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**ADDIS ABABA UNIVERSITY**

**SCHOOL OF COMMERCE**

**DEPARTMENT OF MARKETING MANAGEMENT**

**The Effect of Marketing Mix Strategy on Export Performance:  
In the Case of Selected Export Companies in Addis Ababa,  
Ethiopia**

**BY: Eyerusalem Tesfamichael**

**Supervisor: Dr. Getie Andualem**

**Addis Ababa University School of Commerce**

**Addis Ababa, Ethiopia**

**June 2022**

**THE EFFECT OF MARKETING MIX STRATEGY ON EXPORT  
PERFORMANCE: IN THE CASE OF SELECTED EXPORT  
COMPANIES IN ADDIS ABABA, ETHIOPIA**

**Addis Ababa University College of Business and Economics  
School of Commerce Marketing Management Graduate  
Program Unit**

**A Thesis Submitted to the School of Graduate Studies of Addis Ababa  
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Masters of Arts degree in Marketing Management**

**BY**

**Eyerusalem Tesfamichael**

**ID. No GSD/4823/12**

**Supervisor**

**Dr. Getie Andualem**

**Addis Ababa, Ethiopia**

**June 2022**

## DECLARATIONS

I, Eyerusalem Tesfamichael, the undersigned, declare that this thesis, "The effect of marketing Mix strategy on export performance in the case of export companies in Addis Ababa, Ethiopia," is my original work and that it has not been submitted in part or in whole by any other person for an award of degree in any other university/institution.

I conducted the research on my own, with the guidance and support of the research supervisor.

Submitted by:

Full Name: Eyerusalem Tesfamichael

Signature -----

Date-----

**Place: School of Commerce, Addis Ababa University, Ethiopia**

**Date of submission: May 2022**

## **CERTIFICATION**

This is to certify that the thesis prepared by Eyerusalem Tesfamichael, titled "The effect of marketing Mix strategy on export performance in the case of export companies in Addis Ababa, Ethiopia," and submitted in partial fulfillment of the requirements for the award of the Degree of Master of Arts (Marketing Management), complies with the University Regulations and meets the accepted standards in terms of originality and quality.

**Approved by The Board of Examiners.**

Advisor-----Signature----- Date-----

Internal Examiner-----Signature-----Date-----

External Examiner-----Signature-----Date-----

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Finally, I'd like to thank the study's participants for their willingness to participate and for providing valuable information.

Furthermore, those individuals who have contributed significantly to the overall work, either directly or indirectly, deserve to be recognized.

Thank you

## List of Acronyms

AACCSA----- Addis Ababa Chamber of Commerce and Sectorial Association

ANOVA-----Analysis of Variance

CSA-----Central Statistics Agency

ERCA-----Ethiopian revenue and customs authority

ETB-----Ethiopian Birr

FAO-----Food and Agricultural Organization

GDP-----Gross Domestic Product

MOT-----Ministry of Trade

NBE-----National Bank of Ethiopia

SPSS-----Statistical Procedure for Social Sciences

USD-----United States Dollar

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## **ABSTRACT**

*The purpose of this study was to determine the effect of marketing mix strategies on the export performance of selected manufacturing and agricultural exporters in Addis Ababa, Ethiopia. The study collected primary data by distributing questionnaires to a sample of manufacturing and agricultural exporters. Out of the 80 questionnaires, 68 (85%) respondents completed and returned the questionnaire. Data were collected through five points Likert scales of the closed-ended questionnaire and interviews were used to some extent. The quantitative data was coded and analyzed using SPSS 23 statistical tools, and the study's findings are explained in this study using descriptive and inferential (correlation and regression) analysis. The mean value of product marketing strategy, price marketing strategy, promotion marketing strategy, and place marketing strategy was 3.52, 3.63, 3.38, 3.65 and 3.42, respectively. This study produced a correlation result for each independent variable with respect to dependent variables. Product marketing strategy with export performance ( $r=0.569$ ), price marketing strategy with export performance ( $r=0.583$ ), promotion marketing strategy with export performance ( $r=0.589$ ), and place marketing strategy with export performance ( $r=0.396$ ). At the end of the regression analysis of coefficients presented, the values of product strategy, price strategy, promotion strategy, and place strategy are 0.208, 0.227, 0.139, and 0.121, respectively; this shows that the values of all independent variables are positive, implying that independent variables have a significant effect on export performance, and the hypothesis result of this study shows that all independent variables accepted except place strategy as the significant value less than 0.05 with the exception of place marketing strategy. In general, the researcher discovered issues with specific variables that is recommended. As a result, those manufacturing and agricultural exporters should improve their export performance through the marketing mix, and it is recommended that they continue to be on the exporter's strength side against those elements of marketing mix and take actions (recommended) as improvement areas.*

**Key Words:** *Product marketing strategy, Price marketing strategy, Promotion marketing strategy, Place marketing strategy, Export performance.*

# CHAPTER ONE

## Introduction

This chapter discusses the study's background, problem statement, research questions and objectives, scope, limitations, and organization.

### 1.1 Background of the Study

Export is critical to promoting economic growth. Exports of manufactured goods, in particular, have a greater positive spillover effect on job creation, value addition, competition, and technology transfer. Exports are expected to boost economic growth by increasing foreign exchange earnings (thereby relieving balance-of-payments constraints), economies of scale, and access to new technologies and knowledge. (Krugman, P. R., & Obstfeld, M., 2009). Many companies as of late allocate more attention and resources to exporting their products to the foreign market. (O'Cass, A., & Julian, C., 2003).

Exporting is extremely important in the world and has numerous advantages for both businesses and countries. Exporting is a critical strategy for ensuring a firm's survival or growth, and firms can gain a competitive advantage in international markets, which has a positive impact on current and future export performance. As a result, many companies have recently increased their focus and resources on exporting their products to a foreign market. (Navarro, A., Losada, F., Ruzo, E., & Díez, J. A., 2010). Exporting brings many benefits to firms. At the firm level, the activity assists in raising sales and profitability, diversifying business, and improving productivity. (Lages, L. F., & Montgomery, D. B., 2004).

Organizations develop a marketing strategy to communicate with customers through the use of appealing product and service structures. The expansion of global trade and sales activity has emphasized the importance of firms and countries exporting their products. (Sousa, C. M., Martínez-López, F. J., & Coelho, F., 2008). Marketing strategy is a procedure by which companies react to situations of competitive market and forces of market or react to environmental forces and internal forces to enable the firms to achieve their objective in the target market (Lee, C., & Griffith, D. A. , 2004). Marketing strategies have a major effect on the performance of firms. (Leonidou, L.C, Katsikeas, C.S, Samiee, S, 2002). had further classified the export marketing strategy components as product, price, promotion, and place.

Export performance can be impacted by several variables. (Leonidou L. , 2014). also stressed that marketing mix elements have a critical impact export performance of companies. Nowadays, export trade is vital for the nation's economy. Export performance and economic growth relations are becoming the main agenda in the international and regional development programs around the world (International Labour Office , 2015). Exports are very important to African countries even if African exports are not very significant in the world market (Morrissey, O., & Mold, A., 2006). Ethiopia's export is highly concentrated to a few agricultural commodities (Ahmed, K.D., Burhan, O., & Ramu, G., 2018). Coffee is still the dominant commodity in Ethiopia's export sector with a share of 28.7 percent in 2018 (National Bank of Ethiopia (NBE), 2020).

Organizations create a marketing strategy in order to communicate with customers through appealing product and service structures. The growth of global trade and sales activity has highlighted the significance of firms and countries exporting their products. (H., Allaro, 2012). Ethiopia's potential for manufactured goods export lies in textile, leather, and leather products, as well as agro-processing products. Exporters have a good chance of increasing their exports because all important elements are available in the country at reasonable prices. These elements are, "raw materials, low wages, and low energy costs" (Abadi A, 2015).

The Ethiopian economy depends highly on agriculture, which accounted for 32.7% of GDP, according to data from the National Bank of Ethiopia (NBE) in 2019/20. During the same period, service and industry sectors accounted for 39.5% and 29%, respectively of the country's GDP. And the real GDP annual growth by 4.3, 5.3, and 9.6 respectively. The agricultural sector contributes 85% of export earnings and employs 83% of the labor force. According to data from the World Development Indicators (WDI 2013), Ethiopia's GDP per capita, PPP (i.e., USD 1109 In 2013 and growth to 1080 in 2020) even still it is one of the lowest in Sub-Sahara Africa Although Ethiopia follows an export-led growth strategy, it has not achieved satisfactory performance in terms of export revenue generation and diversification. More than 24,000 exporters are available in Ethiopia, with Addis Abeba housing 98 percent of all exporters operating in various sectors. However, they are still ineffective in terms of export performance (MoT, 2022). This study is designed to assess the effect of export marketing mix strategy on export performance towards manufacturing and agriculture export companies in Addis Ababa in Ethiopia.

## **1.2 Statement of the Problem**

Exporting tends to be difficult as several barriers or inhibitors hinder export performance. Exporting remains a significant economic activity in the majority of developing countries. Firms are unable to conduct export activities due to a lack of a well-organized export marketing strategy developed by the firms (Wilkinson, Timothy, Lance Brouthers, Dalina Salazar, and Mary McNally., 2009). Export is regarded as the most common international market entry mode (Saravanavel P., 2009) While, countries want to achieve a sustainable economy, it gives to priority the export sector.

Export is regarded as one of the most important growth drivers. The literature on economics supports the contention that development necessitates economic growth in order to alleviate poverty, and greater access to global markets is viewed as a necessary condition for more rapid growth. For example, using cross-sectional regression, (Agosin, 2007) finds that export diversification has a stronger effect on per capita income growth. Currently, many developing countries have been working towards export to increase their share in the international market. According to (Bacchetta, 2007) developing countries have increased their export performance over time. Asia in general and China in particular account for the lion's share of the change which has been facilitated by export diversification. While Asia's share in total export increases from 11.7% to 21.5 %, Africa's share decreased from 4.3% to 2.9% during the years of 1985 to 2005.

(Carneiro, J., Rocha, A. da, and Silva, J. F. da, 2011) found that there are multiple dimensions of measuring export performance, for example, they propose the use of several reference points: internal (strategic inputs and outputs) vs. external (competitors, customers, other stakeholders) as well as past vs future. Numerous studies have found simultaneous relationships and feedback effects that could influence export performance or each other (Kamboj, S., Goyal, P., and Rahman, Z., 2015) and sought to investigate export marketing mix strategies as one of the internal elements that can influence export performance. Kastikeas (1994) as cited in (Zou, S., Fang, E., and Zao, S. , 2003) defines export marketing strategies to include production strategies, marketing and promotion strategies, product superiority, and competitive pricing. These form the 4Ps of marketing and are just a few of the capabilities.

Ethiopia's exports, like those of many developing countries, have been limited to a few primary products, primarily agricultural commodities. According to the (World bank, 2009) the share of

Ethiopia's manufacturing export in the total export is only 9.0 percent (implying primary agricultural commodity to be 91 percent) while that of China is 94 Percent.

When we look at the data from the last 41 years, we can see that Ethiopia's export structure has been characterized by a greater concentration on a few traditional exports such as coffee, hides, skins, oilseeds, and pulses. Coffee was the country's most important export commodity, accounting for approximately 52.27 percent of total exports on average.

Though Ethiopia's total exports have been growing at an average rate of 15.23 percent from the year 1970/71 to 2010/11, Ethiopia's export sector is still small; evidenced by the lower export/GDP ratio and the declining share of exports in import financing. Exports of goods in Ethiopia are only about 7 percent of GDP, compared to an average of nearly 30 percent of GDP in Sub-Saharan Africa. Export levels still fall short of what is registered by other African countries with much smaller populations (Uganda and Tanzania both export more than \$3 billion per year. Growth rates are also very modest if one makes a comparison with Asian countries over a decades-long time frame. (NBE, 2020).

A firm's marketing mix strategies are required for it to convert its internal resource into planned value submissions to its target clients in the export activity. The combination of these two types of marketing capabilities has a significant impact on market effectiveness. The firm responds to the interaction of internal and external elements in order to meet its export objectives through the use of these marketing mix strategies, also known as the 4Ps (Morgan, N. A., Katsikeas, C. S., and Vorhies, D. W., 2012)

Researchers in Ethiopia, such as Yodit 2018, Tewodros 2016, Tekeste 2019, Esubalew 2020, and others, studied the impact of marketing mix strategies on export performance in Ethiopia's garment industry regarding with factors affecting Ethiopian export performance, the contribution of agricultural export to Ethiopian economic growth: a case study of sesame product, and the contribution of agricultural export to Ethiopian economic growth: a case study of sesame product and the researchers discover Poor product quality, a lack of marketing knowledge, price competition, However, none of the themes were conducted the effect of export marketing mix strategy on export performance by taking both manufacturing and agricultural export product types at the same time

On the other hand, there is no clear review and understanding of Ethiopia's export performance. As a result of such gaps, the researcher became curious as to why our country Ethiopia does not receive as much attention on our export trend as it does on well-known manufacturing and agricultural products such as coffee, and how the 4P's marketing mix affects export market performance given Ethiopia's large production of export products.

Therefore, the purpose of this study is to fill those gaps by examining the effect of export marketing mix strategy on export performance toward export companies for selected manufacturing and agriculture exporters in Addis Ababa, Ethiopia.

### **1.3 Objective of the study**

#### **1.3.1 General Objective**

The general objective of this study is to assess the effect of the export marketing mix strategy on export performance in the case of export companies operating in Addis Ababa in Ethiopia.

#### **1.3.2 Specific Objectives**

- To investigate the effect of product marketing strategy on the export performance of a selected firms.
- To examine the effect of price marketing strategy on the export performance of a selected firms.
- To explore the effect of promotion marketing strategy on the export performance of a selected firms.
- To investigate the effect of placement marketing strategy on the export performance of a selected firms.

### **1.4 Research Questions**

The study is intended to provide answers to the following research questions.

1. What is the effect of product marketing strategy on the export performance of a selected firms?
2. What is the effect of price marketing strategy on the export performance of a selected firms?
3. What is the role of promotion marketing strategy on the export performance of a selected firms?

4. To what extent does placement marketing strategy influence the export performance of a selected firms?

### **1.5 Research Hypothesis**

Based on previous research and a review of the literature, the following hypotheses are being tested in this study.

**H1:** Product marketing mix adoption has a positive and significant effect on export performance.

**H2:** Price marketing mix adoption has a positive and significant effect on export performance.

**H3:** Promotion marketing mix adoption has a positive and significant effect on export performance.

**H4:** Placement marketing mix adoption has a positive and significant effect on export performance.

### **1.6 Significant of the Study**

The primary goal of this study is to address the effect of the export marketing mix strategy on export performance and to identify potential solutions related to an export marketing strategy that can help exporters improve their export performance. Despite the fact that a few studies have provided some evidence on Ethiopian export marketing mix strategy and performance, much remains unexplored.

This paper attempted to fill the evidence gap by focusing on a specific context. The study helps to shed light on how marketing mix strategies aimed at the international market affect the export performance of Ethiopia's manufacturing and agriculture industries. so that exporters can take the necessary steps to improve their individual export performance and The Ethiopian exporters may learn to be more competitive.

The study is expected to be useful as a source document for researchers conducting additional research in the area, as well as for new investors.

## **1.7 Scope of the Study**

This study's limited in geography, target groups, data, and issues. This study looked at the effect of export marketing strategy on export performance for selected manufacturing and agriculture export companies based in Addis Ababa. The study demonstrated the theoretical performance of marketing mix strategies in terms of export performance.

The study demonstrated how marketing mix strategies influence the export output of manufacturing and agriculture exporters who reside in Addis Ababa's Bole sub-city, have a capital of more than \$75 million, and have five and more years of company experience.

Product marketing strategy, price marketing strategy, promotion marketing strategy, and placement marketing strategy promotion are the primary marketing mix variables.

Furthermore, the success of export marketing was addressed by using indicators such as export strength, export sales growth, market share of both selected products, export profitability, and overall export performance. The researcher did not include other important variables identified by scholars and shown to have significance in affecting export performance. This variable includes the four P's of marketing mix and their specific characteristics, as well as firm/managerial characteristics and factors related to institutional support.

## **1.8 Limitation of the Study**

Due to time and budget constraints, the study does not provide an overall picture of Ethiopian export performance in all sectors, instead focusing on manufacturing and agriculture exporters with a capital of more than \$75 million who live in Addis Ababa's Bole sub-city. It is possible that not all questionnaires were collected during data collection, and that not all respondents responded on time. It is also difficult to obtain reliable data from stakeholders. Another significant limitation of the study is the difficulty and speed with which real export data from Ethiopia can be obtained.

## **1.9 Definition of key Operational Terms**

**Export** is defined as the marketing decisions and behaviors of firms in the international market (Cavusgil, S. T., & Zou, S. , 1994)

**Export performance** is defined as a composite result of a firm's success in achieving its objective in the export venture (Shoham, 1998)

**Export marketing strategy** is a way by which a firm manipulates internal and external forces so that the target export performance will be met.

**Product** is anything that can be offered to a market for attention, acquisition, use, or consumption hence satisfying customers' wants or needs (Kotler P. &, 2013).

**Price** is the sum of all the values that customers give up gaining for the benefits of a product or service. (Kotler P. &, 2013).

