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Assessing the Effectiveness of Marketing Strategy in the Case of Bank of Abyssinia

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**Addis Ababa, Ethiopia
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Assessing the Effectiveness of Marketing Strategy in the Case of Bank of Abyssinia

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**A Research Project Submitted to School of Commerce
In partial fulfillment of the Requirements for the
Degree of Master of Arts in Marketing Management**

**Addis Ababa University
School of Commerce Graduate Program
Department of Marketing Management**

**Addis Ababa, Ethiopia
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**Addis Ababa University
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(Approval Sheet)

**Assessing the Effectiveness of Marketing strategy
in the Case of Bank of Abyssinia**

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LETTER OF CERTIFICATION

This is to certify that Solomon Abera has carried out his research work on the topic of “Assessing the effectiveness of Marketing Strategy Practices in the case of Bank of Abyssinia” under my supervision. This work is original in its nature and it is suitable for submission in partial fulfillment of the requirement for the award of Masters Degree in Marketing Management.

Mesfin Workineh _____
(Advisor) Signature

Date

DECLARATION

I, Solomon Abera, declare that this project work entitled “Assessing the Effectiveness of Marketing Strategy practices in the case of Bank of Abyssinia” is my own original work. I have carried out the project independently with the guidance and suggestions of the research advisor. And it has not been presented in Addis Ababa University or any other University.

Solomon Abera _____

(The Researcher) Signature

Date _____

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ABSTRACT

When it comes to marketing strategies, most people spontaneously think about the 4P (Product, Price, Place, and Promotion). Market segmentation and the identification of target markets, however, are an important element of each marketing strategy. These are the basis for determining any particular marketing mix and the corresponding financial performance of any firm. In line with this, a number of empirical researches identified profound relationship among the company efforts paid to marketing strategy and the overall business performance, both market and financial. Based on this, the researcher undertook an assessment on the effectiveness of the marketing strategy with the objective to identify the relationship among the dependent & independent variables. The case study was Bank of Abyssinia. From the literature, three determinant factors are identifies for the first model and four ones the second model. Each variable is measured using 5-point Likert-scale. With the objective to answer the research questions, questionnaires were administered to target respondents of employees of the Bank that directly involved in formulating & implementing of the marketing strategy. The data were analyzed using SPSS version 20. The findings of this study revealed that the variation contributed by the three elements of the marketing strategy (i.e., segmentation, targeting & positioning) against the effectiveness of the marketing program is significantly large. Besides, four components of the marketing program (i.e., product, price, promotion & place strategy) played a considerable contribution towards the financial performance of the Bank. Finally, the finding showed that the bank considerations to the basic elements of the marketing strategy in the form of market segmentation, targeting and positioning as a strategic tools is not satisfactory rather it is moderate or average level of consideration is paid towards theses major elements of the marketing strategy. Further the researcher concluded that this yields an average or moderate marketing program and financial performance at end.

CHAPTER ONE INTRODUCTION

1.1. Background of the study

Every industry including banking has an underlying structure or a set of fundamental economic and technical characteristics which give rise to competitive forces. A firm can clearly improve or erode its position within an industry through its choice of strategy. Competitive strategy, then, not only responds to the environment but also attempts to shape the environment in its favor (Porter, 1985). The strategist must therefore seek to position his or her firm to cope best within its industry environment or to influence that environment in the firm's favor.

The country banking industry has witnessed an increasing competition from growing number of participant of private and government owned banks. Currently, there are nineteen Commercial banks are operating in Ethiopia of which three of them are Government owned Banks; i.e.; Commercial Bank of Ethiopia, Construction and Business Bank, and Development Bank of Ethiopia. The remaining sixteen banks are private owned Commercial banks. Namely: Abay Bank S.C, Addis International Bank S.C, Awash International Bank S.C, Bank of Abyssinia S.C, Berhan International Bank S.C, Bunna International Bank S.C, Cooperative Bank of Oromia S.C, Dashen Bank S.C, Dehub Global Bank S.C, Enat Bank S.C, Lion International Bank S.C, Nib International Bank S.C, Oromia International Bank S.C, United Bank S.C, Wegagaen Bank S.C, and Zemen Bank S.C (Ethiopia NBE, 2015).

