ደንበኞች ተኮር ያደረግ ነው።	1	2	3	4	5
3.	የቦታ አጠቃቀም ስልታችን ከገበያ ፍላጎት እና አቅርቦት ጋር የተጣጣመ ነው።	1	2	3	4	5
4.	የቦታ አጠቃቀም ስልታችን ደንበኞቻችን አግባብ ባለው ሰዓት ለማገልገል ያስችላል።	1	2	3	4	5
2.6	ለደንበኞች ስለማሳወቅ ስልት					
1.	በምንሰተው አገልግሎት ላይ የደንበኞች አስተያየት ማግኘት እንዳለብን እናምናለን።	1	2	3	4	5
2.	በምርቶችና አገልግሎቶች ጥራት ላይ ያሉ መረጃዎች በግብይት አቅርቦት ላይ ማበረታቻ ይሰጣሉ።	1	2	3	4	5
3.	የደንበኞች ፍላጎቶች ለማሟላት ምርቶችን በአጠቃላይ ልግል ማበጀት።	1	2	3	4	5
4.	የደንበኞች ግብረ መልስ ቅድሚያ መስጠትን እንዳለብን እናምናለን።	1	2	3	4	5
5.	የደንበኞችን ፍላጎት የሚያውቅ እና ትኩረት የሚያደርግ ጠንካራ ቡድን አለን።	1	2	3	4	5
2.7	የገበያ ግንኙነት ስልት					
1.	ከደንበኞች ጋር ጥሩ እና ቀናነት ያለው ግንኙነት ደንበኞች ለኛ ያላቸውን እምነት ያሳድጋል።	1	2	3	4	5
2.	ጥሩ የደንበኞች ግንኙነት መኖር ደንበኞች ድርጅቱ ላይ ያላቸውን አመለካከት እንዲጨምር ያደርጋል።	1	2	3	4	5
3.	በደንበኞች ግንኙነት ላይ የተመሰረተ ግብይት ደንበኞችን መሰብሰብና በድርጅቱ ውስጥ ያቆያል።	1	2	3	4	5
4.	የደንበኞች ግንኙነትን ማስቀጠልና ማሻሻል የንግድዎ አስፈላጊ ገፅታ ነው።	1	2	3	4	5

ክፍል 3: የአነስተኛ እና መካከለኛ ኢንዱስትሪዎች አፈፃፀም

ተ/ቁ	አነስተኛ እና መካከለኛ ኢንዱስትሪዎች አፈፃፀም	በአ	አ	ሜ	እ	በእ
1	ሽያጭችን ከተወዳዳሪዎች የተሻለ ነው።	1	2	3	4	5
2.	የግብይት ስልታችን የደንበኞችን ፍላጎት እንድናሟላ እረድቶናል።	1	2	3	4	5

3.	የደንበኞቻችን ስለምርታችን ጥሩ ግንዛቤ አላቸው።	1	2	3	4	5
4.	የድርጅታችን ትርፍ ከተወዳዳሪዎች ጋር ሲወዳደር የተሻለ ነው።	1	2	3	4	5

አመሰግናለሁ