Analyzing the influence of marketing mix strategies on export performance in the garment industry of Ethiopia: The case of garment exporters in Addis Ababa

By Yodit Gizaw

A thesis submitted to Addis Ababa University School of Commerce, Department of Marketing Management in partial fulfillment of the requirements for the Master of Arts in Marketing Management

Advisor: Tewodros Mesfin (PhD.)

May, 2018

Addis Ababa Ethiopia

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Declaration

I, Yodit Gizaw, hereby declare that this research paper entitled ñAnalyzing the influence of marketing mix strategies on export performance in the garment industry of Ethiopia: The case of garment exporters in Addis Ababaò is my original work and has not been presented for any degree in any university and all sources used for the study have been duly acknowledged.

_____	_____	_____
Name	Signature	Date

Approval Sheet

Addis Ababa University, School of Commerce, Graduate Studies Program, Department of Marketing Management

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Approved by Board of Examiners

Advisor	Signature	Date
Internal examiner	Signature	Date
External examiner	Signature	Date

Letter of Certification

This research has been submitted to Addis Ababa University, School of Commerce, Graduate Studies Program, Department of Marketing Management for examination with my approval as an advisor.

Tewodros Mesfin (Ph.D) _____
Advisor Signature

Addis Ababa University

May, 2018 G.C.

Table of contents

Contents **Page**

Acknowledgment

Above all, I am greatly indebted to my family who has been there for me and supporting me throughout my life. I cannot thank you enough!

I would also like to express my deepest gratitude to my Advisor Dr. Tewodros Mesfin for his relentless guidance through the accomplishment of this study. His valuable comments throughout the study were most treasured.

I am thankful for all the respondents in the exporting companies who gave their precious time to fill out the questionnaire.

List of Acronyms

AACCSA	Addis Ababa Chamber of Commerce and Sectorial Association
AGOA	African Growth Opportunity Act
COMESA	Common Market for Eastern and Southern Africa
EBA	Everything But Arms
ECPGEA	Ethiopian Cotton Producers, Ginners and Exporters Association
EIC	Ethiopian Investment Commission
ETAPA	Ethiopian Textile and Apparel Professional Association
ETB	Ethiopian Birr
ETGAMA	Ethiopian Textile and Garment Manufacturers Association
ETIDI	Ethiopian Textile Industry Development Institute
EU	European Union
FDA	Fashion Designers Association
GDP	Gross Domestic Product
NBE	National Bank of Ethiopia
RATES	Regional Agricultural Trade Expansion Support Program
SPSS	Statistical Procedure for Social Sciences
US	United States
USD	United States Dollar
USITC	United States International Trade Commission

List of Tables

Abstract

Export performance is the extent to which a firm effectively uses its resources and capabilities for the international market that indicates the success of a firm's export operations where marketing strategy is one factor that a firm can manipulate to achieve its marketing objectives. This study aims to analyze the influence of marketing mix strategies on export performance in the garment industry of Ethiopia: the case of Addis Ababa. Explanatory research design was applied using census technique and all the garment exporters in Addis Ababa were selected. Primary data were collected using self-administered structured questionnaire that was submitted to 5 respondents in the respective companies where by there was a 77.3% response rate. Secondary data about objective export performance was collected from ETIDI. The major findings of this study revealed that 51.3% of export performance can be explained by marketing mix strategies. Moreover, while product, price and distribution marketing mixes shows significant and positive association, promotion marketing mix had positive but insignificant association. Recommendations were given accordingly.

Key Words: Export performance, Marketing mix strategies

Chapter One: Introduction

1.1. Background of the study

International business is the process of commercial transaction across national borders. Customers found in different countries of the world are heterogeneous hence have diverse needs, values, perceptions, and requirements. Moreover, they have different competencies and there may be a need to specialize in a sector in which they have abundant resource to produce offerings for which they will have competitive advantage in the world market hence creating the need for international business (Vijayasri, 2013). While international marketing is a marketing activity between different countries of the world dealing with both imports and exports, export marketing is an integral part of international business that is involved with only exporting products across countries. The role of exporting for countries economic development is vital. Bringing foreign exchange, creating balance of payment and economic development, efficient resource utilization, increasing employment and standard of living, are among the list. It also provides utmost benefits for firms exporting their offerings as it gives increased profits, develops reputation and increased competitive advantage in the domestic market, aids in spreading risk between the domestic and export market (VandeMataram, 2006).

Export marketing is very crucial for better economic success in developing countries (European commission, 2012). Hence Ethiopia has been involved with exporting of various goods including coffee, oil seeds and spices, fruits and vegetables, flowers, footwear and leather, meat and live animals etc. to the international market. According to the business opportunity report as commissioned by the Netherlands Embassy in Addis Ababa, of the various offerings from the Ethiopian market being exported, the garment industry is one of them that is showing a promising development over the past years (Polls, 2015).Garment manufacturing companies in the country are involved with range of activities including knitting, spinning, weaving,sewing, embroidery, printing, finishing and other depending on the available machines of the company.

Several industries in Ethiopia have been increasing year to year with different capacity and product categories. This can be accredited to the governmentôs effort to improve the

manufacturing sector in the country by providing several financial and non-financial incentives for native and foreign investors (Mulu, 2016). By the same token, the number of garment producing companies has been increasing over time. According to ETIDI (2017), this can be explained by the countryôs comparative advantages including availability of industrial parks, abundant and cheap human resources, availability of large area and suitable climate that is required for cotton plantation, accessibility to global market programs such as AGOA (African Growth and Opportunity Act), EBA (Everything But Arms), and COMESA (Common Market for Eastern and Southern Africa) which allow export opportunities for developing countries free of duty excluding quota restriction for all export products. In addition, there are governmental organizations and non-governmental associations that aid in the development of the sector including Ethiopian Textile Industry Development Institute (ETIDI), Ethiopian Cotton Producers, Ginners and Exporters Association (ECPGEA), Ethiopian Textile and Apparel Professional Association (ETAPA), Ethiopian Textile and Garment Manufacturers Association (ETGAMA) and Ethiopian Fashion Designers Association (EFDA) (Ethiopian textile portal, 2017).

As stated by ETIDI there are currently more than a 100 large scale textile and garment manufacturing companies (including traditional and hand-woven producers) and 18 cotton ginning factories located in the different states of the country. Of them 115 companies include garment manufacturing in their business and 68 are involved in exporting their products. From the exporters 30 are found in the state of Addis Ababa that are actively exporting (ETIDI, 2017).

Export performance of a company can be seen as how much of the firmôs objectives, which could be either financial or non-financial, are fulfilled. Beleska-Spasova (2014) states that a reliable export performance measure has to be ñcomposite and multidimensionalò, with a frame of reference, is measurable over a certain time period and should reflect firms strategic goals. Taking this under consideration, export performance measurement is classified into two as financial and non-financial.

Export performance can be influenced by several factors. As indicated by Daniel (2016), factors including insufficient human and capital resources, managerial capability, unavailability of raw materials, marketing elements are observed as influential factors of export performance of the garment industry in Ethiopia. Leonidas (2014) also stressed that marketing mix elements have a

significant effect on export performance of companies. Similarly, in their study of MAA garment and textile factory in Mekelle,Ataklty, Girma and Zemen(2015) stated that while the manipulation of product, place and price have significant effect on export performance promotion on the other hand have lower significance.

The purpose of this study is to analyze the performance of garment exporters with relation to the 4Ps of marketing mix namely product, price, place and promotion, and how these marketing mix strategies impact their export performance. The focus of the study are garment exporters located in the state of Addis Ababa.

1.2. Statement of the problem

Ethiopian textile and garment production have a long history starting from 1939 with the establishment of Dire Dawa Textile mills. From then on, several manufacturing sectors of similar industry have been launched in the various states of the country facilitating increment in export value for the country. As stated by Ethiopian Investment Commission (EIC), Textile and garment factories in Ethiopia export performance has shown an average growth of 51% during the period of 2010-2016 (EICa, 2016).

Marketing mix strategies have paramount effect on export performance in the textile and garment sector. A study in Pakistani textile sector stress that adaptation of marketing mix strategies is essential for increasing export performance in the international market with pricing strategy being the most common one and most important followed by product adaptation (Batavia and Kolachi, 2012). Then again, another study on a textile and garment factory showed that when price, product and place marketing strategy significantly influence the factoryôs export performance by increasing the export sales volume by 24%, promotion marketing strategy shows insignificant relationship (Ataklty, Girma and Zemen, 2015).

Textile and garment industry supports economic and social performances of developing countriesby balancing trade, providing incomes, encouraging women employment and in the long-run by creating opportunity for sustained economic development (Keane and Velde, 2008).Hence, Ethiopia can benefit a lot from investing and working effectively and efficiently in the industry. Increasing the countryôs manufacturing sector, such as promising industries like this

one, and hence export performance is the goal of Ethiopia as stated in the industry development roadmap of 2013-2025 (MOI, 2013). According to the report of Keane and Velde (2008) the role of textile and garment export practice is significant for developing countries as it aids in export diversification and creating incentives for investing in low-income countries so as to benefit from low labor cost.

Marketing strategy is internal factor that influence market performance of a company and hence is controllable by the firm. Understanding the performance manufacturing firms regarding marketing mix elements and their relationships with export performance is vital to recognize ways of improvement as necessary. As mentioned earlier, there is a difference in outcomes when the influence of marketing mix strategy on export performance is measured in different settings. Thus far, according to the author, there are no researches that give strong emphasis on the topic at hand regarding the garment industry in Ethiopia. The research helps the garment industry and the country in general as it stresses on the marketing mix elements, show the countryôs performance and give recommendation as necessary to improve the export market.

1.3. Research questions

1. What is the effect of product marketing mix strategy on export performance in the garment industry?
2. What is the effect of price marketing mix strategy on export performance in the garment industry?
3. What is the effect of distribution marketing mix strategy on export performance in the garment industry?
4. What is the effect of promotion marketing mix strategy on export performance in the garment industry?

1.4. Objectives of the study

1.4.1. General objective of the study

The general objective of this study is to analyze marketing mix strategies relating with the practice and the emphasis a company puts on product, price, place and promotion for export

purpose and its influence on export performance specifically in the garment industry in Addis Ababa, Ethiopia.