Cognizant with this fact regarding the level of competition in the industry, it is to be clear that the attendant jostling for positions, market share and profits. Competition is at the core of the success or failure of the banking industry of the country, and to survive and even to grow unless otherwise banks are giving the utmost attention to the marketing strategy.

The industry is characterized by intense competition, serious poaching and luring of talented personnel from one bank to the other. There has been the introduction of innovative technology driven products which are more customer-friendly. Various products have being designed to suit different categories of customers. The Banks indulge in the use of strong and persuasive marketing communication efforts to promote their products, although bank products offered by competitors seem alike. (Samuel, 2013)

History of the Banking industry in Ethiopia

Modern banking in Ethiopia was introduced in 1905. At the time, an agreement was reached between Emperor Menelik II and a representative of the British owned National Bank of Egypt to open a new bank in Ethiopia. February 15, 1906 marked the beginning of banking in Ethiopia history when Emperor Menelik II inaugurated the first Bank of Abyssinia. It was a private bank whose shares were sold in Addis Ababa, New York, Paris, London, and Vienna. In 1931, Emperor Haile-Selassie introduced reforms into the banking system and the Bank of Abyssinia was liquidated and became the Bank of Ethiopia, a fully government-owned bank providing central and commercial banking services until the Italian invasion of 1936.

During the Italian invasion, Bank of Italy was formed a legal tender in Ethiopia. In 1943, after Ethiopia regains its independence from fascist Italy; the State Bank of Ethiopia was established, with departments performing the separate functions of an issuing bank and a commercial bank. In 1963, these functions were formally separated and the National Bank of Ethiopia (the central and issuing bank) and the Commercial Bank of Ethiopia are formed.

Generally, the country banking industry of the country evolved through different major events and trends since 1905 starting from the initial establishment of the Bank of Abyssinia in 1906,

marking the advent of banking into the country to the final event financial sector reform and liberalization according to Monetary and Banking Proclamation number 84/1994.

Bank of Abyssinia is among the earliest peers groups of private group of bank engaged in the business immediate after the liberalization of the sector. The Bank was established in February 1996 with a paid-up capital of Birr 18 Million; 31 employees; one branch office and 132 shareholders. Currently the Bank evolved and reached to authorized capital Of Birr 15 Billion while the number of shareholders stands at 60 thousands. Out of this, Birr 1.12 billons are paid up with a total shareholders number r of 44.8 thousands. The bank staffs have grown and strength has reached 3,290 and branch network grew to 187. Apart from this, the overall deposit mobilized has reached 11.12 billion and its related number of deposit account holders of the Bank went up to 478,436 customers. The growth also manifested through 6 billion loans and advances. (Annual report, 2014/15)

With regard to the subject matter the Bank designed and implemented three strategic plans which give utmost attention towards the market strategy. Hence as mentioned earlier the trends in change of the competitions becoming stiffs that forced banks to give attentions towards creating and maintaining the competitive edge over other players to survive in the and even to maintain a sustainable growth in the market. Hence, this research paper will tried to address the effectiveness of the marketing strategy in terms of financial and non-financial performance.

When we start marketing strategy, the same term apply to the words “objective” and “strategy”. The marketing objectives are the aims, the goal to which the entire marketing effort of the organization is directed. Marketing strategy, therefore, refers to the means by which the marketing objectives will be achieved. The same short hand will also apply; the marketing

objectives must begin with the word “To...” and the marketing strategies with the word “By” (Paul Fifield, 1994)

While all marketers do not agree on a common definition of marketing strategy, the term generally refers to a company plan that allocates resources in ways to generate profits by positioning products or services and targeting specific consumer groups. Marketing strategy focuses on long-term company objectives and involves planning marketing programs so that they help a company realize its goals. Companies rely on marketing strategies for established product lines or services as well as for new products and services.

Marketing strategy determines the choice of target market segments, positioning, marketing mix, and allocation of resources. Marketing strategy encompasses selecting and analysing the target market(s) and creating and maintaining an appropriate marketing mix that satisfies the target market and company (Paul Fifiel, 1994).

Ansoff (1970) argues that planning generally produces better alignment and financial results in companies which are strategically managed than those which are not. This suggests a seeming correlation between strategic planning and the ultimate performance of a company in terms of its growth, profits, attainment of objectives and sustained competitiveness (Strickland, 2004).