**Place** is the process where organizations decide where to locate their store and how many stores to have at the convenience of the shoppers (Kanoga, 2016)

**Promotion** is all activities undertaken to communicate and promote products or services to the target market ( (Kotler P. A., 2008)

### **1.10 Organization of the Paper**

The research was divided into five chapters. The first chapter presents the study's background, statement of the problem, basic research questions, objectives of the study, hypothesis, significances of the study, definition of terms and, finally, the study's organization. A review of related literature is included in the second chapter. The chapter discusses the relevant literature to the study. It consisted of an introduction, theoretical review, empirical review, and the study's conceptual framework. The third chapter is about research methodology. It describes the type and design of the research, the sources of the study, the data collection tools/instruments employed; the procedures of the data collection; and methods of data analysis used. The fourth chapter results and discussion /data presentation, analysis, and interpretation. The last chapter deals with comprises four sections, which include a summary of findings, conclusions, limitations of provides the data presentation and analysis made and recommended.

## CHAPTER TWO

### Review of Related Literature

#### Introduction

This section includes a theoretical literature review (i.e., Background of the Study Areas, Trend and Growth of World Export Performance, International Trade, Importance of export market, Export Performance in Ethiopia, Export Marketing Strategy, Component of Export Marketing Strategy and effects on export performance, Export Performance, and related concepts). This chapter also includes the study's empirical and conceptual framework.

#### 2.1 Theoretical Literature

##### 2.1.1 Definition of Export and International Trade

The trend toward globalization of trade and export activities has emphasized the significance of understanding firm behavior in foreign markets. Exporting is a viable strategic option for firms seeking to internationalize and has remained the most commonly used foreign market entry mode. (Zhao, H. and Zou, S., 2002) as it provides the firm with high levels of flexibility and a cost-effective way of penetrating new foreign markets quickly (Leonidou L. , 1995) As a result, in recent decades, considerable attention has been paid to the firm's export performance. Exports are goods and services manufactured in one country and sold to customers in another. International trade consists of both exports and imports.

International trade has expanded dramatically in recent decades. For example, consider the years 1963 to 1979. The global rate of growth in real merchandise exports averaged 11.8 percent per year, a remarkable high rate by historical standards. Similarly, global output growth as measured by gross domestic product (GDP) in each country averaged 6.1 percent, which is high by historical standards. As a result, the world experienced rapidly increasing effective integration among countries during that time period, as they became more closely interconnected through international trade in goods. This pattern continued after 1979, though economic activity grew at a much slower pace. Between 1979 and 1991, real export growth averaged 4.4 percent per year, while real output growth averaged 2.9 percent per year. (Hors Mann I, J and Markusen J.R, 1995).

In the table below, the Key Statistics and Trends in International Trade 2020 show the Import and Export trends, developing and developed countries.

Table 2.1 Import and Exports trends, developing and developed countries

Developed and developing countries	Q1 2020		Q2 2020		Q3 2020	
	Export	Import	Export	Import	Export	Import
<b>World</b>	<b>-6</b>		<b>-21</b>		<b>-5</b>	
<b>Developed country</b>	-5	-6	-24	-22	-9	-8
<b>developing country</b>	-7	-2	-17	-20	-5	-11
<b>South-south</b>	<b>-4</b>		<b>-17</b>		<b>-5</b>	

*Source: WTO 2020*

The relatively lower drop in developing-country trade is largely due to East Asian countries' trade resilience. While no developing country region has been spared the decline in international trade in 2020, trade trends in East Asia are generally better. This trend is expected to continue in Q3 2020, with East Asian exports turning positive year on year. While improving in comparison to Q2, trade trends in the other developing-country regions remain negative in Q3. For example, the value of trade originating in transition economies and the West Asia and North Africa region was approximately 25% lower in the third quarter of 2020 than in the third quarter of 2019. (World trade statistics , 2019).

International trade can be divided into two categories: trade in goods (merchandise) and trade in services. The majority of international trade is for physical goods, with services accounting for a much smaller portion. Over the last decade, global trade in goods has increased dramatically, rising from around US\$10 trillion in 2005 to more than US\$18.5 trillion in 2014, then falling in 2016 to reach US\$18.8 trillion in 2019. Between 2005 and 2019, trade-in services increased dramatically (from approximately US\$2.5 trillion to nearly US\$6 trillion).

The value of international trade in both goods and services fell significantly in 2015 and 2016, then recovered in 2017 and 2018, only to level off (services) or fall (goods) in 2020, and after a strong rebound in 2010 and 2011, export growth rates (in current dollars) turned negative in both 2015 and 2016. They returned to positive territory in 2017 particularly for goods exports from developing countries – but remained below pre-crisis levels.

During 2019 export growth rates for both goods and services greatly declined, with rates for goods from developed countries turning negative. (World trade statistics , 2019).

The world exported a total of 20.5 billion in thousands of US dollars and imported a total of 18.4 billion in thousands of US dollars, resulting in a positive trade balance of 2 billion in thousands of US dollars. The World Effectively Applied Tariff Weighted Average (customs duty) is 4.46 percent, while the MFN Weighted Average tariff is 7.60 percent.

Trade growth is -1.13 percent, while global growth is -1.13 percent. In current US dollars, the world's GDP is 87.6 trillion. World services export is 6.2 trillion in BoP, current US dollars, and world services import is 5.8 trillion in BoP, current US dollars. Global exports of goods and services as a percentage of GDP are 29.49 percent, while imports of goods and services are 28.75 percent. (World trade statistics , 2019).

### **2.1.2 International Trade Theory**

International trade can play an important role in a country's economic growth by allowing underutilized domestic resources to be fully utilized. That is, trade allows a country to move from an inefficient production point inside its production frontier, with unutilized resources due to insufficient internal demand, to a point on its production frontier. In line with this and answering a question, trade nation and others as a more useful explanation of why nations trade is provided by (Alan M. Rugman and Simon Collison, 2002) in their explanation of trade theories as the focus being specialization of effort and the theories of absolute and comparative advantage are good examples.

An interesting fact is that, despite their very high labor costs, Japan and Germany have remained competitive and performed well in trade because their labor quality is superior to others. According to prevailing thinking, (Porter, 1990) argued that labor costs, interest rates, exchange rates, and economies of scale are the most powerful determinants of competitiveness, but given the existing trend in international trade, such as a merger, alliance, strategic partnerships, collaborations, and supranational globalization, he developed his determinants of national competitive advantage. Accordingly, the following are the four determinants of Export Marketing Performance:

The Case of POS Exporters (Alemayehu, 2019) competitive advantage that creates the national environment in which companies are born and learn how to compete.

- a) Factor conditions- the country's position in factors of production, skilled labor, or infrastructure required to compete in a specific industry.
- b) Demand conditions - the nature of the industry's product or service's domestic demand
- c) Related and supporting industries - the presence or absence of internationally competitive supplier industries and other related industries in the country.
- d) Firm strategy, structure, and rivalry - the state of affairs in a country that governs how businesses are formed, organized, and managed, as well as the nature of domestic rivalry.

Finally, government assistance in improving national competitiveness is critical, whether through direct physical or monetary policies. (Tussie, 1989) argued that export competitiveness is most strongly influenced by government policy. This view identifies targeting, protection, export promotion, and subsidies as the key to international success. Such a view is also shared by (Porter, 1990) who has observed a growing tendency among governments to experiment with various policies aimed at promoting national competitiveness, ranging from efforts to manage exchange rates to new trade management measures to relaxing antitrust laws.

The different natural resource endowments of countries, as well as their uneven geographical distribution, play a critical role in explaining international trade. Traditional trade theory emphasizes that differences in factor endowments cause countries to specialize and export goods or services in which they have a comparative advantage. This process allows for more efficient resource allocation, which leads to an increase in global social welfare (the "gains from trade").

The standard version of the Heckscher-Ohlin theory of international trade relies heavily on relative differences in countries' resource endowments. This states that a country will export goods that require intensive use of the country's relatively abundant (and thus cheap) factor for production and import goods that require intensive use of the country's relatively scarce (and thus expensive) factor for production. This includes cases where the natural resource is exported directly (after minimal processing) rather than being used as an input in another good that is later sold in international markets. (World Trade Report, 2010).

### **2.1.3 Importance of Export Marketing**

Exports are important contributions for all countries, developed or developing. According to an article published in the International Journal of Fundamental Psychology and Social Sciences (2011), the main benefits of national export marketing are as follows:

- a. Foreign exchange earnings: Foreign exchange earnings from exports are critical for exporting countries.

The country must pay for the import of raw materials, components, spares, capital goods, and advanced technical knowledge.

- b. Balance of payment: Potential exports in the country have the potential to solve balance-of-payments issues, allowing the country to achieve favorable balance-of-payment positions.

- c. Economic development promotion: Exports are necessary for industrial development and economic growth. The rapid expansion of the export business has resulted in a country's rapid and sustainable economic development.

#### **2.1.3.1 Overview of the Ethiopian Export Sector**

Ethiopia has a large domestic market of over 110 million people, making it the second most populous country in Africa after Nigeria. Over the last decade, Ethiopia has had one of the fastest growing economies in the world, with average annual growth rate of 9.4%. In 2019/ 2020, Ethiopia's real Gross Domestic Product (GDP) slowed down to 6.1% due to COVID-19, and growth is expected to remain close to 6.4 % in 2021 due to Covid-19, according to the World Bank.

The Ethiopian economy continued to register notable growth even when the world faces challenging macroeconomic and social conditions owing to the outbreak of the COVID-19 pandemic. In the 2019/20 fiscal year, real GDP grew by 6.1 percent compared to the 3.5 percent average growth estimated for Sub - Saharan Africa (World Economy Outlook, June 2010) This increase in real GDP was attributed to 9.6 percent growth in industry, 5.3 percent growth in services, and 4.3 percent growth in agriculture. Thus, nominal GDP per capita increased 9.6 percent year on year to USD 1,080. In general, the Ethiopian economy grew at an annual rate of 8.2 percent during the GTP II period (2015/16-2019/20), which was 2.8 percentage points lower than the plan period's average growth target.

The Ethiopian economy is expected to grow by 8.4 percent in 2020/21, compared to global and Sub-Saharan Africa growth rates of 5.4 and 3.4 percent, respectively. (WEO, June 2010)

Table 2.2: Sectoral Contributions to GDP and GDP Growth

Items		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Sector	Agriculture	531.7	544.1	580.4	600.9	623.8	650.3
	Industry	281.3	343.9	413.8	464.4	526.2	576.9
	Services	530.0	575.9	619.3	673.9	745.7	786.8
Total		1,343.1	1,463.9	1,613.5	1,739.3	1,895.7	2014.0
<i>Less FISIM</i>		12.4	14.5	17.0	19.8	21.0	24.5
Real GDP		1,342.6	1,449.4	1,596.5	1,719.5	1,874.7	1,990.0
Growth in Real GDP		10.4	8.0	10.1	7.7	9.0	6.1
Per capita GDP (USD) (Nominal)		744.1	815.0	876.0	883.0	985.0	1,080.0
Growth rate in Per capita GDP		13.4	9.5	7.5	0.9	11.6	9.6
Mid-year population(in millions)		89.1	91.5	93.4	95.5	97.6	99.7
Share in GDP (in %)	Agriculture	39.6	37.5	36.3	34.9	33.3	32.7
	Industry	21.0	23.7	25.9	27.0	28.1	29.0
	Services	39.5	39.7	38.8	39.2	39.8	39.5
Agriculture	Absolute Growth	6.4	2.3	6.7	3.5	3.8	4.3
	Contribution to GDP growth	2.5	0.9	2.5	1.3	1.3	1.4
	Contribution in %	24.0	11.3	24.6	16.5	14.6	22.9
Industry	Absolute Growth	24.6	22.2	20.3	12.2	12.6	9.6
	Contribution to GDP growth	2.7	4.7	4.8	3.1	3.6	2.6
	Contribution in %	26.0	58.8	47.3	40.8	39.5	42.6
Services	Absolute Growth	10.6	8.7	7.5	8.8	11.0	5.3
	Contribution to GDP growth	4.2	3.4	3.0	3.4	4.1	2.1
	Contribution in %	40.4	42.5	29.4	44.0	45.8	34.4

Source: NBE 2020

The agricultural sector grew by 4.3 percent in the fiscal year under review, compared to 3.8 percent in 2018/19. This was attributed to a 4.7 percent increase in crop production, a 3.3 percent increase in animal farming and hunting, and a 3.9 percent increase in forestry (Fig 2.1). Total grain production reached 335.2 million quintals, with cereals accounting for 88.5 percent and pulses and oilseeds accounting for 11.5 percent. Cereals and oilseeds production increased by 6.9 and 7.3 percent, respectively, due to 1.2 and 9.8 percent increases in cultivated land area. In contrast, pulse production fell by 0.2 percent as a result of a 3.5 percent decrease in cultivated land area. (NBE, 2020).

Total crop production land increased by 1.1 percent to 12.9 million hectares, with cereals accounting for 81.5 percent, pulses 12.2 percent, and oilseeds 6.4 percent. Agriculture is the backbone of the Ethiopian economy, accounting for half of the country's GDP, 83.9 percent of exports, and 80 percent of total employment.

Ethiopia's agriculture is hampered by periodic drought, soil degradation caused by overgrazing, deforestation, high taxation, and inadequate infrastructure (making it difficult and expensive to get goods to market). Agriculture, on the other hand, is the country's most promising resource. There is potential for grain self-sufficiency as well as livestock, grain, vegetable, and fruit export development. Every year, up to 4.6 million people require food assistance. (NBE, 2020)

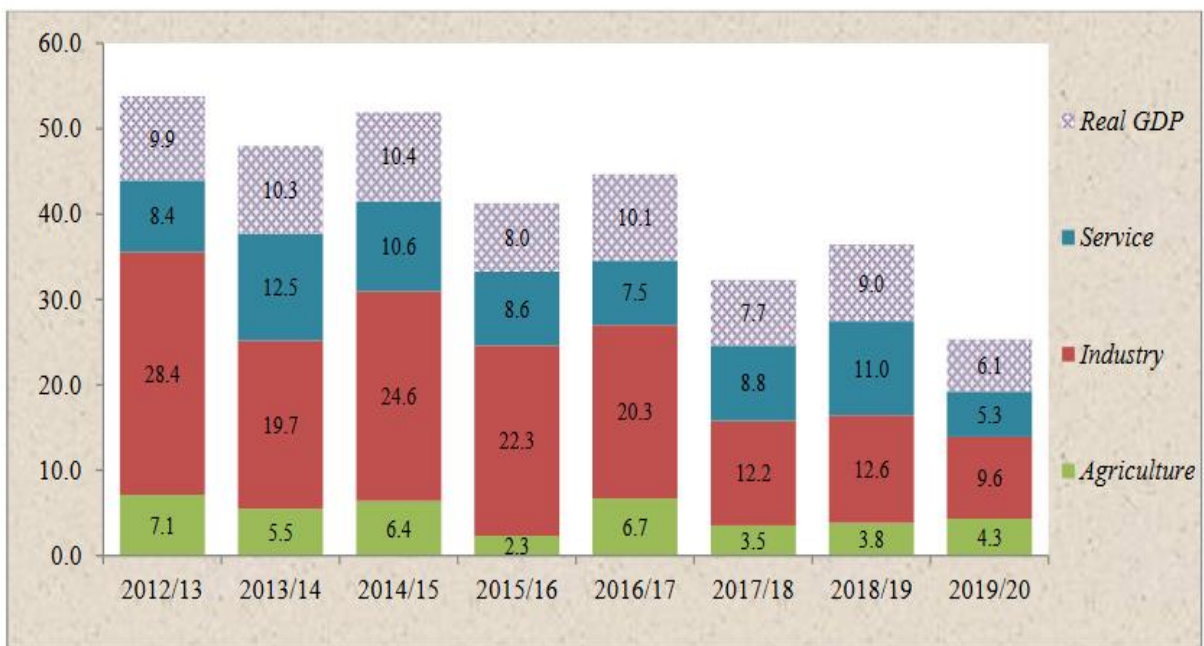


Fig. 2.1: Real GDP Growth by Major Sectors

Source: NBE 2020

Agriculture contributes 46.3 percent of the nation's GDP, 83.9 percent of exports, and 80 percent of the labor force. Agriculture supports a wide range of other economic activities, including marketing, processing, and export of agricultural products. The majority of production is of a subsistence nature, and the small agricultural cash-crop sector accounts for a large portion of commodity exports. Coffee, pulses (such as beans), oilseeds, cereals, potatoes, sugarcane, and vegetables are among the most important crops. Coffee is the most important foreign exchange earner, accounting for nearly all exports. Ethiopia is also Africa's second-biggest maize producer. Ethiopia's livestock population is believed to be the largest in Africa, and in 2006–2007 livestock accounted for 10.6% of Ethiopia's export income, with leather and leather products making up 7.5% and live animals 3.1%. (NBE, 2020).

Agriculture's GDP share in 2019/20 fell to 32.7 percent from 33.3 percent the previous year, with a 33.5 percent GTP target for the year. Agriculture contributed 22.9 percent to GDP growth, with crop production accounting for 65 percent, followed by animal farming and hunting (25.9 percent) and forestry (8.8 percent). Crop production increased by 4.7 percent, animal farming and hunting by 3.3 percent, and forestry by 3.9 percent. The industry grew at a 9.6 percent annual rate and accounted for 29 percent of total GDP.