1.4.2. Specific objectives of the study

- To analyze the effect of product marketing strategy on garment export performance
- To analyze the effect of price marketing strategy on garment export performance
- To analyze the effect of place marketing strategy on garment export performance
- To analyze the effect of promotion marketing strategy on garment export performance

1.5. Significance of the study

The garment industry is one of investment opportunities which is observed to be on the fast track of development in Ethiopia (ETIDI, 2017). The study aids in enlightening how marketing mix strategies focusing on the international market are affecting the export performance of the garment industry in Ethiopia so that exporters can take necessary measures to increase their respective export performance. This study benefits the existing garment exporters in Ethiopia also new investors in the same area including those giving attention to the local market desiring to explore the international market. Moreover, the higher export performance, the more dollar income, the better the economic status of the country.

1.6. Scope of the study

The study focuses on companies which are currently involved with garment export and are found in Addis Ababa only. All those garment exporters that are outside Addis Ababa and also those within Addis Ababa not involved in export practice were not included.

For the purpose of undertaking this study, export performance was taken as the dependent variable. It was stated using satisfaction level of the respondents in the respective companies and the export sales growth of the country. The marketing mix strategies expressed as Product, Price, Place and Promotion are the independent variables. This studyonly used marketing mix elements as independent variables, accordingly other internal factors and external factors were not be

considered. Explanatory research design was used as the studentresearcher is attempting to see the relationship between the dependent (export performance) and independent variable (marketing mix elements). Data was collected using structured questionnaire.

1.7. Definition of terms

Garment exporters: manufacturers of that are engaged in preparation of finished apparelsuch as adults and kids wear, pajamas, scarfs, shawls, bags, socks, sports-wears, uniforms and traditional cloths for international market.

Export performance: is the extent to which a firm effectively uses its resources and capabilities for the international market that indicates the success of a firmôs export operations.

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

1.8. Organization of the paper

This paper is organized into fivechapters. Chapter one contains background of the study, research questions, general and specific objectives of the study, its significance and the scope/delimitation. Chapter two is the literature review section and it includes the background, theoretical literature review, export performance trend of the world and Ethiopia, internal and external determinant factors of export performance, marketing mix elements (product, price, place and promotion) influence on export performance, measures of export performance (subjective vs. objective) and finally presents the conceptual framework of the study. Chapter three discusses the research methodology and includes research approach, research methods, research design, sampling design, data collection methods and instruments, data analysis, and finally reliability and validity. Chapter four covers the data analysis and interpretation section while chapter five deals with summary, conclusion and recommendation of the study.

Chapter Two: Review of related literatures

2.1. Introduction

This section of the proposal contains background of the study, theoretical literature review, global export trend and export trends of Africa as well as Ethiopia. In addition it encompasses empirical literature review about internal and external factors influencing export performance, the impact of marketing mix elements on export performance, measures of export performance and finally concluding with conceptual framework of the study.

2.2. Background of the study area

International trade has the ability to make economic performance better on condition that there are suitable policy measures and economic environment that is adequate to deal with the changes of social and financial situation (Vijayasri, 2013). According to the European commission report (2016), it is especially important for developing countries as it helps to improve quality and other standards by increasing competition, encouraging innovation through investment in research and development, aiding in creating strong relationship between countries, ensuring better livelihoods by increasing employment, enhancing development, reducing poverty and allowing lowering of prices with better choices for consumers by means of widening sources of supply. For a successful international marketing to occur there are certain criteria that need to be fulfilled. Of them, interdependency between countries, the desire of a firm to participate in export practice, excess of demand over supply, availability of national monetary systems, developed market infrastructure, improved living standard can be pointed out (Kozak and Smyczek, 2015).

In accordance with the annual report of National Bank of Ethiopia (NBE) (2015), the service sector comprises the highest value of GDP having 46.6% while the agriculture and industry sector were 38.8% and 15.2%, respectively.Ethiopia has been introducing her numerous products ranging from coffee, seeds, to animal products, leather products, textile and garment products and others to the international community. While the import to GDP ratio is 26.5%, export to GDP was 4.6% which was low according to the report. Export led investment positively and

significantly affects the economic growth of Ethiopia as argued by Senait (2014). By the same token, a Hailegiorgis (2012) state that export led growth strategy is highly imperative for the advancement of the country.

The history of Ethiopian modern textile and garment industry first started with the establishment of Dire Dawa textile mills in 1939 (Chemonics International, 1996).Several textile, garment and cotton ginning factories have been seen all over the country since then. Export performances have been seen in some firms in the industry which grew over the years especially after launch of quota and duty free access to the US and EU under the agreement AGOA and EBA which created a favorable export condition for the country (EICb, 2016; USITC 2014).

The African Growth and Opportunity Act (AGOA) was signed by President Clinton in 2000 with the purpose of encouraging trade and investment, and minimizing possible barriers between Sub Saharan African countries and the United States (USITC, 2014). Rahel (2007) reported that AGOA has impacted the export performance of the Ethiopian textile and garment factories positively. Under this act US imports from 2001-2013 increased by about 10% per year from $7.6 Billion to $24.8 Billion and the Ethiopian textile industry alone has gotten more than $300 Million foreign direct investment in 2012 and 2013 largely from Europe, Turkey and India mainly focusing on export to Europe (USITC, 2014). Endalkachew (2010) as well implied that economic agreements like AGOA add to the national economy by creating a chain of effects. For instance, increase in export in textile and garment industry will create better employment opportunity, improved investment in the sector, in addition to increasing value on agricultural products such as cotton.

Similarly, EBA has helped Ethiopia in encouraging exports to Europe in quota free and duty free access. In 2014, according to the report of NBE (2014/15), about 33.6% of the countryôs exports went to EU. COMESA is a program that pursued for Ethiopia to be included in these sorts of quota free and duty free access to the foreign market regarding export (RATES, 2005).

Labor intensive manufacturing industries are more encouraged by the Ethiopian government taking its benefits into account. These sorts of industries allow for increased employment status in the country and are relatively cheaper (EICa, 2016). Soderbom and Teal (2003) support this

argument as they indicate in their study that countries in Africa has a better potential cost advantage in a more labor intensive technology than the opposite.

It is reported that (USITC, 2014) even though Ethiopian government provide support to attract private investors in textile and apparel sector, there are factors that influence its competitiveness including insufficient and erratic electricity supply, underutilized mill capacity, problems regarding credit and tiring customs procedures. Rahel (2007) added that there is shortage of raw materials causing firms not to process orders in time. Besides, the foreign currency that is earned will be lost to some extent in this process as well.

2.2.1. Export performance trend of garment industry

2.2.1.1. Global trend of garment industry export performance

Top 10 exporters of apparel in the world are China, EU, Bangladesh, Vietnam, Hong Kong, India, Turkey, Indonesia, Cambodia and finally the United States. Totally they account for 87% of the world export in 2015. On the other hand the top 10 importers are EU, US, Japan, Hong Kong, Canada, Republic of Korea, Australia, China, Switzerland, Russia Federation (WTO, 2016). Total textile and apparel export value, according to International Trade Center (ITC) was $377 million for Kenya, $248 million for the United Republic of Tanzania, $21,534 million for Vietnam, $40,192 million for India and the top exporter China accounted for $273,959 million (ITC, 2016).

2.2.1.2. Ethiopia trend of garment industry export performance

The Ethiopian government has been providing incentives for the manufacturing sector including textile and garment manufacturers. According to investment proclamation 768/2012 there is duty draw-back voucher, bonded export factory, manufacturing warehouse and bonded input supply schemes provided as incentives for investors. In addition, they are allowed for duty free importation of raw materials, machinery and equipment for the use of the production purpose (AACCSA, 2014).

The gross value of production for the textile and garment industry was around 9.1 billion ETB in 2013 while 8.2 billion ETB were accounted by privately owned firms. In the same year, the total value added of the sector was 515 million ETB (AACCSA, 2014). Textile and garment exports

in Ethiopia have been $94 million in 2013 showing an increment form $26 million in 2009. On the same year, key textile and apparel export markets were Germany, Turkey, China, Italy and USA accounting for 86% of the total export (EICb, 2016).

2.3. Theoretical literature review

When a company wants to enter into a foreign market, it could either use exporting, joint venturing or direct investment as a mode of entry exporting being the simplest one (Kotler,Wong, Saunders, Armstrong, 2005). In international business, as per Kotler (2003), companies are assumed to evolve through five stages which are passive exporting, active exporting using distributors, opening sales offices in the international market, setting up factories in a foreign country and finally establishing regional headquarters in a foreign country. Hence, exporting is the baby step that companies take to go up the hierarchy of the international business to get the utmost benefit. In order for exporting to go accordingly with company objectives, understanding marketing mix elements is very essential.

Exporting can be either direct or indirect. In direct exporting can done through the use of domestic export department, overseas sales branch, sales branch, sending sales personnel abroad to find more order and the like. Direct exporting requires the use of high investment by the involved firm, hence high risk, for better sales activity. Unlike direct exporting, indirect exporting does not require high investment and is less risky. For this case, seller companies are working through the use of interdependent international marketing intermediaries such as export agents, export management companies and government export agencies (Kotler*et al*, 2005).

The marketing mix elements for products are simply referred as the 4Ps. They are product in compliancewith customer solution, price corresponding to customer cost, place referring to convenience and promotion for communication (Kotler*et al,* 2005). There is the addition of people, physical evidence and process for services making it 7Ps.

Before going abroad, a company must choose to either standardize or adapt its offering. Standardization refers toapplying the same sort of marketing mix elements that is used for the home country when going across borders. On the other hand, adaptation is the process when the marketing mix elements are somehow manipulated to make them favorable for the foreign

country (Kotler, 2003). While designing international market channels, the cultural, economic and social development of the country should be noted as they are not uniform and affect the choice of channels (Moore and Pareek, 2006).

The variables to be included in this study are product, price place (distribution) and promotion marketing mixes. They are discussed in the following subsections.