Nonetheless, and still consistent with the need for evolving and constantly reviewing strategy, it is important to note that having a sound strategy in itself does not necessarily translate into desired performance goals if it is not properly implemented. Both strategy and implementation must be good and timely to achieve positive results. As for a company driven by wrong

strategic planning, Malamud (2004) likens it to a train on a wrong track saying, every station it comes to is the wrong station.”

These fundamental principles largely hold true for all industries globally and as should be expected, the banking industry is also subject to the dynamics of these global market trends. Against this background, the study looks at the competitive strategy for survival and even winning among the crowd in the industry. Thus, the purpose of the study was to assess the effectiveness of the marketing strategy practices of the Bank of Abyssinia and to identify whether it was aligned with the target marketing, marketing mix and corporate mission to satisfy customer requirements.

1.2. Statement of the Problem

It is natural that every business organization whether small or large, private or government, domestic or international operate in a turbulent and uncertain environment. In the context of changing customer expectations, technological discontinuities, increasing environmental uncertainties, business managers have a big challenge of making the right strategic choice and setting their strategic priorities in order to allocate their resources to different functions in an efficient manner for business success. Due to this, managers must develop new tools, new concepts, new strategy and the new mindsets to cope with the turbulent and chaotic environments leading to discontinuous change (Jain, 1997).

In fact when you run a business, everything might not be easily accomplished. Marketing success is the lifeblood of any company. Everyone knows that a marketing strategy influences the company's ability to generate profits or to stay in business. Not all too often good product ideas are funded because of a poor marketing strategy. Likewise Bank of Abyssinia might face with some problems while practicing/implementing the marketing strategies.

In light of the relationship between adopting and implementing the right marketing strategy and the organization performance, a lot of research works have so far taken place abroad. For instance, Lawrence Awuah (2011) had showed how the bank achieved competitive advantages over its competitors in the Ghanaian banking industry. We can also quite additional reference if keep reviewing the literature. In this reference, Michael Ojo (2012) applied two models were formulated to evaluate the effect of marketing strategy on bank performance of the Nigerian Banking industry. In the first model, the profit after tax (PAT) of the selected banks were used as a dependent variables to capture the performance of banks while pricing, product development, promotional activities, and product distribution were used as proxies for the marketing strategies. The study found out that hat marketing strategies cannot be employed in isolation but rather an optimal combination of marketing mix has to be determined by the banks.

In the second model, the earning per-share (EPS) was adopted as another proxy of bank performance measure while the total customers' deposits (TCD), loans and advances (LA) and operating expenses (OPE) were the explanatory variables. The results revealed that High volume of customers' deposits and increase credits leads to positive organizational performance by the fact that focusing on and increasing the marketing activities of the private banks in the Nigerian banking industry.

We can also infers additional research when keep on looking on the research conducted under the subject matters but it is still undertaken in the abroad industry. In this case, we have found the research conducted by Snehal J. and Krishna G. (2012) that showed the relationship between effective implementation of marketing strategy and the bank performance in the

Indian Banking Industry. However, these inferences were conducted elsewhere abroad away from our country and it will be difficult to conclude as they inferred to our markets because it is composed of different culture and organizational structures.

The researcher also goes beyond such literature to reveal what researches have been undertaken under the context of the Ethiopia. Hence, as far as the efforts and knowledge of the researcher, there appears to be very limited work on the assessment of effectiveness of the marketing strategy in the Bank industry. However, we can count the efforts undertaken by the study of Samuel (2013) and Christina (2012) which examined the effectiveness of the marketing strategy in relation with the bank performance in the case of Awash International Bank and Commercial Banks in Ethiopia, respectively. Hence from this, we can easily infer that there is high level of theoretical gap under this subject matter due to limitation of research undertaken within our academic studies.

When we try to consider the practical gap, although as indicated above that the Bank has managed to maintain a sustainable growth, it doesn't get a satisfactory market positions in the industry. This clearly manifested when we try to engage in observing the bank positions in different parameters. This can easily inferred by simply looking the trends of the Bank position of the bank started declining among the competition. Based on the Bank quarter report for FY 2014/1, it identified that the Bank was at the 4th place from private commercial banks in the deposit mobilization. Further, the Bank's market share for deposit mobilization for the year 2014/15 had shown been declining. Ultimately, this report concluded that the growth rate of BOA doesn't keep pace with that of the private commercial banks all together (Quarter report, 2015).