During the fiscal year, the sector contributed 42.6 percent to overall economic growth. A year and its performance fell far short of the 18.4 percent target set in the GTP II, despite having a higher share than the 22.3 percent target. Manufacturing output increased by 7.5 percent, accounting for 23.9 percent of total industrial output. The construction industry, on the other hand, contributed more than half (72.6 percent) of the industrial sector and expanded by 9.9 percent, indicating its dominant role in road, railway, dam, and residential house construction. (NBE, 2020).

### **2.1.3.2 Balance of Payment**

Ethiopia's overall balance of payments worsened, with a USD 1.2 billion deficit in 2019/20 compared to a USD 941.6 million deficit the previous year, due to a decline in net private transfers, official transfers, and capital account balances, despite improvements in merchandise trade and net service payments deficits.

The net services deficit was USD 213.5 million, down from USD 550.7 million the previous year, while the merchandise trade deficit improved by 12.5 percent. Net private transfers fell by 13.2 percent and net official transfers fell by 26.9 percent, respectively, reducing the current account deficit (including official transfers) to USD 4.4 billion from USD 4.9 billion a year ago. The current account deficit to GDP ratio was estimated to be 4.1 percent. (NBE, 2020).

The merchandise trade deficit fell to USD 10.9 billion from USD 12.4 billion a year ago, owing primarily to higher revenue from exports and lower import bills. As a result, the merchandise trade deficit as a percentage of GDP was 10.1 percent. Total merchandise export earnings increased by 12.0% year on year due to higher export earnings from coffee (12.0%), flowers (64.6%), gold (604.5%), live animals (18.1%), chat (6.9%), textile & textile products (10.5%), and electricity (19.3 percent). Specifically, coffee export revenue increased 12.0 percent due to a 17.4 percent increase in export volume despite a 4.6 percent drop in international price. The share of coffee in total merchandise export was 28.6 percent slightly lower than 28.7 percent last year. Similarly, export revenue from flowers surged 64.6 percent as both export volume and international prices increased by 63.2 percent and 0.9 percent, respectively. (NBE, 2020).

As a result, the value of flowers in total export earnings increased to 14.1 percent from 9.6 percent the previous year. Similarly, revenue from live animal exports increased by 18.1 percent while export volume increased by 20.7 percent despite a 2.2 percent drop in price. As a result, the share of live animals in total merchandise export receipts increased slightly to 1.8 percent from 1.7 percent the previous year. Similarly, chat receipts increased by 6.9 percent due to a 6.7 percent increase in volume and a 0.2 percent increase in price. As a result, chat's share of total merchandise export earnings fell to 10.9 percent from 11.4 percent the previous year. Export earnings from textile & textile products increased by 10.5 percent and reached USD 168.9 million due to 14.6. (NBE, 2020).

Textile and textile product export earnings increased by 10.5 percent to USD 168.9 million, owing to a 14.6 percent increase in export volume despite a 3.6 percent decline in price. As a result, the share of textiles and textile products in total merchandise export earnings remained unchanged from the previous year at 5.7 percent. Similarly, gold generated USD 196.5 million, which was 604.5 percent higher than the same period last year.

This was due to a 306.6 percent increase in volume and a 73.3 percent increase in price. As a result, gold's share of total merchandise export increased to 6.6 percent from 1.0 percent a year ago. Similarly, export earnings from leather and leather products fell 38.6 percent due to a 36.5 percent drop in volume and a 3.4 percent drop in price. As a result, their share of total merchandise export fell to 2.4 percent from 4.4 percent the previous year. Despite a 5.1 percent increase in unit price, receipts from meat and meat products fell by 23.9 percent due to a 27.7 percent drop in volume. As a result, meat and meat products accounted for 2.3 percent of total merchandise export earnings.

Fruit and vegetable export earnings fell by 3.4 percent due to an 11.2 percent drop in price despite an 8.9 percent increase in export volume. Thus, the share of fruits & vegetables in total merchandise export earnings reached 2.0 percent during the review period (NBE, 2020)

Table 2.3: Values of Major Export Items (In millions of USD)

Particulars	2017/18		2018/19		2019/20		Percentage Change	
	A	%share	B	%share	C	%share	B/A	C/B
Coffee	839.0	29.6	764.1	28.7	855.9	28.6	2.0	12.0
Oilseeds	423.5	14.9	387.8	14.5	345.0	11.5	-18.5	-11.0
Leather and Leather Products	132.4	4.7	117.4	4.4	72.0	2.4	-45.6	-38.6
Pulses	269.5	9.5	272.3	10.2	234.8	7.9	-12.8	-13.8
Meat & Meat Products	101.7	3.6	88.6	3.3	67.4	2.3	-33.7	-23.9
Fruits & Vegetables	61.4	2.2	60.9	2.3	58.8	2.0	-4.2	-3.4
Textile & Textile Products	103.8	3.7	152.9	5.7	168.9	5.7	62.6	10.5
Live Animals	61.1	2.2	45.8	1.7	54.1	1.8	-11.5	18.1
Chat	263.2	9.3	303.6	11.4	324.4	10.9	23.3	6.9
Gold	100.2	3.5	27.9	1.0	196.5	6.6	96.2	604.5
Flower	228.6	8.1	256.6	9.6	422.3	14.1	84.7	64.6
Electricity	80.5	2.8	55.7	2.1	66.4	2.2	-17.4	19.3
Others	171.2	6.0	132.9	5.0	121.1	4.1	-29.3	-8.9
<b>Total Export</b>	<b>2,836.1</b>	<b>100.0</b>	<b>2,666.5</b>	<b>100.0</b>	<b>2,987.7</b>	<b>100.0</b>	<b>5.3</b>	<b>12.0</b>

Source: NBE 2020

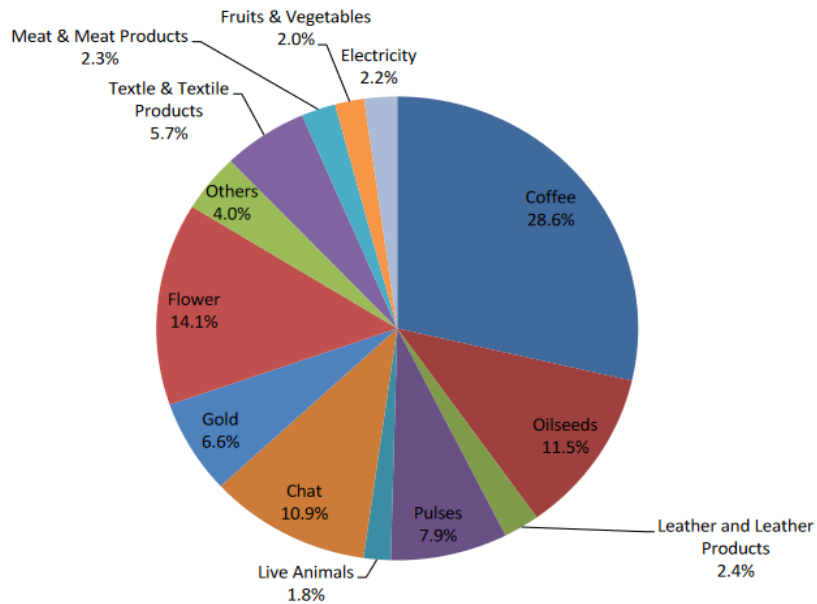


Fig. 2.2: Export Share of Selected Commodities

Source: NBE 2020

Furthermore, the total merchandise import bill reached USD 13.9 billion, representing an 8.1 percent year-on-year decrease primarily due to lower import bills for fuel, capital goods, and consumer goods. However, payments for semi-finished goods, raw materials, and miscellaneous goods are showing red annual increments.

Hence, the import to GDP ratio declined to 12.9 percent compared with 15.8 percent a year ago. Capital goods imports fell by 18.1% as the value of transportation capital goods fell by 72.2%, while industrial and agricultural capital goods increased by 2.6 and 50.7 percent, respectively. As a result, the share of capital goods in total merchandise imports fell from 33.3 percent to 29.7 percent. Similarly, fuel imports fell by 19.7 percent to USD 2.1 billion as a result of a 17.3 percent drop in import price and a 2.9 percent drop in volume. (NBE, 2020).

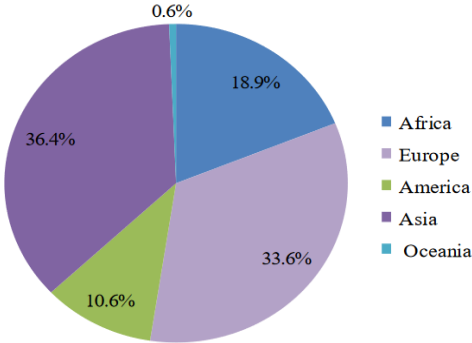
As a result, the share of fuel in total merchandise import bill fell to 15.0 percent from 17.2 percent last year. Consumer goods imports were USD 4.0 billion, or about 6.1 percent less than last year, due to a 23.3 percent decrease in durable goods imports despite a marginal (0.6 percent) increase in non-durable goods imports. Nonetheless, the share of consumer goods in total merchandise import bill was 28.9 percent, up from 28.3 percent last year.

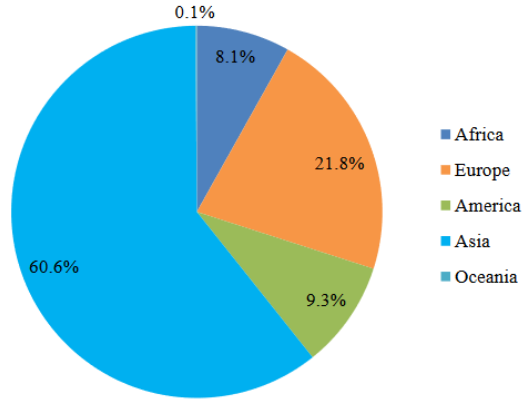
Semi-finished goods imports increased by 11.9 percent year on year to USD 3.1 billion, while fertilizer imports increased by 19.6 percent. As a result, the share of semi-finished goods in total merchandise import rose to 22.4 percent from 18.4 percent last year. Import of raw materials also saw a 7.0 percent increase over last year and accounted for 1.2 percent of the total merchandise import bill of the review fiscal year. (NBE, 2020).

**2.1.3.3 Direction of Export and Import of Goods**

Ethiopian merchandise exports were primarily destined for Asia, Europe, and Africa. Asia accounted for 36.4 percent of total Ethiopian exports. Saudi Arabia was Ethiopia's largest Asian export market, accounting for 19.0 percent of total export earnings, followed by the United Arab Emirates (11.5 percent), Japan (10.4 percent), Israel (9.4 percent), China (7.7 percent), South Korea (5.9 percent), India (5.2 percent), Singapore (3.6 percent), Yemen (3.5 percent), Indonesia (2.7 percent), and Taiwan (2.1 percent). These countries accounted for 81.0 percent of Ethiopia's total Asian export revenue. Europe accounted for 33.6 percent of Ethiopia's total export revenue, with the Netherlands accounting for 30.8 percent, followed by Switzerland (19.8 percent), Germany (16.0 percent), Belgium (8.0 percent), Italy (4.4 percent), Turkey (3.4 percent), the United Kingdom (3.3 percent), and France (2.8 percent), with these countries accounting for 88.6 percent of Ethiopia's total export revenue from Europe. About 18.9 percent of Ethiopia's export proceeds came from Africa, primarily Somalia (41.0 percent), Djibouti (21.0 percent), Sudan (12.1 percent), Kenya (2.6 percent), Nigeria (2.0 percent), and Egypt (0.9 percent), which accounted for 80.6 percent of total African export earnings. America accounted for 10.6 percent of Ethiopia's total export revenue, with exports to the US accounting for 67.4 percent, Canada accounting for 4.6 percent, and Mexico accounting for 0.7 percent. These three countries accounted for 72.7 percent of Ethiopia's total exports to America. (NBE, 2020).

The following figure shows Export by Destination





Import by Destination

Fig 2.3 Export and import by Destination

Source: NBE 2020

#### 2.1.3.4 Current Export Status in Ethiopia

The following conclusions are based on MoT data from 2020-2021. The table below shows the total 132,175 frequency of export performance across all sectors, as well as their total weight and value. On the other hand, the top product type and destination share are shown the below tables.

Table 2.4: Values of all Export Items (2020-2021)

Descriptions	Gross Wight	Net Wight	FOB valve in Dollar	FOB valve in Birr
Addis Ababa	74,285,070.83	72,075,620.36	232,066,760.68	10,136,676,106.48
Region	72,024,202.63	69,000,332.76	106,781,941.17	4,664,235,190.52
Total	146,309,273.46	141,075,953.12	338,848,701.85	14,800,911,297.00

Source: MoT 2022

Ethiopian exporters generate more than 14,8 billion Birr in all sectors (service, manufacturing, and agriculture), according to export item data for 2020-2021. As a result, Addis Ababa-based exporters account for the vast majority (i.e., 96 percent )

Table 2.5: Export Destination and Product Types (2020-2021)

<b>Export Destination 2020-2021</b>		
Counties	Freq.	% Share
Djibouti	<b>66153</b>	50%
United States	<b>12308</b>	9%
UAE	8708	7%
Saudi Arabia	6786	5%
Somalia	4034	3%
Canada	3111	2%
Germany	2498	2%
Netherlands	2234	2%
UK	1973	1%
Israel	1439	1%
Nigeria	1320	1%
Sweden	1204	1%
Korea	1197	1%
China	1142	1%
France	1115	1%
Norway	1096	1%
India	1090	1%
Japan	1024	1%
Belgium	928	1%
Qatar	863	1%
Switzerland	846	1%
Other countries	11,088	7%
<b>Total</b>	<b>132,157.00</b>	<b>100%</b>

<b>Export status 2020-2021</b>		
Product Types	Freq.	% Share
Vegetables	<b>44,880.00</b>	34%
Fruits	<b>20,950.00</b>	16%
Coffee	9,663.00	7%
Meat and Meat Products	8,832.00	7%
CHAT	6,800.00	7%
Food	8,360.00	6%
Textile and Garment	6,358.00	5%
Flower	6,150.00	5%
Pulse	2,265.00	2%
Flour	2,058.00	2%
Oil Seed	1,757.00	1%
Spice	1,451.00	1%
Others	1,423.00	1%
Finished Leather	890.00	1%
chat	882.00	1%
Leather Products	759.00	1%
Others	5,100	4%
<b>Total</b>	<b>132,157.00</b>	<b>100%</b>

Source: MoT 2022

Ethiopian exporters generate more than half of their exports to Djibouti from all sectors (service, manufacturing, and agriculture), with vegetables, fruits, coffee, meat, and chat being the most frequently exported products.

Table 2.6: Total Number of exporter (all sector) in Ethiopia 2020-2021

Location	Number of Exporter in Ethiopia	Share
Addis Ababa	23,706	98.4%
Gambelia	81	0.3%
Afar	79	0.3%
Oromia	69	0.3%
Somalia	44	0.2%
Benishangul	43	0.2%
Amhara	34	0.1%
Tigray	27	0.1%
Dira Dewa	7	0.0%
Harar	4	0.0%
south	4	0.0%
Sidama	3	0.0%
Total	24,101	100%

Source: MoT 2022

According to data for 2020-2021 (MoT), there are currently 24,101 exporters available in Ethiopia across all sectors (service, manufacturing, and agriculture). As a result, Addis Ababa-based exporters account for the vast majority (i.e., 98.4 percent )

#### **2.1.4 The Marketing Mix Theory**

Organizational resources that are related to export marketing include architectural and specialized export marketing resources (Morgan, N. A., Katsikeas, C. S., and Vorhies, D. W., 2012). Architectural export marketing resources refer to the entity's internal process of gathering export market information and incorporating it into the creation of appropriate export marketing plans, thereby serving as a planning and coordination mechanism.

According to Morgan et al., (2012) These resources process and deduce export market information before distributing it to key decision-makers, who then devise appropriate marketing strategies. Specialized export marketing resources, on the other hand, aid in the execution of export marketing strategies relating to export marketing platforms. Marketing strategies include product decisions, price management, channel and delivery management, and strategic communication. The firm responds to the interaction of internal and external elements in order to meet its export objectives through the use of these marketing mix strategies, also known as the 4Ps (Morgan et al., 2012).

A firm must use the 4Ps of the marketing mix strategies in order to convert its internal resources into planned value submissions to its target clients in the export activity. The combination of these two types of marketing capabilities has a significant impact on market effectiveness. The marketing mix concept was popularized by (McCarthy, 1964) as a means of transforming marketing plans into practice. It is a conceptual framework that identifies the key decisions managers make in the design of products and services to suit customers' needs. The parts in the marketing mix can be manipulated for each product differently to enable management to achieve a target long or short-term outcome (Goi, 2009). The 4Ps as a normative theory respond to questions regarding managerial problems the development of an optimal mix of products, price place, and promotion solutions for customers in primary mass markets. (Goi, 2009).

Marketing mix theory is founded in the monopolistic competitive type of industry (such which many agribusiness entities face) which suggests that there are many consumers and producers, with no firm having total control over prices, both demanded and supplied products have unique characteristics; and that competition involves further differentiation a firm's proposal from that of the competitors using customers' insights and inclinations as a guideline, and not price (Möller, 2006) and finally low barriers to exit and entry.