2.3.1. Product marketing mix

Product is an offering provided for purchase to a customer by an organization to satisfy a specific wants or needs. These offerings can either be tangible or intangible (Moore and Pareek, 2006) Product has three levels namely the core product, the actual product and the augmented product. The core product, the first level of a product, is the one which offers the basic benefit of the offering provided. It is the value of a product for a consumer rather than the tangible product itself. Actual product on the other hand is the physical product that is made use of to get the core benefit. It is the second level of a product. It includes the quality, features, packaging, styling and brand name of the product. The third level of a product is the augmented product. It is the additional value offered to augment the core and the actual product. It is where competition within different organizations providing the same product exists (Kotler*et al*, 2005). When considering about launching a product, an organization must first answer questions regarding what they want their product to offer, its brand, quality, design, and value that they want to add (Kermally, 2003).

2.3.2. Price marketing mix

Price is, as per Kotler *et al* (2005, p. 665), ñthe amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or service.òIt is the element of marketing mix that generates income. When determining a pricing strategy, one has to consider internal factors of the organization including the marketing objectives, the marketing mix strategy, its costs, and the external factors including the nature of the market and demand,and competition.

2.3.3. Distribution marketing mix

This marketing mix creates a way for a consumer to get a handle of the offering provided by an organization. Organizations could reach their consumers directly or look for an intermediate channel, also known as a distribution channel, to sell their product. When determining distribution channel, an organization has to first analyze customer needs considering their offering as to whether their need will be satisfied more with direct delivery or using a distribution channel. The price, service, delivery time period may be different given the number of stops it takes for a product to reach its consumer, depending on the type of the product. Secondly, it has to separate segments, choose which segment/s it wants to serve and pick the channel/s for the selected segment/s which serves the highest purpose. Third, it has to identify channel alternatives regarding the number of intermediaries, their types, and what each channel member should do and finally evaluate those alternatives that meets the organizationôs objectives and satisfies customerôs needs (Kotler*et al*, 2005). Choosing the right distribution channel to reach the target customers is imperative for achieving organization objectives (Moore and Pareek, 2006).

2.3.4. Promotion marketing mix

Promotion is creates a way for communication with the customer. Promotion aims to achieve the AIDA principle which is Awareness, Interest, Desire and Action (Kermally, 2003). Promotion encompasses five elements including advertising, sales promotion, public relations, personal selling and direct marketing (Moore and Pareek, 2006). Cultural, political, legal, and other differences have to be considered when trading across national borders. All or some form of the promotional methods can be used in the international market. Trade fairs are also useful media for international communications (Kotler*et al*, 2005).

2.4. Determinants of export performance

There have been several studies done in this context coming up with numerous variables that are found to have an influence on export performance (Zou and Stan, 1998; Beleska-Spasova, 2014; Carneiro, Rocha and Silva, 2011; OôCass and Julian, 2003, Roper and Love, 2002). These factors

are broadly classified into internal and external determinants and further subcategorized to controllable and uncontrollable (Zou and Stan, 1998; Beleska-Spasova, 2012).

Internal determinant factors are guided by resource-based-theory which conceives a firm as a unique bundle of tangible and intangible resources that are controlled by the firm. On the other hand, external determinant factors impact firmôs strategies which consequently influence economic performance (Zou and Stan, 1998).

2.4.1. Internal factors

Internal determinant factors are those factors which are within the control of the firm. They could be categorized as controllable and uncontrollable unlike the external determinant factors which are always uncontrollable (Zou and Stan, 1998). Beleska-Spasova (2014) and Zou and Stan (1998) generally recognized several internal variables including management characteristics and perceptions (i.e. commitment and support, international experience, motivation, education,), organizational capabilities regarding appropriate export strategy, marketing mix elements,and use of advanced technology and quality of product, and firm characteristics (i.e. size, experience, culture, financial resources, degree of internationalization).

In his study assessing factors influencing export performance of the garment industry in Ethiopia, Daniel (2016) identified issues revolving around labor skill and cost, capital of firms, the choice of marketing mix elements, technology, and managerial capability as internal factors. Yared (2010) also implied that there is a low labor cost in the sector which is believed to contribute for the improvement of export performance while Wang (2013) showed that low labor cost give competitive advantage for exporters of garment and textile products in Asian developing countries. However, the influence of employing highly skilled workforces has a tendency to create more successful export market performance (Roper and Love, 2002).

The extent of resource commitment in the export market, degree of exposure of product in the export market, and product characteristics (i.e. degree of culture specificity, uniqueness and patent) were found as internal determinants of export performance in (Julian, 2003; Julian and Ahmed, 2005). On the other hand, OôCass and Julian (2003) argue that adaptation of marketing strategy does not significantly influence export performance in Australian exporters and that both standardization and adaptation are appropriate.

2.4.2. External factors

External factors are those variables which are beyond a firmôs area of control but still influence export performance (Zou and Stan, 1998). Export market characteristics including competitive intensity in the foreign market, environmental hostility, export marketing structure, distribution channel accessibility, culture and government intervention (Beleska-Spasova, 2014; OôCass and Julian, 2003; Julian, 2003). Domestic market characteristics such as domestic market conditions, export assistance and environmental hostility are also mentioned as external determinants of export performance.

A study in the Ethiopian garment and textile industry export performance identified issues related with raw materials (limited and high cost local supply, dependency on imported raw materials), and infrastructure related factors (easy and efficient access electricity, water, communication and transportation) and customs processes for raw material import and export of product as influential external factors. Yared (2010) also denoted that export of the best quality raw cotton forced the use of inferior quality cotton in the textile and apparel industry creating a significant negative impact on their overall export performance.

2.5. Marketing mix strategy influence on export performance

Several literatures have discussed about the impact of marketing mix elements on export performance of a company (Ataklty, Girma and Zemen, 2015; Beleska-Spasova, 2014; Leonidou, Katsikeas, Samiee, 2002; Zou & Stan, 1998). Moghaddam *et al* (2011, p.27) defined export marketing strategy as ñthe roadmap of how a firm responds to internal and external forces by the use of marketing mix elements that include product, price, promotion, place in order to supply and achieve firmôs objective.ò

It has been implied (Julian, 2003) that managers of firms that are involved in export should recognize the dimensions of export marketing strategy that can have an impact on the success of the companyôs export performance. On the same note, Edril and Ozdemir (2016) showed that there is a statistically significant relationship between firmôs marketing mix strategy and export performance. Then again it was argued that the choice of marketing strategy of firms should be dependent upon the level of export involvement whether it is high or low (Al-Aali *et al*, 2013).

Whereas Nguyen (2012) in his study about impact of relationship marketing on export performance argues that garment enterprises should set up ñprofessional export marketing sectionò (p. 140) to deal with challenges in the export market environment.

Jamshidi and Moazemi (2016) stated that adaptation of marketing mix elements with foreign customersô needs creates a better exporting performance than standardized marketing strategies and hence strategic managers should aim at adapting marketing mix elements according to foreign customer needs when dealing with export. On similar note, Brei*et al* (2011) confirmed that both marketing mix standardization and adaptations shows a positive impact on export performance however it is suggested that more emphasis should be given towards adaptation. Brei*et al* (2011) also suggested adapting price followed by promotion, then product and finally distribution when prioritizing the marketing mix elements.

The following sections will overview empirical literatures regarding the influence of marketing mix strategies namely product, price, place and promotion on companies export performance.

2.5.1. Product marketing strategy impact on export performance

Moghaddam *et al* (2011) identified several product related determinants that influence export performance including product design, product adaptation, product brand, product quality, and product diversification. Zou and Stan (1998) also identified product adaptation and product strength a firmôs internal and controllable variables that influence export performance.

To analyze product marketing strategy in MAA Textile and Garment Factory in Mekelle, Ethiopia, Ataklty, Girma and Zemen (2015) used product uniqueness, product brand, product quality, product design and product variety as variables and revealed that the product marketing strategy aspect of the firm do significantly and positively influence export performance. Adapting products according to the needs of the foreign market, according to Julian (2003), is significant for firms to enhance marketing performance of export venture. Likewise, Nguyen (2012) showed that product quality is an essential issue regarding export performance to create and maintain trust and good relationship with customers. However, on the contrary to the previously mentioned studies, Tooksoon, Sukitniyakorn and Thammajit (2012) implied that product marketing strategy has a statistically significant relationship with export performance.

However, the relationship was found to be negative and the reason was clarified by the fact that product adaption is costly.

On product related aspects an interview with responsible managers (Ataklty, Girma and Zemen, 2015) confirmed that product quality, of all the others, highly influences export performance. In similar study, when assessing the level of importance of the marketing mix strategies using a 5 point likert scale (very important to not important at all), product marketing strategy was found to be very important. Leonidou *et al* (2002) also confirmed that product quality variables specifically product design, quality, branding, and majorly product adaptation positively influence export marketing performance. From the above argument the following hypothesis was drawn.

H1: Product marketing mix strategy has significant effect on export performance.

2.5.2. Price marketing strategy impact on export performance

Presenting price competitive products in the export market helps in creating success in export performance (Julian, 2003). Tooksoon *et al* (2012) in his study showed that price marketing strategy do have a positive relationship with export performance which is statistically significant. In their study (Moghaddam *et al*, 2011), it was identified that low-cost advantage, price competitiveness, adjusting export prices to foreign market, pricing method and credit policy as determinants of price marketing strategy that influence export marketing performance while Zou and Stan (1998) identified price adaptation and competitiveness as firmôs internal and controllable variables that influence export performance.

A study on textile exporting firms in Pakistan showed that product adaptation is a commonly used practice from the marketing mix elements in the top level exporters and price adaptation interconnected with it as cost structure changes with product adaptation (Batavia and Kolachi, 2012). Ataklty, Girma and Zemen (2015) inferred that export performance is highly influenced by price marketing strategy though an interview with accountable managers which was then confirmed by empirical study using pricing explanatory variables which are low-cost advantage, price method, credit policy, price delivery, adjustment of export price to foreign market situation. On the same note, Leonidou *et al* (2002) confirmed that price adaptation positively influence export performance. In terms of leveling its importance using a 5 point likert scale (very

important to not important at all) pricing marketing strategy was found to be important (Ataklty, Girma and Zemen, 2015). Hence, from the above argument the following hypothesis was drawn.

H2: Price marketing strategy has significant effect on export performance.