The lack of establishing acceptable positions also depicted while we extends the observations to the total outstanding loans and advances by the 16 private banks. Based on this, the share of the bank accounted for 7.95%, placed at the seventh position next to Wegagen Bank. Further, the same trend is exhibited when considered with the profitability parameter. In this regards, the Bank was ranked at sixth place in the industry with a market share of 6.74%, earned a profit (before Provision) of Birr 371.4 Million during the FY 2014/15 due to the private banking industry all together earned a total of birr 5.51 billion which has shown increment by Birr 812.8 million (17.3%). (Quarter report, 2015)

Hence, this study will attempt to investigate the above issues and try to identify the above gaps and the reasons behind the mixed performances despite the fact that the bank put an effort to design and implement the appropriate marketing strategy and allocate considerable investments in infrastructure, human capital, technology, sales and marketing activities and essential resources. Specifically the study will answer the following research questions:

1. How does the activities of the basic elements of the marketing strategy of the Bank in the form of segmentation, targeting and positioning helps to win the competitors and helps to effectiveness of the marketing program?
2. Does the marketing programs implementation through four of its mixes contribute to the financial performance of the Bank?
3. What are the problems encountered in implementing the marketing strategies?

1.3. Objectives of the Study

The general objective of the study was to assess the effectiveness of the marketing strategy practices of Bank of Abyssinia in relation with the performance of the Bank and to identify

whether it is aligned with the target marketing, marketing mix and corporate mission to satisfy customer requirements.

The specific objectives were:

1. To explore the relationship between the basic elements of the marketing strategy in the form of segmentation, targeting and positioning with the effectiveness of the overall marketing program.
2. To explore the relationship between the marketing programs through its product, pricing, promotion and place strategy with the financial performance of the Bank. and;
3. To identify problems encountering the marketing strategy implementation of the Bank and to give recommendations.

1.4. Scope of the Study

The scope of the study will cover how the marketing strategies were practiced in the Bank of Abyssinia to achieve its stated goals that aligned with target markets, positioning, segmenting and the marketing mixes to satisfy customer requirements. The researcher believed that it is rational to choose Bank of Abyssinia as center for this research since the Bank provide undue consideration to marketing strategy and in line with this, the Bank formulated and implemented three different strategies although it failed to maintain the speculated market share.

The study tried to apply both descriptive and exploratory researches. It used descriptive methods in order to systematically describing issues under the subject matters and also tried to describe beliefs and opinions of different employees of the Bank that mainly involved in marketing strategy formulation and implementation of the Bank of Abyssinia. In line with the

other method, exploratory research, the researchers need to explore the relationship among the dependents and independents variables under both models of the research.

With regards with the conceptual scope, the study will focus on evaluating the marketing programs of the bank through the 4 P's of the marketing mix. Further, it will try to evaluate the major components of the marketing strategy, i.e., market segmentation and target market and positioning from only the perspectives of the target market size, profitability, difference and accessibility of the target market.

The study will delimited to the marketing strategy practices by the Bank's side with capturing the opinions of employees that involved in managerial role since the researchers believed that the major facts and options to answer the research questions can be extracted from this group. In line with the research instruments, the research delimited to first hand data captured through administering open and closed end questionnaires and secondary data that were relevant to the research from internal and external sources.

1.5. Significance of the Study

The significance of this research includes the following:

First, as it will explain in the review of the literature part studies made so far in Ethiopia with the objective of identifying the factors affecting the effectiveness of the marketing strategy. As a result, this study makes a number of contributions towards extended research in the area of topic under research.

Second, the study will draw some conclusions and identifies factors affecting the effective marketing strategy of the Bank. Thus, it will give signal to the management and board of directors of the Banks and policy makers to take remedial action.

Third, it will help other researchers as a source of reference and as a stepping-stone for those who want to make further study on the area afterwards.

Finally, it gives all stakeholders in the area the opportunity to gain deep knowledge about the relationship of marketing strategy and the financial performance of the Bank.