The 4Ps approach also draws on the economic principle of marginal utility and managerial research studies to determine the optimal level of marketing investment at a specific time for each marketing mix element among its products, customer sectors, and markets. (Möller, 2006) Further argues that the 4Ps model does not capture relationships that are built and or the

experiences that customers buy. With a changing paradigm that shifts the focus to the customer relational viewpoint, (Schultz, D. E., Tannenbaum, S. I., and Lauterborn, R. F, 1993) proposed a four-letter classification as a customer-focused approach to specialized export marketing capabilities. The complementary mix will be the product, which corresponds to customer solutions, the price, which corresponds to the cost incurred by the customer, the location, which provides utility or customer convenience, and communication, which corresponds to promotion efforts, from the standpoint of the importer. Winning businesses are those that meet their customers' needs in an economical, convenient, and effective manner. The 4Ps drive the exporting firm to engage in an export venture with four goals; to develop a product that matches the needs of the customer at a price that they are willing and able to pay, communicated to them in a way that they become aware and are persuaded to buy it and shipped to a place where customers can easily access it (Carneiro, J., Rocha, A. da, and Silva, J. F. da. , 2011) Export marketing mix strategies impact on an entity's efficiency and cost structure and are argued to be an avenue for these firms react to internal and external challenges (Sraha, 2016).

A well-executed export marketing strategy can lead to a company's success. However, it has been described as a difficult, time-consuming, and risky endeavor that can leave managers disappointed due to the additional challenges that they face in export markets (Morgan et al., 2012). Physical distances, differences in business cultures, legal practices, and communication barriers are examples of such challenges.

## **2.1.5 Marketing Mix Strategies and Export Performance**

### **2.1.5.1 Product Strategy and Export Performance**

Product dimension is an important part of the marketing mix that affects export performance.

The physical core of a product (design, quality, color, size, style, and presentation), packaging (branding, labels, and trademarks), and auxiliary services are all characteristics (warranties, spare parts, after-sales services, and user instructions).

Hence export performance can be affected by the way firms adopt various components of their products in line with the specific needs of the targeted markets (Cavusgil, S. T., & Zou, S. , 1994).

Product strategy is key to successful exporting because differentiation of offerings from substitutes can impact the consumer's outlook toward a product (Katsikeas, C. S., Leonidou, L.

C., and Morgan, N. A., 2000). A product comprises a bundle of physical or symbolic qualities that differentiates it from the others offered by competition (Sraha, 2016).

Product attributes that are considered the most important include quality, features, brand name, how it is packaged, how it is labeled, range, the number of lines and versions, its related benefits, how it has been modified to suit the customer, and the satisfaction that customers derive from its consumption (Food Export Liaison. , 2016). (Lages, L. F., Silva, G., and Styles, C., 2009) and Al-Aali et al., (2013). contend that the aspects of strategy and quality are the top contributing factor to export performance. Product superiority entails developing products that meet and exceed customer quality expectations (Zou, S., Fang, E., and Zao, S. , 2003) As a result, their willingness to pay for them increases. Superior product quality and attributes translate to benefits for customers such as better storage, durability, and higher nutritional value. The production strategy is the development of new products for existing markets in quantities sufficient to meet consumer demand while also matching technology, the firm's capabilities, and other uncontrollable factors.

(Ellison, S. F., and Snyder, C. M. , 2014). Product development entails thinking about how new products can better meet the needs of customers so that they outperform competitors. With the export market saturated with substitutes, products must be developed and offered to consumers in the hope of converting to revenue, which means that the attributes and customer service required to support business relationships must be almost built-to-order, necessitating extensive market research on the part of the exporter. (Kar, 2011).

At the introduction of a product for export trade, the product strategy is well thought of because it is the most important time at which the brand image created at this level enables the firm to capture the imaginations of customers (Leonidou L. C., 2002a)The satisfaction they derive is already a tool for creating competitive advantage (Guenzi, P., and Troilo, G. , 2006). Product modifications which may include improvement in packaging, translation to a foreign language can serve as a competitive tool in the export market in the early stages but this effect may have mixed results of success as the export involvement progresses (Al-Aali, A., Lim, J. S., Khan, T., and Khurshid, M. , 2013).

Various product dimensions have been researched and found as factors key to successful export activity because they are a cause of differentiation from competitors' positions and influence the international customer's outlook toward the entity's product (Al-Aali et al., 2013).

Most studies' findings on the positive relationship between product strategy and export performance have been largely consistent. Product design, brand mix (name, sign, symbol, design), warranty, customer service as sales services, and the product's valuable and unique contribution to the customer (such as snobbish appeal, prestige, and quality) are all product attributes that have been shown to have a positive relationship with export performance. (Moghaddam, F. M., Hamid, A., Rasid, S. Z. A., and Darestani, H., 2011).

The role of product innovation has been adopted and is becoming increasingly important to achieving export performance (Barno, A., Ondanje, B., and Ngwiri., 2009)). Product research in this area has been to improve varieties to the more lucrative Hass variety and improve the quantities that will enable the market to be ready to project better the quantities, (Wambugu, 2008). A positive association between product strategy and export revenue is expected, hence the proposition of the hypothesis: *H1: A firm's product strategy has a positive effect on export performance.* Product strategy factors such as the number of quality certifications and the number of years of quality certifications were measured.

#### **2.1.5.2 Promotion Strategy and Export Performance**

Promotion strategy in export operations involves the incorporation of all marketing linked activities of a firm utilizing well-planned actions that are derived from gathering information from its global customers and competition (Al-Aali, A., Lim, J. S., Khan, T., and Khurshid, M., 2013). Communication can be at several dimensions including market sensing, customer linkage and channel bonding (Day, 1994 as cited in Zou et al, 2003). Market sensing improves an exporter firm's ability to respond quickly and actively to customers' concerns or preferences and has thus been linked to branding advantage. It can also be used to gather information on competitor actions, thereby reducing opportunistic behavior and providing a low-cost benefit to the company, specifically by lowering the cost of negotiating agreements in the export activity.

Channel bonding leverages communication's effect on trust and commitment, which has reduced opportunistic behavior and the cost of contract enforcement in global markets. With effective integrated marketing communications, a promotion strategy enables firms to acclimate to foreign markets and pursue the right customers. (Al-Aali et al., 2013). Export promotion becomes more important when the product purchase requires a low engagement decision-making process, like that of purchase of day-to-day products. Researchers (for example (Hultman, M., Katsikeas, C.

S., and Robson, M. J. , 2011) and (Murray, J. Y., Gao, G. Y., and Kotabe, M., 2011) have shown that promotion strategy is more important as the exporting firm grows inexperience. Advertising, sales promotion, personal selling, trade fairs, personal visits, and promotion adaptation are the most researched promotion strategy variables. The most researched aspect of promotion strategy is advertising.

The impact of advertising on export performance is recognized by the higher revenues firms receive from using optimal advertising to produce higher performance results. It has profound results for exporters who have a greater commitment to the markets that use a higher level of advertising (Moghaddam, F. M., Hamid, A., Rasid, S. Z. A., and Darestani, H., 2011)

*H2: Promotion strategy will positively affect its export performance.* Promotion strategy was measured by the size of the marketing budget the firm has. .

### **2.1.5.3 Pricing Strategy and Export Performance**

Price is another part of the marketing mix that many researchers assessed in their study, and it is one of the most important items in the international market to compare with their rivals (Lee, C., and Griffith, D. A. , 2004) It should be noted that in today's competitive international marketing, focusing solely on lowering manufacturing costs may no longer result in the company's success in export-driven economies. The actual price level, the use of credits, discounts, and margins are all price elements. Export profitability can be improved by adopting a pricing strategy in line with the demand conditions, competition, legal and political environment prevailing in the targeted market (Lages, 2001).

Pricing strategy refers to how well a company uses price adjustments to respond to new competitors as well as customer actions and demands in a complex and dynamic market. Entities that adjust their prices in response to new market information can also manage their costs without affecting output and have a low-cost competitive advantage in the markets in which they participate. ( Dickson, P. R. , 1992). Whatever the pricing strategies, the firm should maintain the perceived value of the product to their customer. They should keep in mind the customer's trade-offs between the price and the many features of the product in arriving at the total value the customer derives from the product (Kar, 2011) Pricing as a spanning capability helps the exporting firm to respond to competition while facilitating the implementation of cost control measures (Zou, S., Fang, E., and Zao, S., 2003).

A pricing strategy used by exporters to respond to new market information is likely to form an exporter's low-cost advantage, leading to improved export performance, as proposed below.

*H4: pricing strategy positively affects its export performance.* The pricing strategy was measured using the average selling price per kilogram of products that the firms could command in a season at the export markets in (USD).

#### **2.1.5.4 Place/Distribution Strategy and Export Performance**

Place or distribution strategy is the export firm's ability to design and provide support to its distribution coordination (Zou et al., 2003). Customers' orders should be approved with relative ease and handled in good time and therefore making distribution management an important cog in marketing strategy. Leonidou et al., (2002) concluded that the use of a foreign sales representative office, direct sourcing, dealer support, and after-sale service contributed to positive export results. They also opine that transportation costs appeared less frequently in research. In contrast, Leonidou et al (2002) found a weak association between performance and the appointment of a wholesaler or retailer in undertakings.

There were a few studies that found that export performance was not affected by place strategy, such as (Adis, 2010). The failure of such ventures to have any strategic marketing effort to improve export performance was the cause of such inconsistencies. Market sensing and customer service are critical components of an effective distribution system. Whether done through one's own channels or through those established by locals, it allows exporters to connect with key customers in those markets, gain access to customer and competitor information, and provide the necessary marketing services. (Zou, S., Fang, E., and Zao, S. , 2003).

The impact of a firm's place (distribution) strategy can vary. During the early stages of export activity, the firm would need to expend more effort gathering information about new markets and forming close relationships with local distributors in such markets. (Zou, S., and Stan, S., 1998); Kamboj et al., 2015).

Distribution strategy at this stage will be directed at new market development and provision of support and partnerships to channel owners which are building blocks to better export performance (Leonidou et al., 2002a). Later, when the exporter becomes active and experienced, the function of control on the supply chain and channel associations would provide marginal results (Eusebio, 2007).

An effective distribution strategy enables the exporting company to successfully maximize its revenue base by utilizing its networks. Focusing on a few key intermediaries allows the exporter firm to develop strong and close relationships with each of them.

Another tactical approach to distribution will be to identify and mitigate conflicts, such as the firm's competition with its distributors. (Kamboj, S., Goyal, P., and Rahman, Z. , 2015). A strong distribution strategy helps secure close cooperation from export firms with its customers and helps in the reduction of costs of enforcing contracts.

The enhanced performance will therefore be as a resultant a low-cost advantage or branding advantage, ( (Morgan, 1994) hence the following hypothesis:

*H3: Place strategy will have a positive effect on export performance.* Place strategy variable was measured they several intermediaries and customers that a firm retained in a year of export

### **2.1.6 Measuring Export performance**

Exporting is a more appealing method of entering a foreign market because it requires fewer resources to establish, lowers risks, and provides more flexibility than other options, such as establishing stand-alone subsidiaries to begin production. Leonidou (2014) Performance is a good indicator of a company's success in foreign markets. The goal of an export trade expansion should be to improve the firm's competencies, internal assets, strategies, and appeal, which should result in improved export results., (Kumlu, 2014). Economic and non-economic indicators are used to evaluate export performance.

Economic measures will include objective metrics such as revenue, market share, and the ultimate bottom line, whereas non-economic metrics will include subjective metrics such as firm offerings, market, and experience metrics. Export performance of an industry can be also looked at from the point of view of effectiveness, and efficiency adaptiveness, (Oliveira, J. S., Cadogan, J. W., and Souchon, A. , 2012). Export “effectiveness in line with the achievement of set goals such as revenue obtained. Export “efficiency” refers to the conversion of inputs to outputs. On the other hand, export “adaptiveness” is concerned with the entity’s response to the market dynamics (Katsikeas, C. S., Leonidou, L. C., and Morgan, N. A. , 2000). (Zou, S., and Stan, S. , 1998) Export performance metrics were classified into seven categories, including financial, non-financial, and composite scales. Financial indicators include revenue turnover, intensity metrics, and profit—the ultimate bottom line.

On-financial metrics have the disadvantage of being subjective. These metrics include export success, which is the belief that exportation will result in a higher bottom line. The overall fulfillment derived from export activity is referred to as export satisfaction. (Zou, S., and Stan, S. , 1998).

Combined scores based on weighted scores of a variety of performance metrics are also common. The main economic measures for the performance of the exporting firms include revenue or revenue growth and profitability (Leonidou et al., 2002).

## **2.2 Empirical Literature**

Extensive research is being conducted at various levels and contexts to examine export performance. According to Leonidou, et al (2002) According to an empirical study on the relationship between marketing strategy and export performance, product design, brand mix (name, sign, symbol, and design), warranty, customer service as pre and after-sales services, and product importance (such as luxury, prestige, and quality) all have a positive relationship with export performance. Moreover, (Cavusgil, S. T., & Zou, S. , 1994) cited in (Julian, C. C., & O'Cass, A. , 2002) In-depth personal interviews with export managers were used to investigate an empirical link between marketing strategy and export performance. They concluded that better export performance could be obtained by adapting the product to meet the needs of export customers. As a result, product adaptation improves export performance. (Lee, C., and Griffith, D. A. , 2004). They concluded that adjusting export prices to the foreign market situation has a positive influence on exporter performance and that adjusting pricing strategy would increase export performance in their study on the marketing strategy performance relationship in Korea. However, empirical research on the concept of price competitiveness (lower relative price) has yielded mixed results, with three sets of contradictory findings.

(Lee, C., and Griffith, D. A. , 2004) explained that exporter channel strategy was imagined as the extent to which a firm used direct rather than indirect channels for exporting its products, and it is evaluated by aggregating the ratio of direct exports to local distributors, retailers, and producers in total exports. They concluded that a direct exporting channel would improve export performance. Because many of these companies have not exported directly, it is critical to identify the effect of direct exporting on export performance in this study.

According to Leonidou et al., (2002) cited in mildew study about the marketing strategy of export performance: a meta-analysis with reference in the review of studies, they divided the promotion related variables to advertising, sale promotion, personal selling, trade fairs, and promotion adaption and conceded that all these variables have a positive influence on export performance.

Advertising was found to have a positive relationship with a financial and nonfinancial or composite measure of export performance, which was the most widely researched.

Personal selling is used in markets where advertising is limited or managing a sales force is inexpensive. Trade fairs boost export performance by testing the sale potential of a specific export market, discovering new firms for distribution or other collaboration in a foreign market, and conducting market research. As a result, they concluded that promotion is positively related to performance and that firms that use promotional tools more frequently can be more successful in the international market.

Few empirical studies are focused on the case of Ethiopia. the influence of marketing mix strategies on export performance in the garment industry of Ethiopia: The case of garment exporters in Addis Ababa (Yodit Gizaw, 2018). The effect of the marketing mix strategies factors on export performance: The case of Ethiopian chickpeas export (Yasin, 2020)and the finding shown marketing mix has a significant effect on export performance of Ethiopian chickpeas export even if the research areas are not shown in-depth way (those researchers have focused a specific export product).

### **Summary of Research Gaps**

Numerous studies on strategic marketing and firm performance have been conducted, particularly at the domestic market level.

Despite numerous studies on export marketing strategies and their global associations, little attention has been paid to Ethiopian firms' export marketing strategies and their implications for export performance.

In Ethiopia, some research has been conducted on the factors that influence export performance in general (Tadesse G. 2015, Belayneh K. & Wondifraw M. 2013, Abas and Dame 2015, Yabisra T. 2014). However, these research findings are no more than a finger count. Even those published articles focusing on Ethiopian firms do not focus solely on marketing strategy; they

consider determinants of export performance and combine export marketing strategies with other variables. Most research focuses on marketing mix elements of marketing strategies (i.e., 4P's), but export performance was to be conducted in different sectors, and local researchers evaluated a specific export product. This is the primary researcher who has been identified.

As a result, in order to close those research gaps, it is necessary to evaluate the effect of marketing mix on export performance (agriculture and manufacturing) in the case of Ethiopian export companies with a focus on Addis Ababa.

### 2.3 Conceptual Framework

Taking into account various types of literature and studies, the research used the conceptual framework outlined below to better understand the effect of export marketing mix strategy on export performance toward exporters in Addis Ababa.

This study's conceptual framework included both independent and dependent variables. Pricing strategy, promotional strategy, product strategy, and distribution strategy are the independent variables. The dependent variable is export performance.