2.5.3. Place marketing strategy impact on export performance

Of the factors that determine place marketing strategy include distribution network and availability, distribution channel, distribution strategy and support to foreign distributors, and opening sales representative office in foreign market (Moghaddam *et al*, 2011). Zou and Stan (1998) likewise entertained the impact of place marketing strategy on export performance and identified that distribution channel adaptation, distribution channel relationship and the type used as influencers of export success. Al-Ali *et al* (2013) in his study regarding marketing capability and export performance suggested that forming a suitable distribution channel and strategy improves export performance. It was implied that customers of textile and garment industry prefer higher price than late delivery as getting an order ready for the season, as there are various styles which are designed for the four seasons, is a very important issue for foreign customers (Ataklty, Girma and Zemen, 2015).

An empirical research on textile and garment factory confirmed that export performance is influenced by place marketing strategy using adaptation of distribution, export channel type, distribution network and export sales representatives as variables (Ataklty, Girma and Zemen, 2015). One study confirmed that when the use of export sales representatives is positively lined with export performance the use of overseas distributors shows weak association (Leonidou *et al,* 2002). Another study inferred that top exporters of textile products in Pakistani prefer the use of direct contact with buyers as it aids in creating better relationship and gives them better power of control during negotiation (Batavia and Kolachi, 2012). Conversely, in a study done in Thai enterprises, it was found that distribution strategy is not significantly related with export success as this was mainly the buyerôs territory (Tooksoon *et al*, 2012).Leonidou *et al* (2002) argue that the choice of distribution channel depends on market conditions of the importing country such as the economic situation and competitive practices rather than being constant.

While assessing the level of importance using a 5 point likert scale (very important to not important at all) Ataklty, Girma and Zemen (2015) found that place marketing strategy was of average importance. From the above argument the following hypothesis was drawn.

H3: Place marketing strategy has significant effect on export performance.

2.5.4. Promotion marketing strategy impact on export performance

Advertising, sales promotion, personal selling, trade fairs, personal visit, opening commercial branch in export market, promotional activity expenditure and promotion adaption include factors that are regarded in promotional strategy and hence influence export performance (Moghaddam, 2011; Leonidou, 2002). By the same token, Zou and Stan (1998) recognized adaptation of promotion and intensity of promotional activity as controllable internal factors that influence export performance. Tooksoon *et al* (2012) confirmed that promotion marketing strategy is significantly related with the success of export performance and the relationship was positive.Likewise, Ataklty, Girma and Zemen (2015) also established that promotion is a means of getting new customers and creating a relationship with them.

Managing export sales promotional activity and providing promotional support to overseas market has a positive impact on the implementation of an effective export marketing strategy and hence export performance (Tooksoon *et al*, 2012).Furthermore,Nguyen (2012), in his study about the impact of relationship marketing on export performance, stated that direct customer visit aids in establishing strong information exchange platform leading to better communication and understanding, developing trust and creating confidence. It was inferred (Batavia and Kolachi, 2012) that the most common methods of promotion used by top textile exporters in Pakistaniare trade discount, exhibition and tourwhile media advertising is uncommon for the sector. Leonidou *et al* (2002) also implied that promotional variables that is advertising, sales promotion, personal selling, trade fairs, personal visits, and promotion adaption have a positive impact on export performance.

Although the above studies support the positive impact of promotion, there is a study that implies that the effect of promotion marketing strategy on export performance is not statistically significant using advertising and trade promotion, commercial intermediaries, sales promotion, trade fairs and customer visit as variables (Ataklty, Girma and Zemen, 2015). The same study

regarded the marketing mix element as important in leveling its importance using a 5 point likert scale (very important to not important at all).

Taking the all the above literatures into consideration, the following hypothesis was drawn.

H4: Promotion marketing strategy has significant effect on export performance.

2.6. Measures of export performance

There have been several studies done on the topic of measuring export performance for decades indicating that it is an important notion among researchers (Carneiro, Rocha and Silva, 2017; Beleska-Spasova, 2014; Sousa, 2004; Zou and Stan, 1998). However there is a lack of clear understanding among those studies mainly owing to lack of synthesis and diverse data from various sources that are distinct (Zou and Stan, 1998). By the same token, Carneiro, Rocha and Silva (2017) mentioned that inconsistency among researches regarding export performance is attributed to differences in conceptualization, operationalization and measurement of export performance concept.

As stated by Sousa (2004) when explaining about export performance measurement, ña firm is successful if the targets are met or exceeded.ò (p. 14) Achievement of successful export performance shows to what extent a firmôs international trade related objectives (which may vary between different companies even for similar products) are met over a given point of time. Moreover, it shows appropriateness of the export marketing strategy used for the achievement of those objectives (Beleska-Spasova, 2014) hence indicating the necessity of measuring performance regarding the international business.

For an export performance measure to be considered reliable, there are some criteria that should be fulfilled. For one it has to be multidimensional and include both objective and subjective measures to gain a better view of performance from the actual sales perspective and the managerial perception perspective. And more, it is required to have a frame of reference against which it will be compared such as prior market performance, competitor and/or domestic market performance. In addition, it should be measurable over time in both absolute and relative terms and finally it better assess objectives of the firm over a period of time which could be either

short-term or long-term (Diamantopoulos and Kakkos, 2007; as cited byBeleska-Spasova, 2014). Likewise, Carneiro, Rocha and Silva (2007) fashioned analytical framework for export performance characterization having two dimensions namely conceptual dimension and methodological dimension. Taking the conceptual dimension consideration, it include different classes of measures (i.e. economic, market, behavioral/situational measure, strategic measure, overall evaluation), having a frame of reference which could be absolute or relative, with temporal orientation which may well be static or dynamic. On the other hand, methodological dimensions comprises unit of analysis, mode of assessment which could either be objective or subjective having its own property of indicator structure (i.e. single indicator vs. multiple indicators, reflective vs. formative indicators or composite indicators).

Sousa (2004) in his study identified roughly 50 performance indicators with export intensity, export sales growth, export profitability, export market share, satisfaction with overall export performance and perceived export success taking high percentage. He majorly divided measures of export performance as objective and subjective measures (both measures including sales related measures, profit related measures and market related measures). Objective measures of export performance are based on absolute values such as export sales volume, export profit margin, market share and the like while subjective indicators are based on perceptual values like managerôs perception of success and satisfaction with export sales. On the other hand, Beleska-Spasova (2014) covered several literatures and found 34 performance indicators and majorly divided them as economical (10 sales related measures, 8 market related measures) and non-economical (16 measures). Zou and Stan (1998) also reviewed export performance and grouped them into seven categories, representing financial (sales, profit and growth measures), non-financial (perceived success, satisfaction and goal achievement) and composite scales. Carneiro, Rocha and Silva (2007) on the other hand modeled an export performance measurement tool comprising three economic indicators (satisfaction with export venture revenues, growth of revenues of the focal export venture vs. other export ventures of the firm, expected export venture profitability), three market indicators (firmôs volume of export venture vs. competitors, expected volume of focal export venture vs. other export ventures of the firm and export venture growth) and two overall indicators (overall export venture results and expected overall export venture results) considering three year time-frame.

There are various factors that could affect the choice of measures of export performance. Of them availability and accessibility of data, size and export experience of the firm, the chosen time frame (short-term vs. long-term), unit of assessment, strategic objectives and position of the evaluator in the firm (export manager, financial manager, export manager) can be mentioned (Beleska-Spasova, 2014).

For the sake of this study, objective and subjective measures of export performance are considered.

2.6.1. Objective measures

Objective measures are those export performance indicators that are grounded upon absolute values (Beleska-Spasova, 2014). These measures could be self-reported by managers or may be secondary sources. They give the same outcome whatever the source is or whoever reports it (Carneiro, Rocha and Silva, 2007). Objective measures are mainly related with financial/economic information rather that non-financial/non-economic information (Zou and Stan, 1998).

Of the objective measures, the sales-related ones have shown to be the most extensively used indicator for measure of export performance and it includes export intensity (the most common), export intensity growth, export sales growth (the second most common), export sales volume and export sales efficiency. Profit-related measures on the other hand include export profitability, export profit margin and export profit margin growth whereas market related measures include export market share, export market share growth and market diversification (Sousa, 2004).

Woodcock *et al* (1994) as cited in Sousa (2004) inferred that employing objective measures to assess export performance could be challenging in cases where the data required is not available or finding accurate information is not possible, where managers are unwilling to give financial information as they may label them as confidential, or when there is difficulty in analyzing data as a consequence of exchange rate deviations or variances in financial reportingbetween countries.

2.6.2. Subjective measures

On the contrary to objective measures, the subjective ones employ perceptual values to measure export performance rather than absolute values (Beleska-Spasova, 2014). Likewise, Sousa (2004) defined subjective measures as comprising of those indicators that measure attitudinal or perceptual data regarding export performance, which actually involves the majority of the literatures he reviewed (78%). The data collected may be based upon primary sources such as self-evaluation by the respondent, competitor evaluation, or assessment by external experts, or from secondary sources like case materials. Since they are reports from personal opinion or perception of the respondent, they may differ based on the source of information (Carneiro, Rocha and Silva, 2007).

Managers are better persuaded to respond for subjective indicators as they are not expected to give confidential financial information. Similar to objective measures, subjective measures also subdivided as sales, profit and market related measures of export performance differing from the former by being more of perceptual/attitudinal response than actual response. Moreover, unlike objective measures, there are indicators doing perceptual comparison with competitors (Sousa, 2004).

Subjective measures are also subdivided as general and miscellaneous. General measures include overall export performance, overall export performance compared to competitors, export success, meting expectation, how firmôs export performance is rated by competitors and strategic export performance. All of these are filled by a responsible managers as per his/her intuition (Beleska-Spasova, 2014 and Sousa, 2004).

2.7. Conceptual framework

Taking into account the aforementioned literature reviews, the following conceptual framework was established having export performance as dependent variable and the 4Ps which are product, price, place and promotion as independent variables. The variables for the independent variables, which are the marketing mix strategies are adopted from Moghaddam *et al* (2011) and for the export performance measurement is adopted from Sousa (2004).