1.6. Limitation of the Study

The lack of cooperation of the respondents and their commitment to complete filling the questionnaires to provide the researcher with the relevant information was seriously limited the outcome of the research. Since the study was made based on questionnaires, these methods were not certain to clearly reveal real situations due to personal biased. The study was conducted on the organization's side which is the marketing strategy practices of the employees and it is limited to consider the view and opinions of the customers regarding the subject matters.

1.7. Organization of the Paper

The research project was organized into four chapters: Chapter one has contained the introduction part dealing with research problems, objectives, and methodologies. The second chapter discussed the review of related literatures about the subject matter. In chapter three was focused on the analysis of the subject matter to investigate and evaluate the problems. Finally, chapter four has covered the conclusions of the findings and forwards recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Introduction

With the objective to address the research questions, the researchers devoted considerable time to address the literature review in detail through various sources of knowledge. Based on this, the related theoretical empirical and conceptual review of the research is depicted here below in perspectives.

2.2. Theoretical review

When we start marketing strategy, the same term apply to the words “objective” and “strategy”. The marketing objectives are the aims, the goal to which the entire marketing effort of the organization is directed. Marketing strategy therefore refers to the means by which the marketing objectives will be achieved. The same short hand will also apply; the marketing objectives must begin with the word “To...” and the marketing strategies with the word “By” (Fifield, 1994).

While all marketers do not agree on a common definition of marketing strategy, the term generally refers to a company plan that allocates resources in ways to generate profits by positioning products or services and targeting specific consumer groups. Marketing strategy focuses on long-term company objectives and involves planning marketing programs so that they help a company realize its goals. Companies rely on marketing strategies for established product lines or services as well as for new products and services.

Marketing strategy determines the choice of target market segments, positioning, marketing mix, and allocation of resources. Marketing strategy encompasses selecting and analyzing the target market(s) and creating and maintaining an appropriate marketing mix that satisfies the target market and company (Fifield, 1994).

According to McDonald, Marketing strategies are the means by which marketing objectives will be achieved and are generally concerned with the four major elements of the marketing mixes; product, price, promotion and place (Malcolm McDonald and Ian Dunbar,2007).

In the word of Kotler, marketing strategy is the marketing of logic by which the business unit expects achieve its marketing objectives. Marketing strategy consists of marketing decisions on the business's marketing expenditure, marketing mix and allocations in relation to expected environmental and competitive conditions (Kotler, 2007).

After testing and selecting a product concept for development, the new product manager must draft a three-part preliminary marketing strategy plan for introducing the new product into the market. The first part will describe the target market's size, structure, and behavior; the planned product positioning; and the sales, market share, and profit goals sought in the first few years.

The second part will outline the planned price, distribution strategy, and marketing budget for the first year. The third part will describe the long run sales, profit goals, and marketing mix strategy over time. This plan forms the basis for the business analysis that is conducted before management makes a final decision on the new product (Ranchhod A., 2007).

2.2.1. Elements of marketing Strategy

In order to achieve the marketing objectives, we need to have a strategy that includes different elements. Here there are four major elements that are used in the literature to explain the detail of marketing strategy. These are the Target market, Segmentation, Positioning and the marketing mixes (Roger Brooks bank, 1994).