Figure 2.4 shows the interrelationship between the factors marketing mix strategy influencing on export performance

Marketing Mix strategy

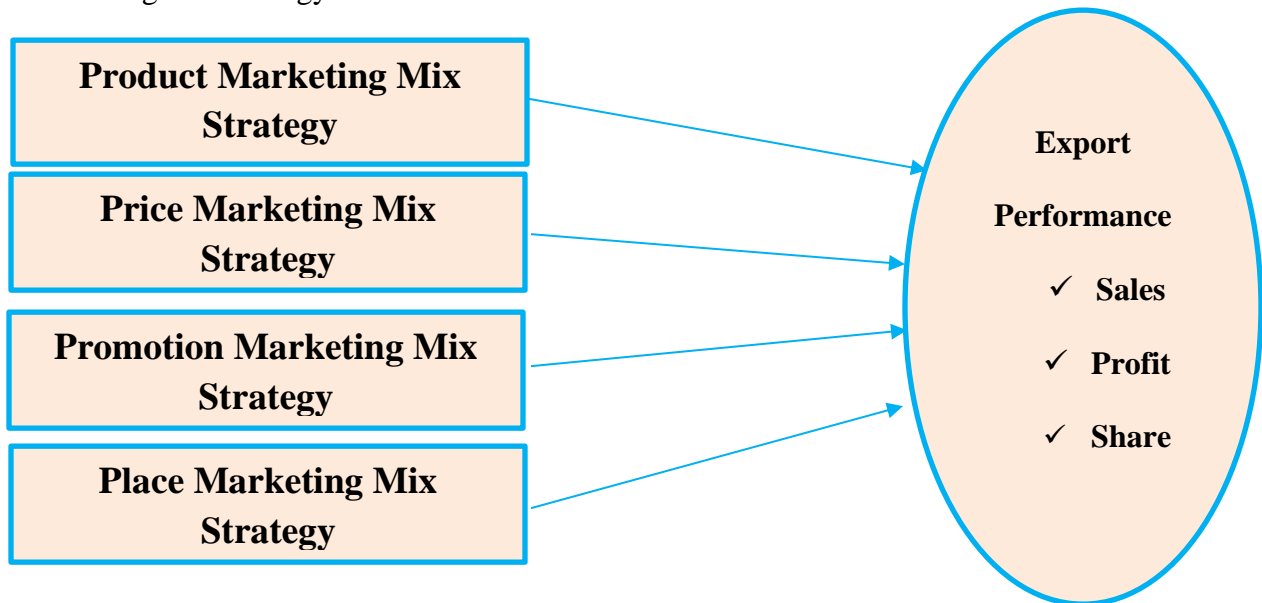


Figure 2.4 Conceptual Framework Source:

Source: Vorhies and Morgan, 2012 and recerchier 2022

## **CHAPTER THREE**

### **Research Methodology**

#### **Introduction**

Research methods are the techniques and procedures used to collect and analyze research data, such as questionnaires, observations, interviews, and statistical and non-statistical techniques. (Saunders, M., Lewis, P., & Thornhill, A. , 2009).

The following topics were discussed and covered in this chapter: research design and approach, study population and sampling techniques, data source, data collection and data analysis method, validity and reliability instrument, reliability analysis, and ethical considerations.

#### **3.1 Study Site**

This study was conducted in Addis Ababa's manufacturing and agricultural exporter companies, which operate in the Bole sub-cities. Because the majority of exporters' main branch is located in Addis Ababa, Bole sub city, the location was chosen for its accessibility to the target population. And exporters with over a decade of experience and financial resources.

#### **3.2 Research Approach**

To achieve the research objectives and find answers to the basic research questions, the researcher used a quantitative research design based on the questionnaire method, and a qualitative method through interviews to address open-ended questions. As a result, the student researchers used quantitative as well as qualitative research methods (mixed approach).

#### **3.3 Research Design**

The purpose of this study is to assess the effect of export marketing mix strategy on export performance for Addis Ababa-based manufacturing and agriculture exporters. The design of the study was both descriptive and explanatory. The explanatory design was used to examine the relationships and associations between export strategies and export performance. It aids in the conduct of correlations and regressions between independent and dependent variables. Explanatory studies are studies that demonstrate relationships between variables in order to explain specific problems or events. (Saunders, 2009).

The researcher also conducted descriptive research to describe and investigate the impact of the export marketing mix, also known as the 4Ps strategy, on export performance. Furthermore, this research design method aids in clearly describing relevant aspects of a phenomenon of interest concerning a specific individual, group, or situation. (Sekaran, 2003).

### **3.4 Sampling Design**

#### **3.4.1 Target Population**

Bole, a sub-city of Addis Ababa, is one of the top export centers, with approximately 6915 exporters and 101 manufacturing and agriculture exporters with 75 million Birr initial capital and five or more years of business experience. And those exporters are involved in a variety of agricultural and manufacturing export product types, including coffee, textile, garment manufacturing, pulses, oilseeds, and spices, among others. (Source: MoT 2022).

As a result, the student researcher chose those 101 exporters using purposive sampling methods, and because the nature of this research makes it difficult to address the entire target population, particularly due to geographical constraints, the researcher used sample size.

#### **3.4.2 Sampling Frame**

A sampling frame is a collection of people or events, information sources, or devices from which a sample is drawn. It is a list of everyone who could be sampled from a population. Individuals, businesses, organizations, or institutions may be included (Saunders, 2009). The sampling frame for this study included both manufacture and agriculture product exporters in Addis Ababa, Bole sub city, such as coffee, textile, garment manufacture, pulses, oilseeds & spices, and others, based on exporter status, accessibility, and purpose.

#### **3.4.3 Sampling Technique**

To collect accurate data, the researcher used non-probability sampling and purposive sampling techniques. Because the researcher collects information from the best-fit participants, the results are relevant to the research context (major exporters through their respective export managers).

#### **3.4.4 Sample Size**

The sample size is the number of people chosen to represent the entire population, and the study used a representative sample size to ensure statistical validity. For the past five years, approximately 101 export firms have been actively exporting Addis Ababa, Bole sub-city

manufacturing and agriculture export products and services. As a result, participants were selected from the population of these exporters who are directly involved in the export market. The researcher regarded one representative from each company with a direct export link as a sample who provided the necessary information.

In order to obtain the largest sample size possible for this study, the sample size was calculated using the formula below. (Yamane, 1967).

*Sample Size formula*

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

Where

*n = is desired sample size,*

*N = it is target population,*

*e = margin of error*

To get, the desired sample, the calculation is.  $n = \frac{N}{1 + N(e)^2}$ ,

$$n = \frac{101}{1 + 101(0.05)^2} \dots \dots n = \mathbf{80}$$

The sample size for the study is 101 employees from the target population, with a 5% margin of error. As a result, even though the population was far away, the study's sample size of 80 is sufficient to represent the target population of the study area.

The research examines the impact of export marketing mix strategy on export performance in export firms.

The researcher used the purposive sampling technique to target the major agricultural and manufacturing export companies based on time and geographical settlement from a large population of known export companies in various sectors. In addition, respondents for interviews were chosen using the purposive sampling method.

As a result, the researcher conducted interviews with people who were best placed to provide information about the study's objectives, and five exporters were recruited from the product and export managers of those targeted companies.

## **3.5 Sources of the Data**

### **3.5.1 Primary Sources**

Primary data was provided by the company's Export, Farm, and Logistic Manager. To collect primary data, the researchers used a self-administered structured questionnaire and interviews. Primary data is essential for the study because it is the only way to learn about the company's practices and performance from the responsible personnel; otherwise, there would be insufficient data to draw a conclusion.

### **3.5.2 Secondary Sources**

It is critical to have enough data to compare and contrast the necessary relationship between export marketing strategies and the performance of major export industries. Secondary data was gathered from published books, journal research papers, and other relevant materials. The study relied on secondary data gathered from national and international sources such as NBE, MoT, and Exporters Profile.

## **3.6 Data Collection Instruments**

The student researcher essentially uses a questionnaire as an instrument to ask the same question to everyone in the sample. It is the primary tool for gathering information from study participants through self-administered questionnaires.

Questionnaires were chosen over other tools because they are the quickest way to collect information from a diverse group of people. (Kothari, 2004). The questionnaire was closed-ended and asked questions on a five-point Likert scale, and it was developed by taken lesson from other studies such as Esubalew (2020). In addition to the questionnaire, one of the study's additional information tools was some interviews. The data was collected using both hardcopy and softcopy methods by the researcher using self-administrative methods.

## **3.7 Data Collection Procedure**

A pilot survey was conducted prior to the full survey to identify any weaknesses (if any) in the questionnaires and survey techniques by distributing the questionnaire to three respondents and attempting to differentiate the ambiguous question from the majority of respondents.

The researcher then distributed the questionnaire to all respondents, giving them one week to complete it. The researcher has provided her personal contact information in order to assist respondents with any issues they may encounter while completing the questionnaire. After a week, the researcher collected the data and immediately checked its completeness; a few respondents did not fill out a form for a specific day. However, the researcher followed up with respondents that fall to ensure that they completed the form correctly. Because the questionnaires were hand-delivered to the respondents, there was frequent phone follow-up, which resulted in a high response rate (85 percent).

### **3.8 Data Analysis and Methods**

The collected data was screened for missing values that could cause problems with the research analysis. Using descriptive and inferential statistics, the relationship between the independent variables (product marketing strategy, price marketing strategy, promotion marketing strategy, and placement marketing strategy) and the dependent variable was then assessed (export performance).

The descriptive statistical analysis was presented in the following formats: frequency, mean, and standard deviation. Correlation, ANOVA, and multiple regression were used to investigate the relationships between the dependent and independent variables. The analysis techniques or presentation method are depicted in both the table and the figure. The coefficient value was investigated to determine the significance of the relationship between the dependent variable and each independent variable. The data was analyzed using the Statistical Package for Social Science (SPSS 23).

The questionnaire's statements were all rated on a 5-point Likert scale (strongly agree, agree, neutral, disagree, and strongly disagree). This scale was given numbers: strongly agree = 5, agree = 4, neutral = 3, disagree = 2, and strongly disagree = 1. Instruments that are accurate and efficient in calculating these constructs are critical components of the research standard (Kimberlin, C. L., & Winterstein, A. G., 2008)

### 3.9 Validity and Reliability

The validity of a measuring instrument determines whether it truly measures what it was designed to measure or how accurate the research results are.

We consider the theory and the measuring instrument used to assess the validity of the results. Factor analysis can be used to assess validity. Checking and establishing the validity of this research, as well as increasing its accuracy.

Reliability refers to the extent to which results are consistent over time and an accurate representation of the total population under study. If the results can be reproduced using a similar methodology, the instrument is trustworthy. According to Kothari (2004), reliability is the consistency of the measuring instrument's results. Saunders defines reliability as a consistent finding of a data collection technique, analysis, or procedure (2009). The Cronbach's alpha test was used to perform the reliability analysis in SPSS. This is done primarily to examine the internal consistency of the collected data. Cronbach's alpha coefficient was calculated for each variable in the reliability test.

Cronbach's alpha reliability coefficients typically range from 0 to 1. The closer Cronbach's alpha is to 0, the lower the internal consistency of the scale's items, and the closer Cronbach's alpha is to 1.0, the higher the internal consistency of the scale's items.

Based on this, the Cronbach's alpha coefficient for each item was tested, and the result shows that there is high internal consistency, as shown in SPSS result table 3.1. Because based on (George, D., & Mallery, P., 2003) rule of thumb, a Cronbach's alpha coefficient greater than 0.7% is good. (>70%).

Table 3.1. Main Data collection tool Reliability Statistics/Cronbach's Alpha Value

No	Variables	Cronbach's Alpha Value	Number of items
1	Product marketing strategy	<b>.777</b>	<b>7</b>
2	Price marketing strategy	<b>.755</b>	<b>6</b>
3	Promotion marketing strategy	<b>.738</b>	<b>6</b>
4	Price marketing strategy	<b>.745</b>	<b>6</b>
5	Export Performance	<b>.798</b>	<b>8</b>

Source: own computation from survey data (2022)

As shown in the table above, the Cronbach alpha for all five variables exceeded 0.7. According to the literature, this confirmed the internal consistency of the research instrument. As a result, no redundant items were discovered.

### **3.10 Ethical Consideration**

Ethics are behavioral norms or standards that guide moral decisions about our behavior and our interactions with others. The goal of research ethics is to ensure that no one is harmed or suffers negative consequences as a result of research activities (Cooper & Schindler, P.S., 2006). Everyone has the right to decline participation in a marketing research project in which they provide data.

Researchers have the right to be safe, both physically and psychologically. While a respondent is rarely physically harmed, he or she is frequently placed in a physiologically hazardous situation. Individuals may experience stress when an interviewer processes them to participate in a study.

## CHAPTER FOUR

### Result and Discussion

#### Introduction

This chapter is divided into three sections that describe the results of an analysis of data collected from questionnaire respondents. The first section covers demographics, the second covers descriptive data, and the final section covers inferential analysis (correlation and regression). The study's target population is the major manufacturing and agricultural exporter companies doing business in Ethiopia, specifically Addis Ababa. The study included 101 target populations living and working in the state of Addis Ababa. and 80 samples were determined, and questionnaires were distributed. However, the researcher only received 68 responses.

#### 4.1 Response Rate

The study focused on Addis Ababa's agricultural and manufacturing exporters, particularly those who shipped goods in the previous five years. According to MOT 2022, 101 exporters have capital of Birr 70 million or more, and the researcher sampled 80 exporters, with 68 (85%) filling out and returning questionnaires. However, for a variety of reasons, 12 (15%) questionnaires were not collected. The main reason for uncollected questionnaires was the inaccessibility of the location. this being an 85% response rate was considered sufficient for analysis (Maxfield, M. G., & Babbie, E. R. , 2014). SPSS version 23 was used to code and analyze the completed questionnaires. This software program was used to analyze the data. Descriptive statistical analysis is used to summarize frequencies, means, and standard deviations from large amounts of data. The data collected for each question and respondent were summarized using descriptive statistics, and the data was analyzed using regression and correlation analysis with the assistance of SPSS.

#### 4.2 Demographic Data

The study attempted to determine demographic data in the following variables, as shown in the table below, using a total of 68 returned questionnaires.

The frequencies were used to determine how frequently respondents responded to questions, allowing for general information about the collected data to be analyzed. Questionnaires have

been distributed to various participants involved in manufacturing and agriculture export in Addis Ababa, Ethiopian export activities. The student researcher used crosstabulation descriptive statistics to show the result of demographic data.

Table 4.1: Demographic respondents

<b>Gender * Age Cross Tabulation</b>					
		Age			Total
		Less than 30 years	31-40	41-50	
Gender	Mal	1	37	9	<b>47</b>
	Female	1	17	3	<b>21</b>
Total		<b>2</b>	<b>54</b>	<b>12</b>	<b>68</b>

<b>Level of Education * Position Cross Tabulation</b>					
		Position			Total
		Officer	Manager (Export and logistic)	Other	
Education Level	Diploma	0	9	1	<b>10</b>
	Degree	7	29	11	<b>47</b>
	Masters	3	6	2	<b>11</b>
Total		<b>10</b>	<b>44</b>	<b>14</b>	<b>68</b>

<b>Resonant Work Experience * Company Experience Cross Tabulation</b>					
		Company Experience			Total
		2-5 Years	6-10 Years	Above 11 Years	
Work Experience	1-5 years	0	0	2	<b>2</b>
	6-10 Years	2	14	5	<b>21</b>
	11-15 Years	8	14	9	<b>31</b>
	Above 16 Years	2	7	5	<b>14</b>
Total		<b>12</b>	<b>35</b>	<b>21</b>	<b>68</b>

<b>Export Product Types * Business Sector Type Cross Tabulation</b>				
		Business Sector Type		Total
		Manufacturing	Agriculture	

Export Product Types	Coffee	0	10	<b>10</b>
	Pulses, Oilseeds & Spices Processors	0	16	<b>16</b>
	Vegetables and Fruit	0	9	<b>9</b>
	Tanners, Footwear & Leather	12	0	<b>12</b>
	Meat	0	13	<b>13</b>
	Textile & Garment	3	0	<b>3</b>
	Others	2	3	<b>5</b>
	<b>Total</b>	<b>17</b>	<b>51</b>	<b>68</b>

<b>Company Proprietor * Company Information cross tabulation</b>						
		Company Information				Total
		Pvt. Ltd. Co	Public	Share	Sole	
Proprietor	Native Owned	38	9	16	<b>2</b>	<b>65</b>
	Foreign Owned	0	0	3	<b>0</b>	<b>3</b>
<b>Total</b>		<b>38</b>	<b>9</b>	<b>19</b>	<b>2</b>	<b>68</b>

*Source: own computation from survey data (2022)*

From a total of 68 respondents, the majority (i.e., 47 (69 percent) of them are Male respondents and 21 (31 percent) are Female respondents, implying that male respondents outnumber female respondents. On the other hands, 54 (79 percent) are between the ages of 31 and 40, which is the largest age group. This implies that the export company has a young employee. The student researcher relied on key informants in the chosen companies, regardless of their position. As a result, the majority of respondents 44 (65 percent) were export and logistic managers, while the remainder were chief executive officers, marketing managers, and operations managers. All of the respondents were selected as they are directly related to the company's export activity.

In terms of educational background, 47 (69 percent) of respondents have a bachelor's degree .The remaining 31% of respondents hold a Diploma or a Master's degree. This could imply that the majority of respondents are qualified for company export sales and marketing positions.

Furthermore, it has been revealed that the majority of respondents are well educated and capable of comprehending the questions. Only two respondents have five or fewer years of work experience, while the remaining 66 have more than six years.

The main aim of this cross tabulation is to show that an adequate number of senior staffs are working in a new company and that new starters are also working in long-established companies. This implies that the company has a good track record of maintaining and improving long-term customer relationships in order to improve export performance.

The agriculture sector employs the vast majority of exporters. There are 51 (75 percent), with the majority of products exported being Pulses, Oilseeds, and Spices Processors, coffee, and meat. Furthermore, 17 (25 percent) of respondents work in manufacturing export activities, with Tanners, Footwear, and Leather exporting activities accounting for the majority of export products. Concerned with their proprietor, private limited company takes the lion's share (38%) (56 percent). The remaining 19, and 9 respondent companies are organized as joint stock companies and public companies, respectively.

Finally, indigenous firms account for 96 percent of all exporting firms, with the remainder being either foreign or both (foreign and Native owned companies). This means that the majority of Addis Ababa's export companies are owned by Ethiopians and are organized as joint stock companies and public companies.