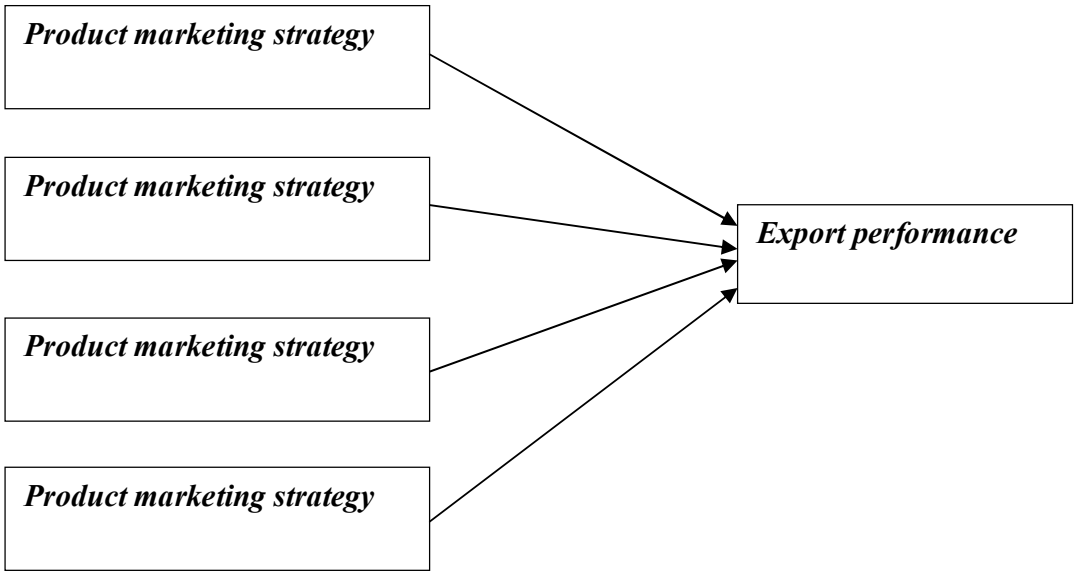

Fig: Conceptual framework of dependent and independent variables

Chapter Three: Research Methodology

This chapter discusses about the research methodology that the author believed is most appropriate and went about when doing the study. It encompasses research approach, methods, research and sampling design, data collection and its instruments, data analysis and validation.

3.1. Research approach

Research approaches can either be inductive approach of deductive approach. In inductive approach, a researcher observes a phenomenon, collects data about that phenomenon and finally develops a theory. Hence the research goes from one specific phenomenon to general. On the other hand there is deductive approach where a researcher begins with development of hypotheses from an already established theory and tests that theory with in different circumstances. So it goes from general to specific. This study applies deductive research approach since it uses already established theories with regard to marketing mix strategies and export performance, to do empirical research.

3.2. Research methods

Research methods are classified as qualitative, quantitative or mixed. In qualitative research method, a description of different behavioral aspects of a target population is seen. For this research method data are collected mainly through observations, in-depth interviews, and group discussions and are put in the form of descriptions not numbers. On the other hand, quantitative research methods are described in the form of numbers rather than mere descriptions. It involved the use of systematic and scientific investigation by the use of theories and hypotheses to describe, or check a relationship between different variables. It usually uses of surveys and experiments to gather data. In mixed research approach, the researcher applies both the qualitative and quantitative research method.

For the purpose of obtaining the research objective in analyzing the effect of marketing mix strategies on export performance, the student researcher used quantitative research method as an

established theory was used to generate hypotheses and test those hypotheses in the target groups which are garment exporters which then was analyzed to generate quantitative data.

3.3. Research design

Research design can be descriptive, causal, explanatory or exploratory. Descriptive research design describes a phenomenon as it is through a form of frequency, mean, standard deviation about the subjects at hand. Causal research design sees the cause and effect relationship between variables. Exploratory research design is more qualitative as it observes and explores a phenomenon and presents it whereas explanatory describes a relationship between variables.

The objective of the study was to analyze the effect of marketing mix strategies on export performance in the garment industry and to study the relationship between the dependent (export performance) and independent variables (product, price, place and promotion). For this mentioning description of several phenomenon about the belief of the respondents was necessary hence descriptive design was used. The research mainly focuses on understanding the relationship between the dependent and independent variable hence explanatory research design was employed.

3.4. Sampling design

3.4.1. Target population and sampling frame

The target population for this study is all garment producers that are involved in export business found in Ethiopia which are 68 in total. The study considers only those which are found in the state of Addis Ababa that are currently exporting which are30 in total to be taken as the sampling frame.

3.4.2. Sampling technique

With the intention of achieving the research objective, all garment producers that are involved with exporting which are operational in the state of Addis Ababa were used. The author employed census method and used all the population in the sample frame. The student researcher believes that census method is most appropriate technique for this research considering the target

population and sampling frame is small and taking a sample from it would give insufficient response to generalize.

3.4.3. Sample size and sampling procedure

The sample size for this study was 30 garment exporters which are the total of factories that are involved in garment export found in Addis Ababa. Considering the census method to be employed, sampling procedure is not required.

3.5. Data collection sources

3.5.1. Primary source

For the purpose of collecting primary data the study used self-administered structured questionnaire that was be submitted to 5 respondents of the respective factories. The respondents were those which are well-informed and authorized to reply which could be CEO, assistant manager, marketing manager, merchandizer, administrator or other cognizant body of the company. Primary data is imperative for the study as it is the way to find out about the company practice and performance from the company responsible personnel without which there will be insufficient data for conclusion.

3.5.2. Secondary source

The secondary source of information is noteworthy to have adequate data to compare and contrast the required relationship between the export marketing strategies with performances of garment industries. In addition, it aids for triangulation purpose by considering the management perspective and government data regarding performance. Secondary data was collected from the responsible governmental organization which is ETIDI.

3.6. Data collection instruments

The data collection instrument employed to study the influence of marketing mix strategies on export performance of garment industries was structured self-administered questionnaire. The questionnaire is adopted from Moghaddam *et al* (2011) for measuring the influence of marketing

mix elements on export performance while export measurement modes are adopted from Sousa (2004).

3.7. Data analysis

The collected data was screened for any missing values that could cause a problem in analysis of the research. Then descriptive statistical analysis was presented in a form of frequency, percentage, mean and standard deviation. To analyze relationships between the dependent and independent variables, correlation, ANOVA and multiple regression was used. To see the value of relationship among the dependent variable and each independent variables, value of coefficient was analyzed. Statistical Package for Social Science (SPSS) was used for analyzing data.

3.8. Reliability and Validity

3.8.1. Reliability

This study employs the use of Cronbachôs alpha to check the reliability of the instrument. Reliability measurement helps to see if the measurement s used are free from errors and ensures internal consistency.

3.8.2. Validity

Validity of the instrument was checked through pilot study. The pretest was done using professionals in marketing, administration and managers from other garment manufacturing companies that are not included in the main research.

3.9. Ethical considerations

The research was first approved by the School of Commerce, department of marketing management. The management bodies of garment manufacturers included in the study were informed about the research objective and that their names and company information will be anonymous. Informed consent from the responding individuals was obtained.

Chapter four: Data presentation, Analysis and Interpretation

4.1. Introduction

In this chapter description and analysis of the data collected from the respondents in the garment factories. From the submitted 150 questionnaire a 119 were collected giving a response rate of 79.3%.

This section of the paper encompasses data screening and cleaning, reliability test, the general company information, objective data on export performance, descriptive data of the study, measurement of model validity and validation of hypotheses.

4.2. Data screening and cleaning

Data were screened and cleaned prior to analysis. Cases with over 50% of missing data were removed (Hair *et al*, 2010). This was the case for credit policy from pricing strategies, the use of export sales representatives from distribution strategies and regular field visits from promotional strategies because they have 36.7 %, 23.3 % and 23.3 % missing data respectively. This is because they are not applicable and not applied in the responding companies and analyzing them would affect the reliability of the study results. After screening and cleaning, 116 (77.3 % response rate) responses were found valid and used for further analysis for the study.Hence, from the 150 questionnaires given the response rate was 77.3% after excluding questionnaires with missing values.

4.3. Reliability test

Reliability test is done to check for the internal consistency or correlation of items with in a variable. It is determined by the use of Cronbach alpha. Internal consistency is assured when Cronbachôs alpha is closer to 1 (Gliem and Gliem, 2003). The acceptable internal consistency is when Cronbachôs alpha is greater than 0.7 (George and Mallery, 2003). If it is below 0.7, an item may need to be removed from the instrument as there will be questionable internal consistency and reliability will not be assured for the instrument.

Table 4.3.1: Reliability test

Model	Cronbach's alpha	Cronbach's alpha based on standardized items
Place	0.769	0.811
Price	0.740	0.731
Distribution	0.951	0.952
Promotion	0.805	0.792
Export performance	0.972	0.973

Source: Survey result, SPSS (2018)

As it can be seen form the above table, the Cronbach alpha for all the variables is above 0.7. This confirms internal consistency of the research instrument. Hence, no item deletion was found necessary.

4.4. General company information

In this section the general company information of the exporters included in the study is described. This includes the year of establishment, years of export experience, company information, origin of exporter, and the respondentôs position in the company.

4.4.1. Year of establishment

Of the garment exporters, the furthest one included in this study was established 39 years ago in 1971 while 2 years of experience was the lowest one. The majority are established in 2013, 2014 and 2015.

Table 4.4.1.1: Year of establishment

Years of establishment (in G C.)	No. of firms
1971	1
2001	1
2002	1
2004	2
2005	2
2006	3
2007	1
2008	1

2009	1
2010	2
2011	2
2013	4
2014	4
2015	4
2016	1
Total	**30**

Source: Survey result, SPSS (2018)

4.4.2. Years of export experience

From those that are still in the business of exporting the furthest one is more than 10 years ago with the lowest being 2 years. The majority started exporting in 2009, 2010 and 2011 each comprising 10% of the respondents.

Table 4.4.2.1: Year of export experience

Years of export experience (in G.C.)	No. of firms
2006	2
2009	3
2010	3
2011	3
2012	2
2013	4
2014	7
2015	5
2016	1
Total	**30**

Source: Survey result, SPSS (2018)

4.4.3. Company information

The majority of the exporters included in this study are private limited companies encompassing 83.3% of the responding companies while 13.3% of them were Share Company and 3.3 % were recorded as a sole proprietorship company.