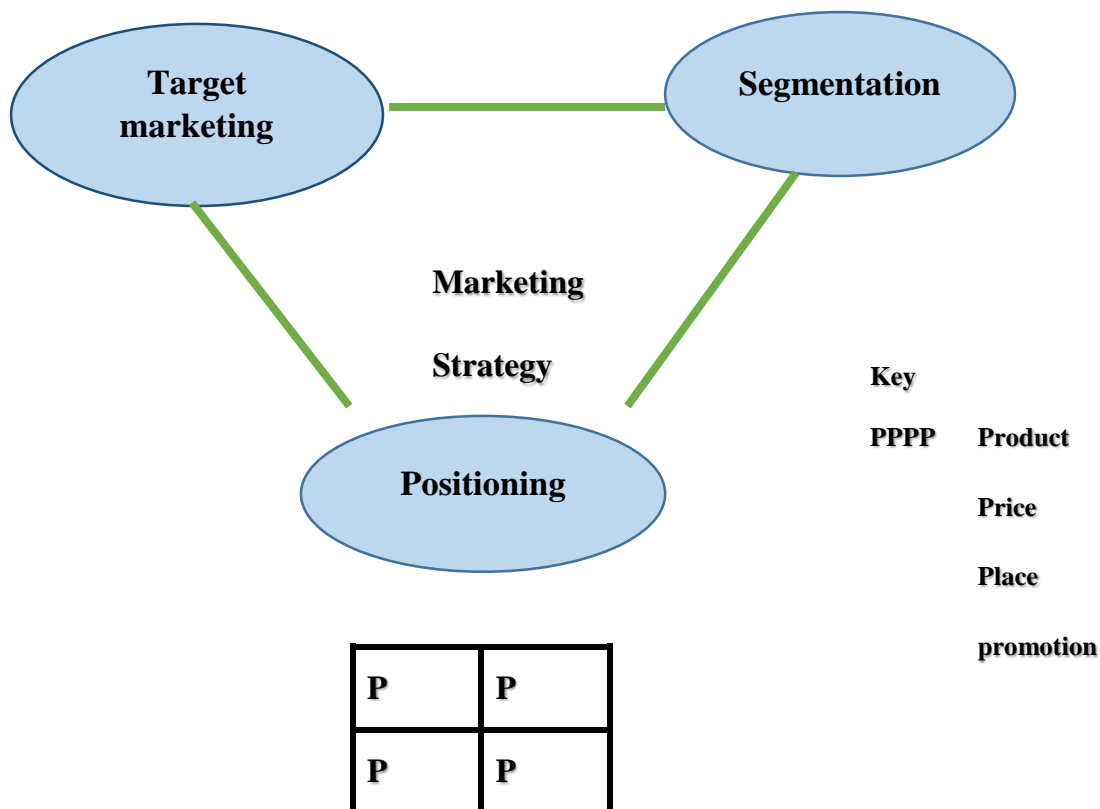


Figure 2.1: Framework of Marketing Strategy

Source: Adopted from Roger Brooks bank, 1994, pp.1014.

2.2.2. Segmentation, Targeting and Positioning

STP (Segmentation, Targeting and Positioning) Marketing is the name of the game.

- The days of “one size fits all” are over
- No longer can one say “You can have any color as long as it is black”
- Need to follow the “horses for courses” policy no more mass marketing

When it comes to marketing strategies, most people spontaneously think about the 4P (Product, Price, Place, and Promotion). Market segmentation and the identification of target markets, however, are an important element of each marketing strategy. They are the basis for determining any particular marketing mix. At its most basic level, the term “market segmentation” refers to subdividing a market along some commonality, similarity, or kinship. That is, the members of a market segment share something in common. The purpose of segmentation is the concentration of marketing energy and force on the subdivision (or the market segment) to gain a competitive advantage within the segment. Concentration of marketing energy (or force) is the essence of all marketing strategy, and market segmentation is the conceptual tool to help achieve this focus.

The importance of market segmentation results from the fact that the buyers of a product or a service are no homogenous group. Actually, every buyer has individual needs, preferences, resources and behaviors. Since it is virtually impossible to cater for every customer’s individual characteristics, marketers group customers to market segments by variables they have in common. These common characteristics allow developing a standardized marketing mix for all customers in this segment (Anderson, Carol H., 2000).

“Market segmentation consists of taking the total heterogeneous market for a product and dividing it into several sub-markets or segments each of which tends to be homogeneous in all significant aspects.” (Stanton, 1983, cited in Vieceli & Valos 1998)

The market can be divided into distinct groups of buyers by market segmentation, and it is a process to give direction to customer's servers, what kind of products and needs the customer will be satisfied (Amstrong & Kotler 2010). Divide the market into smaller segments that could be improved efficiently with products and services, it can match the company's unique wants and needs (Kotler & Keller, 2009,).

After combined the theories, a suitable market segment is needed for the case company in order to enter the market, and build more market segment opportunities, and develop profitable enough profiles to serve the each market segment.