### **4.3 Descriptive Analysis**

Respondents' perceptions of the impact of the strategic marketing mix on export performance. The mean and standard deviation were computed for each of them. The mean represents the average value, and the standard deviation indicates how far the values deviate from the mean. Respondents were asked to rate the effect of marketing mix strategy on export performance of both manufacturing and agriculture exporters on a five-point Likert scale type ranging from 1 to 5.(1=Strongly disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree), and the analysis of the mean score is based on the below researcher assumptions.

Table 4.2 Mean Score decision rule

Mean Score	Interpretation
1.00-1.80	Strongly Disagreed
1.81-2.60	Disagreed
2.61-3.20	Neutral (Neither agreed not disagreed)
3.21-4.20	Agreed
4.21-5.00	Strongly Agreed

Source: Lind DA, Marchal WG, Wathen SA (2003)

According to (Lind DA, Marchal WG, Wathen SA, 2003) assumptions, the mean 3.0 as it was tried to show on the above paragraph is to be seen as measuring neutrality on the variables those needed to be tasted. The standard deviation was used to indicate and show the variation from the mean. The lower the standard deviation the level of the employee made on agreement. The higher the standard deviation indicates the employee made a disagreement on the issue raised.

#### 4.3.1 Product Marketing Mix Strategies on Export Performance

Seven questions were asked in order to analyze product marketing strategies. And the result is shown in table 4.3 below.

Table 4.3: Product Marketing Mix Strategies on Export Performance

Variables	N	Mean	Std. Deviation
Product quality has a positive impact on export performance.	68	4.01	0.837
Our company's export high quality of products	68	4.09	0.663
The product's appearance, smell, and flavor have no bearing on its export size.	68	2.85	0.851
Our product/s are unique in the competition market,	68	2.91	0.859
Our company's product line is diverse.	68	2.93	0.869
Our company has machinery for sorting out the quality and size requirements of markets.	68	3.81	0.758
I believe our company products deliver value to end-users	68	4.06	0.667
<b>Average Mean</b>		<b>3.52</b>	<b>0.79</b>

Source: own computation from survey data (2022)

Table 4.3 depicts the various questions on one of the first marketing Mix strategies there are product and how it is effect on manufacturing and agriculture export performance exporters working in Addis Ababa: the researcher attempted to assess with the seven questions.

According to the above table, the scored mean value of the first dimension, i.e., Product quality positively affects export performance, was 4.01 and the standard deviation was 0.837, indicating that the majority of respondents were agreed.

On the same table, the majority of respondents agreed with mean values of 4.09,4.06, and 3.81, on questions about high-quality export products, the export companies' products deliver value to end-userse, and whether or not those export companies own machinery to sort out the quality and size required by markets. This implies that exporter firms are given paying attention to their product quality and other requirements for better expHort performance.

The student researcher, on the other hand, asked respondents whether the appearance, smell, and flavor of the product have no bearing on the export size, their products are unique in the foreign market, and the companies have a diverse product line or not, and the majority of the respondents were neither agreed nor disagreed, with mean values of 2.85, 2.91, and 2.93, respectively. This implies that some respondents have a unique product in the foreign market with a diverse product line and their export size beard the product appearance, smell, and flavor, while others may be the opposite. Whatever the feedback, in order to improve export performance, those companies should have a more diverse product line with higher quality.

The overall mean for the product marketing mix was discovered to be 3.52, indicating that the majority of respondents agreed on its influence on export performance. It implies that product mix strategy has a positive impact on export performance in both the manufacturing and agricultural sectors. And standard deviation which ranges from 0.663 to 0.869 which indicates it was small variation. As it shows there is no spread of ideas of the respondents, we can say that respondents were agreed in similar ideas or insignificant number of variations of that deviate from the mean value.

### 4.3.2 Price Marketing Mix Strategies on Export Performance

Six questions were asked in order to analyze price marketing strategies. And the result is shown in table 4.4 below.

Table 4.4: Price Marketing Mix Strategies on Export Performance

Variables	N	Mean	Std. Deviation
Our company has a well-defined pricing strategy that has resulted in improved export performance.	68	2.88	0.907
Our company used a value-based pricing strategy, which increased export performance and profitability.	68	4.06	0.689
In exporting, price is the foundation for competitive performance.	68	2.89	0.88
Our company offers a product at an affordable price.	68	3.78	0.77
Our export performance was hampered by price inconsistency.	68	4.03	0.69
The market determines export prices based on quality, and seasonality influences export performance.	68	4.10	0.694
<b>Average Mean</b>		<b>3.63</b>	<b>0.77</b>

*Source: own computation from survey data (2022)*

Table 4.4 illustrates the various questions on one of the second marketing Mix strategies there are price and how it is effect on manufacturing and agriculture export performance exporters working in Addis Ababa: the researcher attempted to assess with the six questions.

As shown in the table above, the scored mean value of the first dimension, i.e., defined pricing strategy, and it has improved export performance, was a mean value of 2.88, with a standard deviation of 0.907, indicating that respondents were neutral or neither agreed nor disagreed. This implies that the majority of export companies adhere to a minimum and maximum price plan established by MoT. That is, they provide export activities at a fixed price or that businesses cannot develop their own pricing strategy, but they can experiment with the minimum and maximum product price plane. This rigid pricing strategy may have discouraged those exporters and their overall performance. This result compelled the majority of respondents to give a neutral answer to the question of whether price is the foundation for competitive performance in

exporting with a mean value 2.89. The reality, however, is that this price is the foundation for competitive performance, particularly in exporting activities. On the other hand, the majority of respondents agreed that value-based pricing improves profitability for export performance (mean value 4.06), and that their company provides a product at a reasonable price (mean value 3.78), despite the fact that they do not have a defined pricing strategy. The student research also asked respondents how price inconsistency affected their export performance, and the majority agreed with a mean value of 4.03. Finally, when the researcher asked if export prices are determined by the market based on the quality and seasonality of export performance, the majority of respondents agreed with a mean value of 4.10. The overall mean for the price marketing mix was discovered to be 3.63, indicating that the majority of respondents agreed on its influence on export performance. It implies that price mix strategy has a positive impact on export performance in both the manufacturing and agricultural sectors. And standard deviation which ranges from 0.69 to 0.907 which indicates it was small variation. As it shows there is no spread of ideas of the respondents, we can say that respondents were agreed in similar ideas or insignificant number of variations of that deviate from the mean value.

### 4.3.3 Promotion Marketing Mix Strategies on Export Performance

Six questions were asked in order to analyze promotion marketing strategies. And the result is shown in table 4.5 below.

Table 4.5: Promotion Marketing Mix Strategies on Export Performance

Variables	N	Mean	Std. Deviation
To improve export performance, your company has implemented an effective promotion strategy.	68	2.94	0.879
Advertising is the widespread way	68	2.93	0.903
Our company give incentives to your overseas customers	68	3.75	0.817
Our company has enough product to export, but you did not promote it effectively for a variety of reasons.	68	3.76	0.775
Our company attended trade shows.	68	4.04	0.679
Our company has no experience with personal customer visits.	68	2.87	0.879
Average Mean		3.38	0.82

*Source: own computation from survey data (2022)*

Table 4.5 depicts the various questions on one of the third marketing Mix strategies there are promotion and how it is effect on manufacturing and agriculture export performance exporters working in Addis Ababa: the researcher attempted to assess with the six questions.

According to the above table, the scored mean value of the first dimension, i.e., promotion strategy defined, and it has improved export performance, was a mean value of 2.94, with a standard deviation of 0.879, indicating that respondents are neutral or neither agreed nor disagreed. This implies that the majority of export companies do not have a clearly defined promotional strategy. It is possible that companies can develop their own promotional strategy to aid in the improvement of export performance. This result pushed the majority of respondents to give a neutral answer to the question of whether advertising is the most widely used method or not, and whether the company conducts personal visits with their export stakeholders, with mean values of 2.93 and 2.87, respectively. Though, it visualizes how to perform your marketing strategy and communication, who to target as your audience, and where and when to execute the promotion plan.

On the other hand, the majority of respondents agreed on their company gives incentives to your overseas customers with a mean value of 3.75, this implies that those exporter companies execute the promotion plan in this way. On the other hands, and the majority of respondents agreed their companies have enough product for exporting but you didn't promote effectively.

Finally, when the researcher asked if the company attends trade shows, the majority of respondents agreed, with a mean value of 4.04. This implies that, despite the fact that those export companies lack a defined promotional strategy to improve their export performance, they are involved in a variety of trade affairs.

The overall mean for the promotion marketing mix was found to be 3.38, indicating that the majority of respondents were agreed, it implies that the promotion mix strategy have an impact on export performance in both the manufacturing and agricultural sectors. And standard deviation which ranges from 0.679 to 0.903 which indicates it was a big variation. As it shows there is spread of ideas of the respondents, we can say that respondents were not agreed in similar ideas or significant number of variations of that deviate from the mean value.

#### 4.3.4 Place Marketing Mix Strategies on Export Performance

Six questions were asked in order to analyze place/distribution marketing strategies. And the result is shown in table 4.6 below.

Table 4.6: Place Marketing Mix Strategies on Export Performance

Variables	N	Mean	Std. Deviation
Our company has a clearly defined placement strategy that allows us to access the entire export market.	68	2.93	0.919
Our company distributes products by attracting the best distributors in the export venture market.	68	4.09	0.663
Our product distribution has been influenced by our placement strategy.	68	2.96	0.921
The geographical location of a company has a significant impact on its profitability and other export performance.	68	3.79	0.744
Our company has a reliable mode of transportation for getting their product to market/exploration.	68	4.06	0.667
The lack of well-organized information and technology is the main challenge in the distribution process.	68	4.06	0.71
Average Mean		3.65	0.77

*Source: own computation from survey data (2022)*

Table 4.6 depicts the various questions on one of the fourth marketing Mix strategies there are place and how it is effect on manufacturing and agriculture export performance exporters working in Addis Ababa: the researcher attempted to assess with the six questions

As shown in the table above, the scored mean value of the first dimension, i.e., placement strategy defined, and it has improved export performance, was a mean value of 2.93, with a standard deviation of 0.919, indicating that respondents were neutral or neither agreed nor disagreed. This implies that the majority of export companies do not have a defined placement strategy. But some companies have a good placement strategy, which helps to improve export performance., this result also pushed the majority of respondents to respond to the question that place strategy has influenced the quick distribution of our products with a neutral response with a

mean value of 2.96. This implies that the availability of distributors, the use of sales representatives, the use of merchants as suppliers, the frequency of using direct buying through agents, dealer support, delivery time, and other distribution adaptation strategies have or have not effect on export performance.

On the other hand, the majority of respondents agreed on the remaining place marketing mix-related question. The student research asked whether the company distributed the product by attracting and retaining the best distributors in the export venture market, whether geographical location has a significant influence on profitability or export performance, whether the company has a good mode of transportation to get their product to market/to explore, and whether the main challenge in the distribution process is the lack of well-organized information and technology or not, and the majority of respondents agreed with a mean value of 4.09, 3.79, 4.06 and 4.06 respectively. This implies that even those companies are present in Addis Ababa, and they can easily access and obtain alternative transportation, despite the fact that it is still agreed that geographic location has a significant influence on profitability.

The overall mean for the placement marketing mix was discovered to be 3.65, indicating that the majority of respondents agreed on its influence on export performance. It implies that placement mix strategy has a positive impact on export performance in both the manufacturing and agricultural sectors. And standard deviation which ranges from 0.663 to 0.921 which indicates it was a small variation. As it shows there is no spread of ideas of the respondents, we can say that respondents were agreed in similar ideas or insignificant number of variations of that deviate from the mean value.

#### **4.3.5 Export Performance**

Export performance, export sales growth, market share in foreign markets, export profitability, meeting export targets, and overall export performance were used to assess export performance. In addition, eight questions were posed. and the result is shown in table 4.7 below.

Table 4.7: Export Performance

Variables	N	Mean	Std. Deviation
The core strategy for improving export performance is a marketing mix strategy.	68	3.99	0.837
Export sales at our company have increased for the last four years in a row.	68	2.87	0.879
Over the last four years, our company's export profitability has increased.	68	2.93	0.935
Product adaptation is the most important factor for the improvement of export performance.	68	3.81	0.758
Product adaptation is the most important factor for the improvement of export performance.	68	3.79	0.764
Promotion adaptation is the most important factor for the improvement of export performance.	68	2.96	0.905
Placement adaptation is the most important factor for the improvement of export performance.	68	4.04	0.679
Over the last four years, our company's overall export performance has met the company's target performance.	68	2.94	0.879
Average Mean		3.42	0.83

*Source: own computation from survey data (2022)*

Table 4.7 depicts the various questions on manufacturing and agricultural export performance for exporters working in Addis Ababa: the researcher attempted to assess with the eight questions. To assess their export performance in comparison to others, they examined export marketing mix strategy, export sales growth, export market share, export profitability, meeting export targets, and overall export performance over the previous four years. Accordingly, the majority of the respondents were agreed on the effect of marketing mix strategy such as product marketing mix effect (mean 3.81), price marketing mix effect (mean 3.79), place marketing mix effect (mean 4.04) and neutral response on promotion marketing mix effect (mean 2.96), while the overall marketing mix effect (mean 3.99) it shows the majority of respondents were agreed.

On the other hand, when asked about the overall export performance of the exporter, the majority of respondents were neither agreed nor disagreed with a mean value of 2.94, and the majority of respondents were also neutral on sales and profitable effect with a mean value of 2.87 and 2.93, respectively. This implies that the marketing mix strategy is the core strategy for improving export performance, despite the fact that the sales and profit trends of those export companies have been unfavorable for the last four years. And the majority of respondents agreed that product, price, and place marketing mix adaptations are the most important factor influencing export performance, while the majority of respondents were neutral on promotion strategy.

Generally, regarding overall export performance using the four-marketing mix strategy: The average mean number of value respondents is 3.42. It implies that the vast majority of respondents were agreed. It implies that marketing mix strategy has a significant impact on export performance, While the performance still needs to be improved. And standard deviation which ranges from 0.679 to 0.935 which indicates it was big variation. As it shows there is spread of ideas of the respondents, we can say that respondents were disagreed in similar ideas or significant number of variations of that deviate from the mean value.

Table 4.8: The average mean and standard deviation of all variables

Variables	N	Mean
Product marketing Mix strategy	68	3.52
Price marketing Mix strategy	68	3.63
Promotion marketing Mix strategy	68	3.38
Place marketing Mix strategy	68	3.65
Export Performance	68	3.42

*Source: own computation from survey data (2022)*

As shown in Table 4.8, the majority of respondents agreed that all listed marketing mix elements (i.e., product, price, promotion, and place) that effect on export marketing and it shows the variables were being positively implemented and increasing export performance in the manufacturing and agriculture sectors. As stated in the literature review section, using, and

implementing export marketing mix strategies for export markets enable export companies to improve their export performance and are critical to their success.

## 4.4 Inferential Statistics

### 4.4.1 Normal Distribution

Skewness and kurtosis are used for regular delivery tests. Skewness measures the distribution tilt that can either tilt to the right or to the left. Within +2 and -2 the normal range is. On the other hand, kurtosis measures the Preakness or flatness, and it can be considered normal when it is between +3 and -3 (Garosn, D.G., 2012) Considering the normal distribution, the figures show that both Skewness and kurtosis are not a concern in this analysis, as they are both within the given range.

Table 4.9: Normal Distribution

	N	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
Product	68	0.68464	-0.201	0.291	0.532
Price	68	0.58111	0.512	0.291	0.721
Promotion	68	0.84507	0.408	0.291	-0.596
Place	68	0.54823	-0.12	0.291	1.671
Export performance	68	0.45845	0.783	0.291	1.238
Valid N (list wise)	68				

*Source: own computation from survey data (2022)*

### 4.4.2 Correlation Analysis

The correlation test determines the strength of the relationship or association between the variables under consideration. Pearson's correlation was used to investigate the interrelationships between variables, and the coefficients of interrelationships (r) were calculated using the moment of Pearson's product. The dependent variable (export performance) and the independent variables were correlated (product, price, promotion, and location).

The correlation's significance level was measured at 5% and 1%, and the correlation result was interpreted using (Somekh, B., & Lewin, C. (Eds.), 2011) criterion for evaluating the magnitude of a correlation, as shown in table 4.10 below. As shown in the table below, the correlation coefficient (r) value is used as a cutoff point to classify correlation strength as weak, moderate, or strong.

As shown in the table below, the correlation coefficient (r) value is used as a cutoff point to classify correlation strength as weak, moderate, or strong. As a result, if the value of "r" is less than or equal to 0.33, the relationship is weak; if it is between 0.34 and 0.66, the relationship is moderate; and if it is between 0.67 and 0.99, the relationship is strong. (Somekh, B., & Lewin, C. (Eds.), 2011) The table below shows the correlation coefficient for each variable.

Table 4.10: Correlation Test

<b>Correlations</b>						
		Product	Price	Promotion	Place	Export Performance
Product	Pearson Correlation	1				
	Sig. (2-tailed)					
Price	Pearson Correlation	.345**	1			
	Sig. (2-tailed)	.004				
Promotion	Pearson Correlation	.398**	.603**	1		
	Sig. (2-tailed)	.001	.000			
Place	Pearson Correlation	.393**	.233	.242*	1	
	Sig. (2-tailed)	.001	.056	.046		
Export Performance	Pearson Correlation	.569**	.583**	.589**	.396**	1
	Sig. (2-tailed)	.000	.000	.000	.001	
**. Correlation is significant at the 0.01 level (2-tailed).						
*. Correlation is significant at the 0.05 level (2-tailed).						