Table 4.4.3.1: Company information

Company information	No. of firms	Percentage
Pvt.Ltd.Co	25	83.3
Sole proprietorship	1	3.3
Share company	4	13.3
Total	**30**	**100.0**

Source: Survey result, SPSS (2018)

4.4.4. Origin of exporter

Native owned companies holds the majority position of the exporting companies with 53.3% of the respondents while the rest is foreign owned companies. From them India and South Korea holds the majority position with 13.3% each while China follows with 6.7% of the responding companies, with Turkey, Italy, U.S.A. and Taiwan being 3.3%.

Table 4.4.4.1: Involved investors in garment exporting business

Owner	No. of firms	Percentage
Native	16	53.3
India	4	13.3
South Korea	4	13.3
China	2	6.7
Turkey	1	3.3
Italy	1	3.3
U.S.A	1	3.3
Taiwan	1	3.3
Total	**30**	**100.0**

Source: Survey result, SPSS (2018)

4.4.5. Respondents position in the company

The student researcher used key informants in the selected companies no matter their position is. Hence the majority which is 23.3% were marketing manager followed by 19.8% of assistant manager, and 19.0% of finance manager. The rest contains general manager, merchandiser, designer, administrator and export marketing head.

Table 4.4.5.1: Respondents position in the company

Respondent position	No. of respondents	Percentage
General manager	8	6.9
Assistant manager	23	19.8
Marketing manager	27	23.3
Finance manager	22	19.0
Merchandiser	17	14.7
Designer	9	7.8
Administrator	7	6.0
Export marketing head	3	2.6
Total	**116**	**100.0**

Source: Survey result, SPSS (2018)

4.5. Objective data

For an export performance measurement to be considered reliable, it has to be multidimensional hence consists of both objective and subjective information for analysis (Diamantopoulos and Kakkos, 2007; as cited in Beleska-Spasova, 2014). This section discusses the objective data of garment exporters in Ethiopia and Addis Ababa.

The garment export performance of Ethiopia has been showing inconsistent figure through the past five years (table 4.5.1).As it can be seen on the table below there was a percentage increase of 12.5% in 2013/14 G.C. earning 111.4 million USD. But it showed a decrement in the following years of 2014/15 and 2015/16 G.C.,following by an increment by 14.6% in 2016/17 G.C. earning 89.3 million USD.

Table 4.5.1: Garment industry foreign currency earning in million USD in Ethiopia

Year	2005 (2012/13)	2006 (2013/14)	2007 (2014/15)	2008 (2015/16)	2009 (2016/17)
Achieved	98.988	111.356	98.047	77.969	89.340
Annual growth rate	-	12.5%	-12.0%	-20.5%	14.6%

Source: ETIDI 2010

The garment sector export performance in USD earnings for the state of Addis Ababa is reported in the following table.

Table 4.5.2: Garment industry foreign currency earning in million USD in Addis Ababa

Year	2005 (2012/13)	2006 (2013/14)	2007 (2014/15)	2008 (2015/16)	2009 (2016/17)
USD	62.538	69.474	66.312	50.224	54.213
Annual growth rate	-	11.1%	-4.5%	-24.3%	7.9%

Source: ETIDI 2010

The table above (table 4.5.2) shows that the export performance of garment exporters in Addis Ababa has been going erratic as there was 11.1% increase in the 2013/14 G.C. earning 69.5 million USD. Then it drops down for the next two consecutive years with 66.3 million USD and 50.2 million USD for 2014/15 and 2015/16 G.C., respectively. However, in the 2016/17 G.C. it shows a 7.9% increase earning 54.2 million USD.

4.6. Descriptive data

In this section descriptive analysis of the study on the perceptions of the respondents with regard to the dependent variable (export performance) and independent variables (product, price, distribution and promotion) is conferred. The mean and standard deviation for all was computed. The mean is the average value and the standard deviation shows how much deviated the values are from the mean. A mean score of 3.80 and higher are considered to show high level of agreement, those between 3.40 and 3.79 moderate agreement and a mean of 3.39 and below to show low level of agreement (Akmaliah, 2014; as cited by Muhumed and Ssekajugo, 2015).

4.6.1. Product marketing strategies

For the analysis of product marketing strategies, five questions were asked on the product quality, the uniqueness of their product design, the variety of products being exported, the brand awareness and their overall belief about the effect that the aforementioned aspect of their garment products has on export performance. A five point likert scale was used with strongly disagree, disagree, neutral, agree and strongly agree being equal to 1, 2, 3, 4, and 5, respectively.

Table 4.6.1.1: Descriptive data on product marketing mix strategies

Product marketing mix strategies	Mean	Std. deviation
Our products are of high quality and suitable for foreign market	4.43	0.760
Our product/s design is unique for foreign market	3.62	1.139
Our products brand is highly recognized in foreign market	3.16	1.060
We have several product (garments) variety at our company for the export market	4.19	0.874
I believe the product aspect of our company highly influence export performance	4.33	0.766
Overall mean	**3.94**	**0.557**

Source: Survey result, SPSS (2018)

Considering the quality of their product for the foreign market, the respondents show high level of agreement with a mean of 4.43 and a standard deviation of 0.76. For the product uniqueness of product design, it showed moderate level of agreement with a mean of 3.62 whereas a low agreement is seen in brand recognition having a mean of 3.16. Regarding the variety of garments presented for the export market and the overall belief about the influence of the product marketing mix influence on the export performance, there was a high level of agreement with a mean of 4.19 and 4.33, respectively.

The overall mean for the product marketing mix was found to be 3.94 which indicate that there is a high level of agreement with the respondents with regard to its influence on export performance.

4.6.2. Price marketing strategies

For the analysis of this variable, a five point likert scale was used similar to the product variable from strongly disagree to strongly agree having a level from 1 unto 5. This variable contains price adjustment according to foreign market, low-cost advantage, pricing strategy, payment method, and their perception regarding the pricing strategy effect on export performance.

Table 4.6.2.1: Descriptive statistics on price marketing strategy

Price marketing mix strategies	Mean	Std. deviation
Our practice of price adjustment according to the foreign market situation creates export market competitiveness	3.71	1.004
Our companyôs low-cost advantage for the foreign market increases export market competitiveness	3.96	0.898
The pricing strategy we use is suitable to be competitive in foreign market	4.08	0.815
The payment method our company applies is suitable for foreign market	3.95	0.800
I believe the price aspect of our company highly influence export performance	4.28	0.787
Overall mean	**3.99**	**0.623**

Source: Survey result, SPSS (2018)

As it can be seen from the above table, analysis of adjustment of price according to the foreign market situation influence on export performance gave a mean value of 3.71 which shows moderate level of agreement. The rest, low-cost advantage, pricing strategy, and payment method showed a high level of agreement in the respondents with a mean score of 3.96, 4.08 and 3.95, respectively. A high score of 4.28 was seen in the belief of price marketing strategy influence on export performance showing high agreement.

The overall mean was found to be 3.99 indicating high agreement in the respondents. Even though the influence of credit policy on export performance has been included in the questionnaire, it was not applicable in more than 35% of the responding companies hence was not included for analysis.

4.6.3. Distribution marketing strategy

For the distribution marketing analysis, the distribution channel type, distribution network strategy the company applies and the overall perception of the respondents on the effect the distribution strategy has on the export performance of the company was analyzed. Like the

previous variables, a five point likert scale was used leveling from strongly disagree to strongly agree having a score of 1 up to five.

Table 4.6.3.1: Descriptive data on distribution marketing mix strategies

Distribution marketing mix strategies	Mean	Std. deviation
Our distribution channel type is suitable for easy export performance	3.67	0.958
The distribution network strategy our company applies is simple for better export performance	3.62	0.841
I believe the distribution aspect of this company highly influence export performance	3.78	0.876
Overall mean	**3.89**	**0.786**

Source: Survey result, SPSS(2018)

The above table shows that the distribution marketing mix strategy shows a moderate level of agreement with a mean of 3.67 and 32 for distribution channel type suitability and the distribution network strategy for export performance. Considering their belief on the influence of the distribution aspect of their respective company on export performance also resulted a moderate level agreement with a mean of 3.78.

The overall mean for distribution marketing mix was 3.89 giving a high level of agreement of the respondents. In this variable, although included in the questionnaire, employment of export sales representatives for the foreign market is excluded from analysis because more than three quarters of the responding companies do not employ it and including it in analysis would impact the overall analysis.

4.6.4. Promotion marketing strategy

In promotion marketing strategy analysis a five point likert scale was used ranging from strongly disagree having a score of 1 to strongly agree with a score of 5. This variable includes the practice and effect of advertising, sales promotion, trade fairs and the overall effect of promotion marketing strategy on export performance.

Table 4.6.4.1: Descriptive statistics on promotion marketing mix strategy

Promotion marketing mix strategy	Mean	Std. deviation
Our company performance of advertising activities for foreign market aids in export market competitiveness	3.40	0.893
Our company provision of sales promotion activities for foreign market increases export competitiveness	3.28	0.822
Our company participation in trade fairs increases export competitiveness	4.06	0.858
I believe the promotion aspect of this company highly influence export performance	3.25	0.986
Overall mean	**3.49**	**0.706**

Source: Survey result, SPSS (2018)

As the above table shows, the mean for advertising and sales promotion shows a low level of agreement with a mean score of 3.40 and 3.28, respectively whereas for the influence of participation in trade fairs on export performance gave a high level of agreement with a mean score of 4.06. Respondents showed a low level of agreement on their general belief regarding the influence of promotion marketing mix on export performance of garment products as it resulted in a mean of 3.25.

The overall mean on the influence of promotion marketing mix strategy on export performance was 349 giving a moderate level of agreement from the respondents. The questionnaire included about the effect that regular field visits to foreign customers has on export performance. However since it is not applicable in more than third quarter of the responding companies, it was excluded from analysis.

4.6.5. Export performance

Export performance was analyzed using export intensity, export sales growth, market share in foreign markets, export profitability, meeting export targets and overall export performance. A five point likert scale was used from strongly disagree to strongly agree with a score of 1 to 5.