Bases for Segmentation

Consumer markets can be segmented on the following customer characteristics

A). Demographic Segmentation

Gender, age, income, housing type, and education level are common demographic variables. Some brands are targeted only to women, others only to men. Music downloads tend to be targeted to the young, while hearing aids are targeted to the elderly. Education levels often define market segments. For instance, private elementary schools might define their target market as highly educated households containing women of childbearing age. Demographic segmentation almost always plays some role in a segmentation strategy.

B). Geographic Segmentation

This is perhaps the most common form of market segmentation, wherein companies segment the market by attacking a restricted geographic area. For example, corporations may choose to market their brands in certain countries, but not in others. A brand could be sold only in one market, one state, or one region.

Geographic segmentation can take many forms (urban versus rural, north versus south, seacoasts versus interior, warm areas versus cold, high humidity areas versus dry areas, high elevation versus low elevation areas, and so on). These examples also reveal that geographic segmentation is sometimes a surrogate for (or a means to) other types of segmentation.

C). Behavioral Segmentation

Behavioral segmentation is based on actual customer behavior toward products. Some behavioral variables include: Benefits sought, Usage rate, Brand loyalty, User status: potential, first-time, regular, etc., Readiness to buy, Occasions: holidays and events that stimulate purchases

D). Psychographic or Lifestyle Segmentation

Lastly, we come to psychographic (or lifestyle) segmentation, based upon multivariate analyses of consumer attitudes, values, behaviors, emotions, perceptions, beliefs, and interests. Psychographic segmentation is a legitimate way to segment a market, if we can identify the proper segmentation variables (or lifestyle statements, words, pictures, etc.)

Target Marketing

Targeting is the next step in the sequential process and involves a business making choices about segment(s) on which resources are to be focused. Targeting is the actual selection of the segment. "A set of buyers sharing common needs or characteristics that the company decides to serve." Companies use target marketing to tailor for specific markets. During this process the business must balance its resources and capabilities against the attractiveness of different segments (Kotler, P, 2007).

Market targeting means that a complete profile of the different segments has been developed for the market by a marketer. The role of market targeting is used to select target markets and then choose available methods for the organization. (Cant & Strydom & Jooste & Plessis 2009).

It is time to a company decide which target markets need to be focused after targeting the market. The first activity is to identify the market size, growth and segment attractiveness. In addition, helping the greatest segment may earn the less potential profit than helping the right target market with relative resources needed. The most attractive ones are not always the greatest (Kotler & Keller 2009).

The best objectives and long-term goals are needed though the company has chosen the most attractive market segment to serve. There are one, two or multiple market segments that may be chosen by marketers, and the options are between three broad approaches to the market: concentrated marketing, differentiated marketing and undifferentiated marketing (Strydom & Jooste & Plessis 2009).



Figure 2.2: Framework of Marketing Strategy
Source: Adopted from Kotler, 1994)

Undifferentiated marketing is a strategy that a company used the whole market as their target market, considering the demand in the general market, and do not divide them into differences,

according to the product, price. In addition, the company focus on common needs replaces differentiating the market segments. (Figure 2.2)

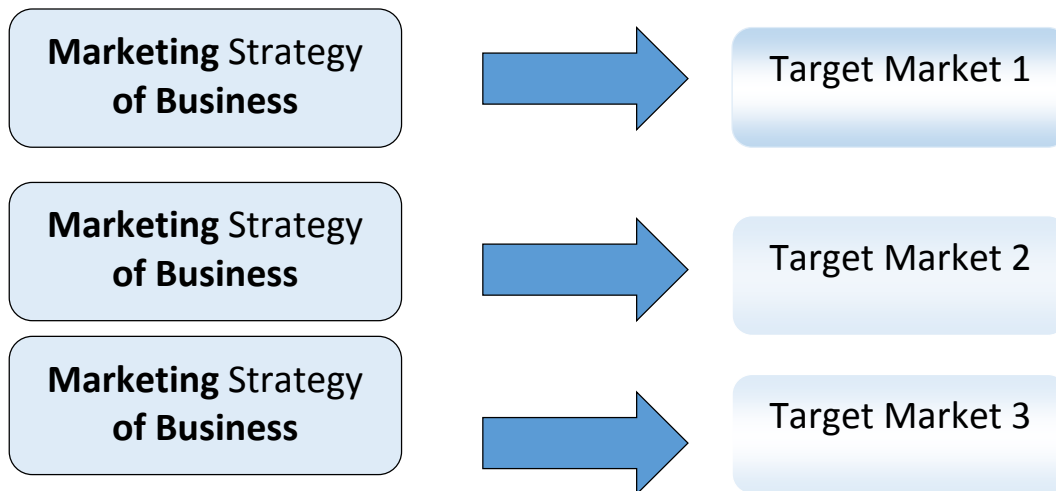


Figure 2.3: Framework of Differentiated marketing
Source: Adopted from Kotler, 1994)