*Source: own computation from survey data (2022)*

Pearson correlation is used to assess the relationship or degree of association between marketing mix strategy and export performance, as shown in Table 4.10 above (2-tailed).

All independent variables are positively and perfectly correlated at the 5% level of P value (i.e., 0.000). The Pearson Correlation shows that the coefficient of correlation (r) between product, price, promotion, and place has a strong relationship with export performance, with values of 0.569, 0.583, 0.589, and 0.396, respectively, which are higher than the cutoff point of 0.33 and lower than 0.66. According to the student researcher, all marketing mix strategies have a moderate relationship with export performance.

### **4.4.3 Regression Analysis**

Linear regression was used to determine the relationship between independent and dependent variables. The effect of the independent variable on the dependent variable was also estimated or forecasted using regression analysis. With a 95 percent confidence interval, the significance level was set at 0.05. Export Performance was the dependent variable, and the independent variables were Product Marketing Strategy, Price Marketing Strategy, Promotion Marketing Strategy, and Place/Distribution Marketing Strategy. The purpose of using regression analysis was to determine the direct impact of marketing mix strategy efficiency on manufacturing and agricultural export performance.

### **4.4.4 Common Assumption Test**

The following are common learner regression assumption tests performed on this study.

#### **4.4.4.1 Multi Collinearity Assumption Test**

When the independent variables are highly interrelated, multi-collinearity occurs. As a result, regression analysis would be difficult because isolating the individual impact of the independent variables on the dependent variable would be difficult. Because further correlation analysis and multiple regressions between dependent and independent variables would be difficult if correlations between independent variables exist, analyzing multi-linearity in SPSS can help determine whether or not correlations exist. (James, G., Witten, D., Hastie, T., & Tibshirani, R., 2013)

According to Cochran, the presence of multi-collinearity can be detected by examining only the variance inflation factor (VIF) of each explanatory variable (1977). To put it another way, if VIF

is greater than 10, the independent variable is interdependent, whereas all variables less than 10 are not.

In other words, multicollinearity occurs when the dependent variable is more highly correlated than the independent variables in a regression model. Multicollinearity is determined by the tolerance value and variation inflation factor [VIF] for each dependent variable.

When the tolerance is less than 0.10 and the average VIF is greater than 10, multicollinearity occurs. The multi collinearity test revealed that there was no problem with multi collinearity because the tolerance value for each independent variable was greater than 0.10 and the variation inflation factor was greater than 10. As a result, the model was examined to determine whether it was free of this flaw.

Table 4.11: Multi Collinearity Test

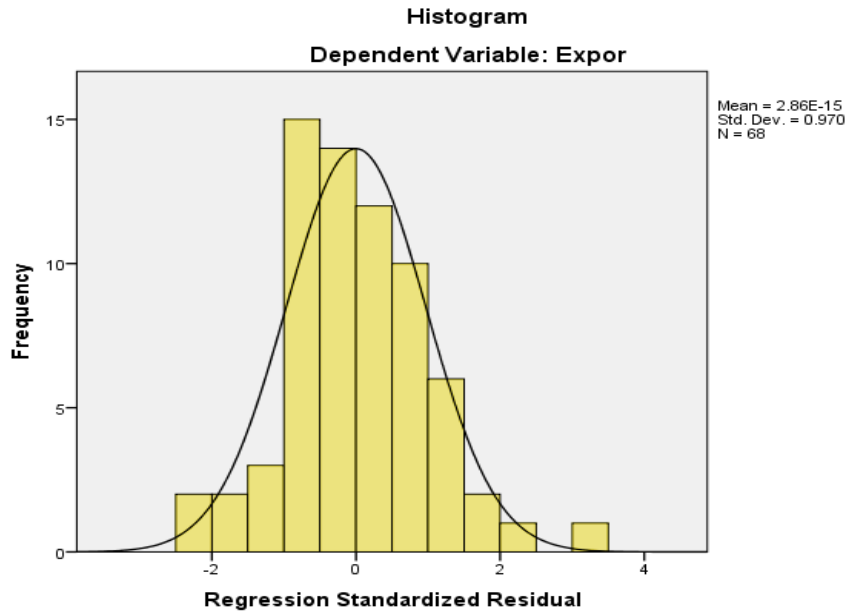
Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
<b>Product</b>	0.739	1.354
<b>Price</b>	0.621	1.611
<b>Promotion</b>	0.594	1.683
<b>Place</b>	0.832	1.201

*Source: own computation from survey data (2022)*

The VIF values for Product Marketing Strategy, Price Marketing Strategy, Distribution Marketing Strategy, and Promotion Marketing Strategy are all less than 10, indicating that there is no interdependence among independent variables. As a result, the investigation meets the Multi collinearly assumption.

#### 4.4.4.2 Normality Test for Residuals

This study is a test for normality assumption and is offered graphically as follows



*Source: own computation from survey data (2022)*

Figure 4.1: Normality Test for Residual

If the residuals are normally distributed, the histogram should be bell-shaped (Bryman, A, 2017) As a result of the above figure, the histogram is bell-shaped, implying that the residuals are normally distributed.

#### 4.4.4.3 Autocorrelation Assumption Test

The Durbin – Watson test was used to determine the autocorrelation between observations.

The Durbin – Watson statistic has a value ranging from 0 to 4. A value near 2 indicates that there is no autocorrelation; a value near 0 indicates that there is positive autocorrelation; and a value near 4 indicates that there is negative autocorrelation (Field A. , 2005)

With a Durbin Watson value of 2.097, which is very close to 2, the assumption of independent error is almost certainly met.

Table 4.12: Autocorrelation Test

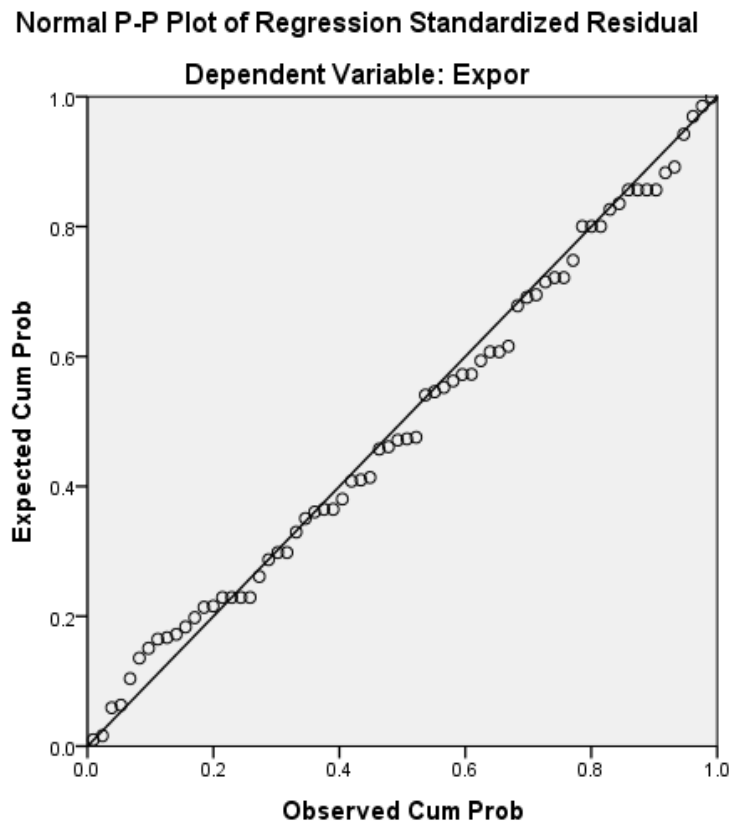
Model	Durbin-Watson
1	2.097
a Predictors: (Constant), Product, Price, Promotion, Place	
b Dependent Variable: Export Performance	

*Source: own computation from survey data (2022)*

In this case, the value of 2.097 confirms that there is no autocorrelation, allowing us to conclude that this analysis is correct.

#### 4.4.4.4 Linearity Test

The degree to which a change in the dependent variables is associated with a change in the independent variables is referred to as linearity. The best test for normally distributed error is a normal probability plot of the residuals. The points on such a plot should be close to the diagonal reference line in the case of a normal distribution. As a result, the p-p plot shown in the figure below fails near the diagonal reference line. It also meets the linearity requirements of linear regression.



*Source: own computation from survey data (2022)*

Figure 4.2: Normal p-p plot of regression

#### 4.4.4.5 ANOVA Model fit

Table 4.13: Model fit [ANOVAa ]

ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	7.784	4	1.946	19.469	.000 <sup>b</sup>
	Residual	6.297	63	.100		
	Total	14.082	67			
a. Dependent Variable: Export Performance						
b. Predictors: (Constant), Product, Price, Promotion, Place						

*Source: own computation from survey data (2022)*

ANOVA (Analysis of Variance) is a method for determining whether or not there is a statistically significant difference between the means of the factors in a study (Kothari C.R., 2004). It is a method for determining the significance of experimental results. In the preceding table, the sig, which indicates whether or not the means of the variables differ significantly, is an important value to consider (table 4. 13). The significance level in the ANOVA analysis is 0.000, indicating that the results are significant.

#### 4.4.5 Regression Result and Discussion

Regression analysis was used in the export marketing mix to examine and investigate strategic factors affecting export performance. R<sup>2</sup> is a measure of the proportion of dependent variable variance explained by independent or predictor variables (Saccani, N., Johansson, P., & Perona, M. , 2007)

Table 4.14: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.744 <sup>a</sup>	.553	.524	.31616
a. Predictors: (Constant), Product, Price, Promotion, Place				
b. Dependent Variable: Export Performance				

*Source: own computation from survey data (2022)*

The model summary is shown in Table 4.14, and it states that Export Performance is a function of Product Marketing Strategy, Price Marketing Strategy, Promotion Marketing Strategy, and Place Marketing Strategy. According to the above model summary, the independent variables explained 55.3 percent of the dependent variable.

According to this finding, marketing mix factors accounted for 55.3 percent of the variance in export performance. Other factors such as segmentation value, targeting, processes, and others may explain the remaining 45.7 percent of variance in export performance.

Table 4.15: Coefficients

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.017	.313		3.247	.002
	Product	.208	.066	.310	3.167	.002
	Price	.227	.084	.287	2.686	.009
	Promotion	.139	.059	.257	2.350	.022
	Place	.121	.077	.145	1.572	.121

a. Dependent Variable: Export Performance

*Source: own computation from survey data (2022)*

The Effect of Product Marketing Strategy, Price Marketing Strategy, Promotion Marketing Strategy, and Place Marketing Strategy on Export Performance of Manufacturing and Agriculture Export Companies in Addis Ababa, Ethiopia is 0.208, 0.227, 0.139, and 0.121, respectively, based on linear regression analysis, as shown in the table above. When the weight of the data analysis result and the level of significance are considered, the findings show that Product Marketing Strategy, Price Marketing Strategy, and Promotion Marketing Strategy have a greater impact on the export performance of manufacturing and agricultural export companies.

Place marketing strategy, on the other hand, has had little impact on manufacturing and agricultural export performance. As a result, with each unit increase in that predictor, the predicted change in the dependent variable increases.

Assuming all other variables remain constant, this represents a 1% increase in the value of Product Marketing Strategy and a 0.208 percent improvement in the export performance of manufacturing and agricultural export companies. The same can be said about other price and promotion marketing strategy variables.

As a result, we can conclude that Product Marketing Strategy, Price Marketing Strategy, and Promotion Marketing Strategy all have statistically significant effects on the export performance of manufacturing and agricultural export firms. With a p-value less than 0.05, the value of place marketing strategy variables has no significant effect on the export performance of manufacturing and agriculture export companies in Addis Ababa, Ethiopia. Because, as shown in the preceding table, location marketing has no discernible impact on export performance (p-value greater than 0.05). (That is, 1.21). The remaining variables, on the other hand, had a significant effect on export performance because their p-value was less than 0.05.

The primary objective of this research is to investigate the impact of export marketing mix strategy on the export performance of manufacturing and agricultural export firms in Addis Ababa, Ethiopia. There are elements of marketing strategy.

According to data analysis, product marketing strategy, pricing strategy, and promotion marketing strategy all have a significant impact on manufacturing and agricultural export companies' export performance.

#### **4.4.6 Hypothesis Testing**

For Hypothesis tests (alternative), the probability value [p-value] for the given test can be used to make a decision, which is as follows: The null hypothesis is rejected if the p-value is less than or equal to a predetermined 0.05 level of significance, and support for the alternative hypothesis is claimed. We cannot reject the null hypothesis and claim support for the alternative hypothesis if the P-value is greater than 0.05.

The researcher then developed four hypotheses to investigate the marketing mix strategy factor influencing the export performance of Addis Ababa, Ethiopia's manufacturing, and agricultural exporters. Determine whether the model is useful for predicting the response based on the Hypothesis analysis at the 5% significance level: This result, and the table below, show a summary of hypotheses findings/results.

Table 4.16: Summary of Hypotheses Testing

Type	Hypothesis	Results	Reasons
<b>Ho 1</b>	Product marketing mix adoption have significant effect on Export performance	Supported	B=0.208, P <0.05, P-value =0.02
<b>Ho 2</b>	Price marketing mix adoption have significant effect on Export Performance	Supported	B=0.227, P <0.05, P-value =0.09
<b>Ho 3</b>	Promotion marketing mix adoption have significant effect on Export performance	Supported	B=0.139, P <0.05, P-value =0.02
<b>Ho 4</b>	Place marketing mix adoption have significant effect on Export Performance	Not Supported	B=0.121, P <0.05, P-value =1.21 (P vale is >0.05)

*Source: own computation from survey data (2022)*

According to previous research and literature, the export marketing mix strategies versus export performance framework developed in this study suggests that marketing mix strategies have a direct impact on Ethiopian manufacturing and agriculture exports' overall export performance. Previous research on the relationship between the marketing mix approach (4Ps) and export success produced a wide range of results, including additional work (Leonidou et al., 2002). Although some studies show that marketing mix strategy has a positive impact on overall export results, others have discovered that the correlation is not always positive or significant (Leonidou, Katsikeas, and Samiee, 2002).

According to previous research, product dimensions are an important component of a marketing mix that influences export success ( (Mavrogiannis, M., Bourlakis, M. A., Dawson, P. J., & Ness, M. R.); Leonidou, et al . , 2002; Cavusgil, Zou, 1994; Thirkell, Dau, 1998). Product design, brand mix (name, sign, symbol, design), warranty, customer service as a pre- and after-sales service, and product benefits (such as luxury, prestige, and quality), according to Leonidou et al. (2002), all have a positive relationship with export performance.

They observed that tailoring the product to meet the needs of export customers could aid in improving export performance. Product adaptation has a positive impact on export output as a result. Product quality, according to Langes et al. (2008), has no bearing on export performance.

In their analysis of the marketing strategy-performance relationship in Korea, Lee and Griffith (2004) concluded that product adaptation by Korean exporters would positively influence export efficiency. Promotional attributes, according to Leonidou et al. (2002), have a significant impact on export performance. Eusebio et al. (2007), on the other hand, concluded that promotion had no effect on export performance. According to Lages et al. (2004), there is a strong link between distribution and export performance. In contrast, Leonidou et al. (2002) discovered a weakly relationship between distribution strategy and export performance. The preceding arguments support Hypotheses 1, 2, and 3, and export firms that employ a high level of marketing mix strategy outperform their competitors in terms of export. With the exception of place strategy, the findings of this study supported all independent variable hypotheses.

Because the results of all independent variables are less than 0.05, but the Coefficient value of the placement marketing strategy is greater than 0.05, the hypothesis was not supported. This corresponded to previous research findings, particularly those of single-product researchers such as Esubalew Yasin, 2020.

#### **4.5 Interview Discussion**

As the face-to-face contact between researcher and respondent is not equal in terms of the potential quality of data that can be obtained. In the face-to-face interview it is possible to record more than the verbal responses of the interviewee, which are often superficial. When human beings communicate directly with each other much more information is communicated between them.

As a result, an in-depth interview was conducted with five export managers to offers multiple sources of evidence (triangulation), the trustworthy, credible, coherent data, attends to accurate description of process via words and observations and generates a report of findings that includes expressive language and a personal voice.

By considering , the majority of interview questions are presented and analyzed as supportive responses in the questionnaire analysis section, the researcher prioritized the following questions and conducted interviews for five export managers (three from agriculture i.e., meat, leather, and textile) and two from agriculture product type i.e., coffee and pulses, oilseeds, and spices processors).

*Regarding their export market target customers and competitors' plans:*-The exporter managers reflects their responses regarding the target customer, those manufacturing and agricultural product types are mostly exported to the United States, Somalia, Hong Kong, United Arab Emirates, Germany, Belgium, Djibouti, Sudan, and others. And against their competitors they are responded that the firm's export sales performance was different from company to company and there were its own goals depending on their characteristics. But all the companies were engaged in export business, they are expecting to all sales in the company were generated from export sales. However, we are run our business according to the competitors activities specially on pricing information and implementation plan.

*Concerning the current export performance challenges and improvement plan:*-the interviewees were responded, among the most frequently reported barriers to doing business in Ethiopia are a lack of transparency in the government procurement system, including canceled tenders, as well as poor infrastructure, bureaucratic procedures, a lack of coordination, inefficiency in government agencies and systems, and a foreign exchange shortage. The exporter manager said that we are implementing various strategies to improve our current export performance. Among those plans are to promote our export products, to do other export products, and to strengthen customer service facilitation. On the other hand, the government must support us financially, by creating opportunities for high-level investment, adequate marketing infrastructure, and raw material imports, regulations, and logistical support.