Table 4.6.5.1: Descriptive statistics on export performance

Export performance	Mean	Std. deviation
The export intensity of my company has been growing over the past 5 years	3.68	0.830
The export sales growth of my company has been increasing over the past 5 years	3.75	0.893
The market share of garment products from my company in foreign market has been increasing over the past 5 years	3.36	0.908
Export profitability of my company has been increasing over the past 5 years	3.84	0.978
The overall export performance of my company has been meeting the companyôs target performance over the past 5 years	3.67	0.921
The overall export performance of my company has been increasing over the past 5 years	3.83	0.935
Overall mean	**3.69**	**0.781**

Source: Survey result, SPSS (2018)

To measure their export performance as adopted from Sousa (2004) export intensity, export sales growth, export market share, export profitability, meeting export targets and overall export performance was analyzed considering the past five years. Export intensity (mean=3.68), export sales growth (mean=3.75) and meeting target export performance (mean=3.67) gave a moderate level of agreement while export market share had a low level of agreement with a mean of 3.36. Higher mean values are seen in export profitability and overall export performance increment over the past five years with a mean of 3.84 and 3.83 giving high level of agreement.

The results seen in the above table (table 4.6.5.1) regarding the export performance giving a moderate level of agreement are comparable with the inconsistent value gained measured as dollar earned in USD in Addis Ababa in table 4.5.2.

4.7. Normal distribution

Skewness and Kurtosis are used to check for normal distribution. Skewness measures the tilt of distribution which can either incline to the right or to the left. The normal range is with in +2 and

-2. Kurtosis on the other hand measures the peakdness or the flatness and it can be considered normal when it is between the range of +3 and -3 (Garson, 2012). Taking the normal distribution under consideration, the figures show that both skewness and kurtosis is not an issue in this study as they are all within the given range.

Table 4.7.1: Normal distribution

Items	N	Skewness		Kurtosis	
		Statistic	Std. error	Statistic	Std. error
Product	116	-0.406	0.225	0.247	0.446
Price	116	-1.123	0.225	2.836	0.446
Distribution	116	-1.153	0.225	2.514	0.446
Promotion	116	-0.526	0.225	-0.183	0.446
Export performance	116	-0.969	0.225	1.466	0.446

Source: Survey result, SPSS (2018)

4.8. Correlation analysis

The correlation analysis done between the dependent variable (export performance) and the independent variables (product, price, distribution and promotion) was computed. The correlation coefficient for each of the variables is shown in the table below.

Table 4.8.1: Correlation analysis

Independent variables	**Product**	**Price**	**Distribution**	**Promotion**	**Export performance**
Product	1	0.380	0.275	0.269	0.442
Price	0.380	1	0.553	0.470	0.564
Distribution	0.275	0.553	1	0.552	0.622
Promotion	0.269	0.470	0.552	1	0.472
Export performance (Pearson Correlation)	**0.442**	**0.564**	**0.622**	**0.472**	**1**

Source: Survey result, SPSS (2018)

Correlation coefficients that lie on 0.70 and higher are said to have strong association whereas those between 0.50-0.69 have substantial association, those between 0.30-0.49 have moderate

association, 0.10-0.29 have low association and those having 0.09 and below are considered to have negligible association (Akmaliah, 2014; as cited by Muhumed and Ssekajugo, 2015). Based on this assumption, price and distribution marketing strategy have a substantial association with export performance having correlation coefficient of 0.564 and 0.622, respectively, whereas product and promotion are said to have a moderate level of association with export performance having a correlation value of 0442 and 0.472, respectively.

4.9. Analysis of inferential statistics

4.9.1. Test for multicollinearity

Multicollinearity is the case where the independent variables are closely related with each other. This in turn would make regression analysis difficult because it would be hard to separate out the individual effect of the independent variables on the dependent one. Analyzing multicollinearity in SPSS aids to see if there are correlations with in the independent variables as it would be tricky to further analyze correlation and multiple regressions between the dependent and independent variables if there are correlations among the independent variables (James *et al*, 2013).

Table 4.9.1.1: Test of multicollinearity

Coefficients		
Model	**Collinearity Statistics**	
	Tolerance	VIF
Product	0.845	1.183
Price	0.608	1.644
Distribution	0.584	1.713
Promotion	0.650	1.538

Source: Survey result, SPSS (2018)

When checking collinearity, the VIF which is the Value Inflation Factor is considered. According to James *et al* (2013) the VIF factor above 5 indicates multicollinearity with in the independent variables. In this research as observed in table 4.12, the VIF for all the independent

variables included is below 5. Hence there is no multicollinearity among the independent variables and further analysis of correlation and multiple regressions is possible.

4.9.2. Regression analysis

The regression analysis shows the correlation between the dependent variable (export performance) and the independent variables (product, price, distribution and promotion). The model summary for the study is depicted in the following table.

Table 4.9.2.1: Model summary of R Square

Model	R	R Square	Adjusted R Square	Std. Error of Estimate
	0.716	0.513	0.495	0.55521

Source: Survey result, SPSS (2018)

As seen in the above table, the overall correlation is 71.6% while R square is 0.513 which implies that 51.3% of the export performance can be explained by the influence of product, price, distribution and promotion variables. The rest, which is 48.7%, is influenced by other factors which are not included in this study.

Table 4.9.2.2: ANOVA

	Sum of squares	df	Mean square	F	Sig.
Regression	35.979	4	8.995	29.180	0.000
Residual	34.217	111	0.308		
Total	70.196	115			

Source: Survey result, SPSS (2018)

ANOVA (Analysis of Variance) is a method whereby the differences among the means of the factors included in a study are checked to see if there is a significant variation (Kothari, 2004).It is a way where results of an experiment are tested for significance. An important value to consider in the above table (table 4.8.2.2) is the sig which indicates if the means in the variables are if there is a significantly different. It is seen that the significance in the ANOVA analysis is 0.000 which indicates that the results are significant.

From the following table inferring the coefficients value (Table 4.15) the previously proposed hypotheses can either be accepted or rejected.

Table 4.9.2.3: Coefficients

	Unstandardized coefficients		Standardized coefficients		
	B	**Std. Error**	**Beta**	**t**	**Sig.**
(Constant)	-0.481	0.434		-1.109	0.270
Product	0.329	0.101	0.235	3.260	0.001
Price	0.270	0.107	0.215	2.532	0.013
Distribution	0.390	0.086	0.392	4.524	0.000
Promotion	0.101	0.091	0.091	1.111	0.269

Source: Survey result, SPSS (2018)

4.10. Validation of hypotheses

Hypothesis 1: Product marketing mix strategies has significant positive effect on export performance in the garment industry.

As seen in table 4.15 product marketing mix strategy explained by product quality, design uniqueness, variety and brand has significant relationship with export performance comprising a p-value of 0.001 which is smaller than 0.05. Hence, hypothesis 1 is accepted.The beta coefficient for product marketing strategy was 0.235 meaning that when there is one unit increase in product marketing mix strategy, there will be a 23.5% increase in export performance. Similar result is seen in by Leonidou *et al* (2002) and Ataklty, Girma and Zemen (2015) as it was reported that product variety, design, brand and quality has a highly significant and positive relationship with export performance. Ataklty, Girma and Zemen (2015) reported that the influence of price marketing strategy on export performance was 21.5% which was equivalent to this study result. The importing countries of Ethiopian garments are U.S.A., Canada and Europe (ETIDI, 2017) and the export standard which satisfies their need has to be met for an export to proceed or else future interactions may be damaged. Therefore, the product aspect, especially the quality, of a garment is imperative. The variety, the uniqueness and brand awareness are also essential when to improve export performance.

Hypothesis 2: Price marketing mix strategies has significant positive effect on export performance in the garment industry

The value of coefficient for the price marketing strategies was found to be 0.215 with a p-value of 0.013 (p-value < 0.05) showing significant and positive relationship with export performance. From this it can be said that whenever there is a one unit increase in price marketing strategy, there will be a 21.5% increase in export performance. This indicates that devoting oneself with regard to adjustment of price according to foreign market, low-cost advantage, pricing strategy and payment method will increase export performance. Hence hypothesis 2 was accepted. The 2015 study by Ataklty, Girma and Zemen also confirmed similar result as the price marketing strategy explained as price adjustment according to the foreign market situation, low-cost advantage, pricing methods and payment methods do affect the export performance of garment manufacturing companies. Leonidou *et al* (2002) in his study also concluded that the price marketing strategy do have positive and significant relationship with export performance. Price marketing strategy influence in Ethiopia market could be explained with the incentives given for exporters including duty draw back scheme, voucher scheme, industry park scheme and others which minimize the cost of production (EICb, 2016).

Hypothesis 3: Distribution marketing mix strategies has significant positive effect on export performance in the garment industry

This study found that there is a statistically significant relationship between distribution marketing strategy and export performance with a p-value of 0.001 (p-value less than 0.05). Not only there was a significant relationship, but also the relationship is positive. The value of coefficient was found to be 0.392 meaning that the independent variable (distribution marketing strategy) positively and significantly influence export performance by 39.2%. Convenience and timely delivery are very important concerns with regard to distribution especially timely delivery since they have different types of styles for the four seasons (Ataklty, Girma and Zemen, 2015). Hence, the third hypothesis stating that distribution marketing strategy positively and significantly affects export performance is accepted. According to Ataklty, Girma and Zemen

(2015) distribution marketing strategy was found to be very important among responders and it had a positive and significant relationship with export performance.

Hypothesis 4: Promotion marketing mix strategies has significant positive effect on export performance in the garment industry

When assessing the effect of promotion marketing strategy on export performance in garment industries in Addis Ababa, the value of coefficient was found to be 0.091 with a p-value of 0.269 which is higher than 0.05. Therefore, taking the p-value in consideration, promotion marketing strategy of garment exporters does not have statistically significant effect on export performance. However, the relationship is positive bearing the value of coefficient in mind. According to the value of coefficient, it can be inferred than whenever there is a one unit increase in promotion marketing strategy, there will be a 9.1% increase in export performance. Similar result was observed by a study (Ataklty, Girma and Zemen, 2015) where promotion marketing strategy does not provide significant relationship with export performance. Promotion increases the overall cost of a product. This explains why less work is seen by garment industries in this area. Foreign countries purchase garments and textiles from manufacturers in developing countries mainly for the low-cost advantage with high quality they require (EICb, 2016).

Chapter Five: Summary, Conclusion and Recommendation

5.1. Summary and Conclusion

This study examined the influence of marketing mix elements namely product, price, distribution and promotion, on export performance. A total of 30 garment exporters were taken whereby five well-informed respondents were sampled from each were included in the study.

After checking the validity and reliability of the study instrument a 150 questionnaires were distributed, Following data collection, screening and cleaning 116 were found fit for analysis with a response rate of 77.3%. The mean and standard variation for all the dependent and independent variables were computed. The overall mean for product, price and distribution showed high level of agreement among respondents with a mean of 3.94, 3.99 and 3.89, respectively. On the other hand, promotion and export performance overall mean showed moderate agreement with a mean score of 3.49 and 3.69, respectively.

Correlation analysis was done for the study variables where price and distribution showed substantial association with a value of 0.564 and 0.622, respectively while product and promotion showed moderate association with a value of 0.442 and 0.472, respectively. Normal distribution was checked using skewness and kurtosis which was with in the normal range.There was no collinearity between the independent variables as proved by VIF below 5 indicating that the independent variables are not closely related with each other and regression analysis can be done.

Succeeding this the value of R square was 0.513 indicating as marketing mix strategies increase by one step, garment exporting performance will increase by 51.3%. the correlation coefficients for the independent variables were 0.235, 0.215, 0.392, 0.091 for the product, price, distribution and promotion, respectively signifying there is a positive and significant association with export performance and product, price and distribution marketing mix strategies while the association is insignificant for promotion however positive. Hence, H1, H2 and H3 stating that there is significant and positive association with export performance and product (H1), price (H2) and distribution (H3)were accepted whereas the significance of promotion marketing influence in export performance (H4) was rejected.

5.2. Recommendation

Based on the major findings of this study, the following recommendations are proposed.

- Garment exporters should give attention to marketing mix elements and allocate investment for them as they are imperative for a success of export performance.

- Garment exporters should give due emphasis to the quality of their product as poor quality of products will damage future relationship with the foreign company. Creating a brand and making sure that brand is well communicated is also suggested for garment exporters. They also should increase the variety of their garments so that more targets can be reached.

- Ethiopia is promoting export by providing several incentives for the different industries they are interested at. Garment exporters should exploit the low-cost advantage that exists in the country. They should also amend their pricing strategy and payment method to gain more competitive advantage in the foreign market.

- Regarding the distribution marketing mix strategy, garment exporters should change their exporting type to gain more competitive edge in foreign markets. If they are applying passive exporting, they should change their long term objective towards more active export and go along the hierarchy of exporting. They should take advantage of export sales representatives so that a focused attention can be given for the export market separately.

- Garment exporters should not ignore promotion marketing mix. Even though significant relationship is not observed in this study, the benefit of promotion is not to be disregarded. They should allocate resources and promote their best features of their products through advertising, sales promotion, national or international trade fairs, and exploit export sales representatives for customer visits as it will create increased awareness and recognition.

5.3. Limitation and direction for future study

This study utilized structured questionnaire to collect data about the influence of marketing mix strategies on export performance in garment industries from the exporterôs perspective. Future studies can focus on the same objective regarding the customer perspective.

This study uses garment exporters found in the state of Addis Ababa only for analysis and others operating in similar business that are out of the state were not included. A research regarding export performance in the whole country taking all garment exporters in consideration is recommended for future study.

For the independent variable, only marketing mix strategies were employed to analyze their influence on export performance. Future researchers can also give strong emphasis on the other factors that influence export performance giving due consideration for each variables in both internal and external influencing factors.

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Appendix I: Questionnaire

QUESTIONNAIRE

ADDIS ABABA UNIVERSITY

SCHOOL OF COMMERCE

MARKETING MANAGEMENT GRADUATE PROGRAM

Dear respondent,

My name is Yodit Gizaw. I am a graduate student in marketing management in School of Commerce, Addis Ababa University. The purpose of this questionnaire is to gather data for the research entitled ñAnalyzing the influence of marketing mix strategies on export performance in the garment industry of Ethiopia: The case of garment exporters in Addis Ababa.ò This study is conducted as a partial fulfillment for the requirement of mastersô degree in marketing management. Please be sincere in your response as the information you provide will be used solely for research purpose. Make sure to complete all the questions as it is very important for analysis. Yours and the company name will be anonymous and your response will be kept confidential as data will be analyzed in aggregates.

Thank you in advance!

1. Year of establishment of your firm _____
2. Year when your company started exporting _____
3. General company information

   ☐ Pvt. Ltd. Co ☐ Sole proprietorship ☐ Joint venture

   ☐ Share Company ☐ Public Company
4. Company proprietor

   ☐ Native owned ☐ Foreign owned ☐ Both
5. If foreign or joint owned, please specify the country/countries _____
6. What is your position in the company?

   ☐ CEO ☐ Assistant manager ☐ Marketing manager ☐ Finance manager

   ☐ Other_____

For the following questions please state your response by giving a check mark (✓) on the space describing your choice. Please make sure you respond to all the questions.

(SA) ï Strongly agree **(A)** ï Agree **(N)** ï Neutral **(DA)** ï Disagree

(SDA) ï Strongly disagree **(NA)** ï Not Applicable in our firm

No.	**Product marketing strategy**	SDA (1)	DA (2)	N (3)	A (4)	SA (5)
7	Our product/s are of high quality and suitable for foreign market					
8	Our product/s design is unique for foreign market					
9	Our product/s brand is highly recognized in foreign market					
10	We have several product (garments) variety at our company for the export market					
11	I believe the product aspect of our company highly influence export performance					

No.	**Price marketing strategy**	SDA (1)	DA (2)	N (3)	A (4)	SA (5)	NA
12	Our practice of price adjustment according to the foreign market situation creates export market competitiveness						
13	Our companyôs low-cost advantage (e.g. labor, raw material...) for the foreign market increases export market competitiveness						
14	The pricing strategy we use is suitable to be competitive in foreign market						
15	The payment method our company applies is suitable for foreign market						
16	Our credit policy for export market is helping our export performance positively (reply this if you sell products using any sort of credit techniques)						
17	I believe the price aspect of our company highly influence export performance						

No.	**Distribution marketing strategy**	SDA (1)	DA (2)	N (3)	A (4)	SA (5)	NA
18	Our export channel type is suitable for easy export performance						

19	The distribution network strategy our company applies is simple for better export performance						
20	Our company practice of employing export sales representatives for the foreign market increases export sales performance						
21	I believe the distribution aspect of this company highly influence export performance						

No.	**Promotion marketing strategy**	SDA (1)	DA (2)	N (3)	A (4)	SA (5)	NA
22	Our company performance of advertising activities for foreign market aids in export market competitiveness						
23	Our company provision of sales promotion activities for foreign market increases export competitiveness						
24	Our company participation in garment industry related trade fairs increases export competitiveness						
25	Our company practice of regular field visits to our foreign customers increases export competitiveness						
26	I believe the promotion aspect of this company highly influence export performance						

No.	**Export performance**	SDA (1)	DA (2)	N (3)	A (4)	SA (5)
27	The export intensity of my company has been growing over the past 5 years					
28	The export sales growth of my company has been increasing over the past 5 years					
29	The market share of garment products from my company in foreign market has been increasing over the past 5 years					
30	Export profitability of my company has been increasing over the past 5 years					
31	The overall export performance of my company has been meeting the companyôs target performance over the past 5 years					
32	The overall export performance of my company has been increasing over the past 5 years.					

Thank you for your kind cooperation!

Appendix II: Statistical Outputs

Correlations

		Product	Price	Distribution	Promotion	ExportPerformance
Product	Pearson Correlation	1	.380**	.257**	.269**	.442**
	Sig. (2-tailed)		.000	.005	.003	.000
	N	116	116	116	116	116
Price	Pearson Correlation	.380**	1	.553**	.470**	.564**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	116	116	116	116	116
Distribution	Pearson Correlation	.257**	.553**	1	.552**	.622**
	Sig. (2-tailed)	.005	.000		.000	.000
	N	116	116	116	116	116
Promotion	Pearson Correlation	.269**	.470**	.552**	1	.472**
	Sig. (2-tailed)	.003	.000	.000		.000
	N	116	116	116	116	116
ExportPerformance	Pearson Correlation	.442**	.564**	.622**	.472**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	116	116	116	116	116

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

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	Promotion, Product, Price, Distribution[b]	.	Enter

a. Dependent Variable: ExportPerformance

b. All requested variables entered.

Coefficients[a]

Model		Collinearity Statistics	
		Tolerance	VIF
1	Product	.845	1.183
	Price	.608	1.644
	Distribution	.584	1.713
	Promotion	.650	1.538

a. Dependent Variable: ExportPerformance

Regression

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	Promotion, Product, Price, Distribution[b]	.	Enter

a. Dependent Variable: ExportPerformance

b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.716[a]	.513	.495	.55521

a. Predictors: (Constant), Promotion, Product, Price, Distribution

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	35.979	4	8.995	29.180	.000[b]
	Residual	34.217	111	.308		
	Total	70.196	115			

a. Dependent Variable: ExportPerformance

b. Predictors: (Constant), Promotion, Product, Price, Distribution

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	-.481	.434		-1.109	.270					
	Product	.329	.101	.235	3.260	.001	.442	.296	.216	.845	1.183
	Price	.270	.107	.215	2.532	.013	.564	.234	.168	.608	1.644
	Distribution	.390	.086	.392	4.524	.000	.622	.395	.300	.584	1.713
	Promotion	.101	.091	.091	1.111	.269	.472	.105	.074	.650	1.538

a. Dependent Variable: ExportPerformance

Collinearity Diagnostics[a]

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions				
				(Constant)	Product	Price	Distribution	Promotion
1	1	4.931	1.000	.00	.00	.00	.00	.00
	2	.030	12.854	.09	.15	.00	.30	.15
	3	.019	16.305	.00	.00	.03	.46	.84
	4	.011	20.887	.01	.26	.90	.24	.00
	5	.010	22.743	.91	.59	.06	.01	.00

a. Dependent Variable: ExportPerformance