*Overall assessment and advice on export performance:* the interviewees were responded, Year after year, the performance continues to deteriorate, and the firm's perception of its own performance is extremely negative. The main reasons are a lack of experience on the part of the exporter, strategy issues, and a lack of full government support. Even though there is also room to improve our country's manufacturing and agricultural export performance. Finally, based on the study's findings, results, and analysis, recommendations for general and policy implications are made. In general, the company's top management should work to improve the quality and uniqueness of their products, the company should be cost sensitive for their products by minimizing costs, and the company should increase their competitive advantages in the global market.

So that the required triangulation report through Questionnaires and interviews was applied as they are often used together in mixed method studies investigating educational assessment (e.g., (Brookhart, S. M., & Durkin, D. T., 2003); (Lai, E. R., & Waltman, K. , 2008)). While questionnaires can provide evidence of patterns amongst large populations, qualitative interview data often gather more in-depth insights on participant attitudes, thoughts, and actions (Kendall, L. , 2008)

Besides, to compensate for the weaknesses of the questionnaire and the researcher used interview, attends to accurate process description via words, texts, and observations, generates a report of findings that includes expressive language and a personal voice, and provides multiple sources of evidence (triangulation) These interviews are completely informal and are not governed by a set of detailed questions.

## CHAPTER FIVE

### Summary, Conclusion and Recommendation

This chapter discusses the study's findings, conclusions, and recommendations, as well as existing literature. The study's overall goal was to evaluate the impact of marketing mix strategy or variables on the export performance of selected manufacturing and agriculture exporters in Addis Ababa, Ethiopia. The chapter discusses the study's findings, key conclusions, and recommendations. It concludes by presenting areas for further research.

#### 5.1 Summary of Findings

The purpose of this study was to determine the impact of marketing mix strategy or variables on the export performance of selected manufacturing and agriculture exporters in Addis Ababa, Ethiopia. The majority (i.e., 47 (69 percent) of the 68 respondents are Male respondents, while 21 (31 percent) are Female respondents. The vast majority of exporters work in agriculture. There are 51 (75 percent), with the majority of products exported being processed pulses, oilseeds, and spices, coffee, and meat. Furthermore, 17 (25 percent) of respondents work in manufacturing export activities, with Tanners, Footwear, and Leather accounting for the majority of export products.

Concerned with their owner, private limited companies account for the lion's share (38 percent) (56 percent). The remaining 19, and 9 respondent companies, respectively, are organized as joint stock companies and public companies. Furthermore, indigenous firms account for 96% of all exporting firms, with the remainder being either foreign or both (foreign and Native owned companies). This means that Ethiopians own the majority of Addis Ababa's export companies, which are organized as joint stock companies and public companies.

This researcher raised four major marketing mix variables (product, price, promotion, and place), and descriptive and inferential statistics revealed the following key findings.

- ✚ **Product Marketing Mix Strategy on export performance:**- regarding with the overall descriptive result: the majority of respondents were agreed with a mean value of (M=3.52, SD=0.79). It implies that product mix strategy has a positive impact on export performance in both the manufacturing and agricultural sectors.

And standard deviation shows there is not that much a spread of ideas of the respondents, we can say that respondents were agreed in similar ideas or insignificant number of variations of that deviate from the mean value.

On the other hands, the product's appearance, product uniqueness and diversification in the competition market and its effect on export performance: the majority of respondents were neutral. It implies that those areas required improvements.

✚ **Price Marketing Mix Strategy on export performance:-** regarding with the overall descriptive result: the majority of respondents were agreed with a mean value of (M=3.63, SD=0.77). It implies that price mix strategy has a positive impact on export performance in both the manufacturing and agricultural sectors. And standard deviation shows there is not that much a spread of ideas of the respondents, we can say that respondents were agreed in similar ideas or insignificant number of variations of that deviate from the mean value.

On the other hands, a well-defined pricing strategy of those exporter companies, in exporting, price is the foundation for competitive performance. And its effect on export performance: the majority of respondents were neutral. It implies that those areas required improvements.

✚ **Promotion Marketing Mix Strategy on export performance:-** regarding with the overall descriptive result: the majority of respondents were agreed with a mean value of (M=3.38, SD=0.82). It implies that promotion mix strategy has a positive impact on export performance in both the manufacturing and agricultural sectors. And standard deviation shows there is a spread of ideas of the respondents, we can say that respondents were not agreed in similar ideas or significant number of variations of that deviate from the mean value.

On the other hands, a well-defined promotion strategy of those exporter companies required improvements as those export companies has enough product to export, but you did not promote it effectively for a variety of reasons.

✚ **Place Marketing Mix Strategy on export performance:-** regarding with the overall descriptive result: the majority of respondents were agreed with a mean value of (M=3.65, SD=0.77). It implies that place mix strategy has a positive impact on export performance in both the manufacturing and agricultural sectors. And standard deviation

shows there is not that much a spread of ideas of the respondents, we can say that respondents were agreed in similar ideas or insignificant number of variations of that deviate from the mean value.

On the other hands, a well-defined placement strategy and its effect on export performance of those exporter companies required improvements

✚ **Export performance:-** regarding with the overall descriptive result: the majority of respondents were agreed with a mean value of ( $M=3.42$ ,  $SD=0.83$ ).It implies that the vast majority of respondents were agreed. It implies that marketing mix strategy has a significant impact on export performance, While the performance still needs to be improved as those export companies sales, profitability and overall export performance has not satisfactory. And standard deviation indicates it was big variation. As it shows there is spread of ideas of the respondents, we can say that respondents were disagreed in similar ideas or significant number of variations of that deviate from the mean value.

On the other hands, the researcher found that Product adaptation is the most important factor for the improvement of export performance.

✚ Correlation results of the four independent variables with the dependent variable (export performance) results a positive Pearson correlation  $p>.05$  while the magnitude of relational strength is moderate.

✚ The significance in the ANOVA analysis is 0.000, indicating that the results are significant.

✚ Overall, the multiple regression made for the four independent variables (predictors) explained the dependent variable (export performance) by 55.3 percent.

✚ The coefficients of standardized estimation result indicate that, out of the three independent variables considered in the model, price marketing mix strategy related factors has the highest beta coefficient, which is ( $\beta=.227$ ), this confirms that it has higher level of sensitivity to the subject firms' Export market performance.

✚ Hypothesis test result: Since the concern of this study is on testing the multiple effects of marketing mix strategy on the dependent variable (export performance), all marketing mix variables were supported.

- ✚ The Cronbach alpha for all five variables exceeded 0.7, as shown in the table above. According to the literature, this confirmed the research instrument's internal consistency. As a result, no items were found to be redundant

## 5.2 Conclusion

Ethiopian exporters generate more than 14.8 billion Birr in all sectors (service, manufacturing, and agriculture), according to the MoT 2020-2021. As a result, Addis Ababa-based exporters account for the vast majority (i.e., 96 percent ). A country's export competitiveness is determined by a variety of factors, with export marketing mix strategies being one of the internal elements that can influence export performance.

As the main model, multiple regression results show that all marketing mix strategies had a significant effect on export marketing performance. According to the empirical results obtained through questionnaires and policy documents, the four-export marketing mix strategy discussed in most empirical studies (literature) appeared to be very contextual when considered in the context of Ethiopian export performance. Almost all variables have a positive effect on export performance, as evidenced by descriptive statistics.

The study's goal is to see if those four variables have a positive and significant effect on export market performance; after analysis, all of the variables have a positive effect on the dependent variable. As a result, a more positive adjustment to these variables will boost export performance.

According to the empirical results obtained from questionnaires and policy documents, all exporters are involved in import and other business areas. This demonstrates that the majority of exporters use the export sector to gain hard currency for their other businesses; this makes them a price taker in the market even if they realize a loss anticipating a profit by importing high-demand products to the local market.

According to Table 4.8, the majority of respondents agreed that the product, price, and place elements of the export marketing mix were being positively implemented and increasing export performance in the manufacturing and agriculture sectors.

Using and implementing export marketing mix strategies for export markets, as stated in the literature review section, enables export companies to improve their export performance and is critical to their success. The most important factor in improving export performance is product adaptation.

In general, this study found and concluded that marketing mix strategies have a positive effect on export performance, implying that more work on independent variables will help Ethiopian manufacturing and agriculture exports gain a competitive advantage on the international market.

### **5.3 Recommendation**

The following recommendations are made based on the study's major findings.

- ✓ Ethiopian manufacturers and agricultural exporters must embrace and invest in market-driven strategies to gain a competitive advantage and improve export performance. Marketing strategies lead to the acquisition of market knowledge, such as better product attributes that are desired.
- ✓ Ethiopian manufacturing and agriculture exporters must pay attention to export marketing mix strategy elements and invest in them because they are critical to export performance success.
- ✓ Ethiopian manufacturers and agricultural exporters should place a premium on product, price, and promotion strategy attributes.
- ✓ Ethiopian manufacturers and agricultural exporters should continue to consider location marketing strategies. Despite the fact that a significant relationship is not demonstrated.
- ✓ The government (NBE and MoT) will assist exporters in achieving product diversification, quality, and uniqueness in a competitive market.
- ✓ The government (NBE and MoT) will assist exporters in developing a well-defined pricing and promotional strategy.
- ✓ Pricing should be flexible enough to contribute to a low-cost advantage, which would directly lead to increased market share in the future.

**Direction for future research:-**

This study collected data on the effect of marketing mix strategies on the export performance of Ethiopian manufacturing and agriculture exporters using a structured questionnaire and some interviews. Future research can focus on the same goal from the perspective of importers.

Only marketing mix strategies were used to analyze the effect of the independent variable on export performance. Further research could look into the impact of other non-traditional types of marketing capabilities on export performance, as well as the moderating effect of business environmental challenges.

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## Appendix



### ADDIS ABABA UNIVERSITY DEPARTMENT OF MARKETING MANAGEMENT

#### Questionnaire

#### Dear Respondent:

The purpose of this study is to evaluate the impact of export marketing mix strategy (product, promotion, price, and location) on the export performance of Addis Ababa-based exporter companies.

I kindly ask that you take the time to complete the questionnaire. The goal of this research is to identify and inform manufacturing and agricultural exporters about the marketing mix that contributes to increased annual performance exported from Ethiopia.

As a result, you and others have been chosen to participate in this research. Please be assured that any information gathered through this questionnaire will be kept strictly confidential and used for research purposes only. Please refrain from writing your name anywhere on the questionnaire.

Yours sincerely,

Eyerusalem Tesfamichael

#### The Questionnaire has Three sections.

**Section One:** Demographic Profile of Respondents:

**Section Two:** Export marketing mix strategy on export performance  
(Product, Price, Promotion, and Placement)

**Section Three:** Export Performance:

Thanking you in advance.

Part One: Demographic and Socio-Economic Related Questions:

No	Questions	Response
1	Sex	<ol style="list-style-type: none"> <li>1. Male</li> <li>2. Female</li> </ol>
2	Age	<ol style="list-style-type: none"> <li>1. Less than 30</li> <li>2. 31-40</li> <li>3. 41-50</li> <li>4. &gt;50</li> </ol>
3	Level of education	<ol style="list-style-type: none"> <li>1. Certificate</li> <li>2. Diploma</li> <li>3. Degree</li> <li>4. Master/PhD</li> </ol>
4	Work experience in the organization	<ol style="list-style-type: none"> <li>1. 1-5 years</li> <li>2. 6-10 years</li> <li>3. 11-15 years</li> <li>4. Above 16 years</li> </ol>
5	Type of Sector	<ol style="list-style-type: none"> <li>1 Manufacturing</li> <li>2 Agriculture</li> </ol>
6	Please indicate your export product type	<ol style="list-style-type: none"> <li>1. Coffee Exporters</li> <li>2. Pulses, Oilseeds &amp; Spices Processors Exporters</li> <li>3. Vegetables and Fruit Exporters</li> <li>4. Flower Exporters</li> <li>5. Tanners, Footwear &amp; Leather Products Manufacturers</li> <li>6. Natural Forest and Forest Products Exporters</li> <li>7. Exporters of Meat</li> <li>8. Live Animal Exporters</li> <li>9. Textile &amp; Garment Manufacturers</li> <li>10. Other Agricultural Related</li> <li>11. Tea Exporters</li> </ol>

		12. Other_____
7	Position	1. Chief Executive Officer 2. Export and Logistic Manager 3. Farm Manager 4. Other_____
8	Indicate the period your business has been in operation	1 1-2 Years 2 2-5 years 3 5-10 years 4 Above 10 years
9	Indicate your company information	1 Pvt. Ltd. Co 2 Public Company 3 Share Company 4 Sole proprietorship 5 Partnership
10	Indicate your Company proprietor	1 Native-owned 2 Foreign owned 3 Both

## Part Two: Export marketing Mix Strategy:

**Direction:** Please indicate your opinion as per the level of disagreement or agreement with the underlined statements related to export marketing mix strategy by encircling the appropriate number on a five-point Likert scale. Where, 1= Strongly Disagree (SDA); 2=Disagree (D), 3= Neutral (N); 4=Disagree (D), 5= Strongly Disagree (SDA)

S.No.	Items	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		1	2	3	4	5
1	Product export marketing mix strategy:					
1.1	Product quality affects export performance positively.	1	2	3	4	5

1.2	Your company's export product is of high quality.	1	2	3	4	5
1.3	The appearance, smell, and flavor of the product have no bearing on the export size.	1	2	3	4	5
1.4	Our product/s, are unique in the foreign market.	1	2	3	4	5
1.5	Your company has a diverse product line.	1	2	3	4	5
1.6	your company owns machinery to sort out the quality and size required by markets	1	2	3	4	5
1.7	I believe that our company's product has deliver value to end-users.	1	2	3	4	5
2.	Price on Export Performance					
2.1	Our company has a pricing strategy, and it has improved export performance.	1	2	3	4	5
2.2	Value-based pricing improves profitability from export performance.	1	2	3	4	5
2.3	Price is the foundation for competitive performance in exporting.	1	2	3	4	5
2.4	Your company provides a product at a reasonable price.	1	2	3	4	5
2.5	Price inconsistency affected our export performance.	1	2	3	4	5
2.6	Export prices are determined by	1	2	3	4	5

	the market depending on the quality and seasonality influences export performance					
3.	Promotion on Export Performance					
3.1	Your company has applied an effective promotion strategy to enhance export performance	1	2	3	4	5
3.2	Advertising is the widest method in case of your organization	1	2	3	4	5
3.3	You give incentives to your overseas customers	1	2	3	4	5
3.4	Your company have enough product for exporting but you didn't promote effectively for different reasons	1	2	3	4	5
3.5	Our company participates in trade fairs.	1	2	3	4	5
3.6	We do not practice personal visits (oversea customers).	1	2	3	4	5
4.	Place/distribution on Export Performance					
4.1	Your company has offered to export products with full availability and accessibility	1	2	3	4	5
4.2	Our company distributed the product by attracting and retaining the best distributors in the export venture market	1	2	3	4	5
4.3	Place strategy has influenced the quick distribution of our products	1	2	3	4	5
4.4	Geographic location has a	1	2	3	4	5

	significant influence on profitability or export performance					
4.5	Your company has a good mode of transportation to get their product to market/to explore.	1	2	3	4	5
4.6	The main challenge in the distribution process is the absence of well-organized information and technology.	1	2	3	4	5

#### Part Two: Export marketing Mix Strategy:

**Direction:** Please indicate your opinion as per the level of disagreement or agreement with the underlined statements related to export performance by encircling the appropriate number on a five-point Likert scale. Where, 1= Strongly Disagree (SDA); 2=- Disagree (D), 3= Neutral (N); 4=Agree, 5= Strongly Agree

S.No.	Export Performance	SDA	D	N	A	SA
		1	2	3	4	5
1.	A marketing mix strategy is the core strategy to enhance exporting performance	1	2	3	4	5
2.	The export sales growth of my company has been increasing over the past 4 years	1	2	3	4	5
3.	Export profitability of my company	1	2	3	4	5

	has been increasing over the past 4 years					
<b>4.</b>	Among export marketing mix strategy or variables, product adaption is the core factor that affects export performance	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>5.</b>	Among export marketing mix strategy or variables price adaption is the core factor that affects export performance	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>6.</b>	Among export marketing mix strategy or variables promotion adaption is the core factor that affects export performance	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>7.</b>	Among export marketing mix strategy or variables, placement adaption is the core factor that affects export performance	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>8.</b>	The overall export performance of my company has been meeting the company's target performance over the past 4 year	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

Dear Interviewees,

I am surveying the role of export marketing mix strategy on the export performance of Ethiopian export companies. I would like to take your precious time to reflect on the underlined questions.

- 
1. In what business are your current workings and what do you offer to your client?
  2. How does your export product marketing strategy impact your company's overall business?
  3. Who are your target customers of export products and which organizations are your main direct competitors?
  4. What are the bases of segmentation/targeting the market?
  5. What is your plan to expand your product or to increase your market share? And what improvement can you make to your offering to better meet customer needs?
  6. How do you comment on your existing export product concerning another export commodity of the company?
  7. What are the problems encountered in implementing the export product marketing strategies?
  8. How to improve the export performance of the export sector?
  9. Overall, how do you evaluate the company's current export product marketing strategies
  10. What are the major challenges in the implementation export marketing strategy of the company?
  11. Who are the Major implementers of the export marketing strategy to improve export performance?

**THANK YOU**