Differentiated marketing is a strategy when a company decides to offer the market segments with offers for each segment. Consumers have lots of options in the market through this way that will help companies to increase total sales and market share. (Figure 2.3)

Concentrated marketing is also like to be single-segment. It is a way that choosing to target from two or a few segments within the market, and then implements a professional and sales.

Positioning

Positioning is the use of marketing to enable people to form a mental image of your product in their minds (relative to other products). Positioning is how the product or service is to be perceived by a target market compared to the competition. It answers the question: “Why will someone in the target market(s) buy my product or service instead of the competitions?” An

equivalent question is: “What should be the perceived value of my offering compared to the competitions?” (Kotler, P, 2007).

Based on article from Sales for Europe on the title “the need for effective market positioning- What position do you occupy in the mind of your customers”, it stated that our observation of large and small businesses in various industries and countries indicates that most companies waste money because they work from nonexistent or weak marketing foundations. Marketing foundations, or fundamentals, are about differentiation, positioning, and focus on sending a consistent message to the market.

The article continued the discussion in which it addressed the challenge for all companies, products and services are to *stand out* in crowded and noisy markets. The key to standing out is to be *different* in an attractive and meaningful way. The choice of one major differentiation factor is the toughest problem most marketers are facing because they all have a tendency to bombard us with endless lists of specifications, features and benefits (including the proverbial kitchen sink). They don’t think hard enough about what not to say.

After discussing the major problems of most of the companies related with how to create a distinctive position in the market, it put the definition of positioning as “Clear differentiation is, in turn, the key to successful positioning. Positioning is the act of imprinting a unique, credible and memorable message in the *mind* of the customer and to consistently work at defending and reinforcing this position (www.salesforceeurope.com <http://www.linkedin>)”.

The research also tried to give emphasis regarding issues of positioning by extending its search further references. Based on this, it is good to incorporate views of Al Ries and Jack Trout

through their book titled “THE BATTLE FOR YOUR MIND”. They argued as Positioning is more like a war; it takes years. It’s a long-term investment. Scan, in your own mind, the brands that have the strongest positive image. Most of them have been around for years, haven’t they? The good news is that it is difficult to dislodge a category leader. Volvo is still the leader for safety, Mercedes for reliability, Rolls Royce for prestige, Ferrari for speed, VW for value, etc. The other good news is that, once the essence of your message is created, you can use it as *basis* for your entire market communication and quickly earn benefits from this important investment (Al Ries and Jack Trout, 1981).

Major Positioning Decisions

In order to gain thoughts regarding positioning decisions, the researchers review the article titled “product and brand positioning”. Based on the article effective product positioning requires a great deal of thought and deliberations among marketers. The goal of these deliberations is to produce a written statement describing how the brand should be positioned relative to what competitors. Thus, a positioning statement is a strategic document that clearly expresses the brand’s management’s desires as to the positioning of the brand and the products carrying the brand. Importantly, the positioning statement should not be confused with advertising slogans, campaign themes and the like. Positioning a product involves more than promotion, although promotion is certainly a key part of it. However, positioning also pertains to product design, distribution, and pricing. In other words, a product or brand is positioned using all elements in the marketing mix, not just promotion.

The article extends its discussion regarding how to write the positioning statement. “Any positioning statement should be written around three basic decisions, some of which have already been partially decided as part of the market segmentation process. First is the category

positioning decision, which entails choosing how to position against the market leader or market pioneer in a given product category. Second, marketers must make a positioning content decision. That is, they must decide on the product attribute or benefit upon which to focus their positioning strategy, and why that attribute or benefit is superior to the competition. Third is what I term the position referent decision. Because positioning is intended to help consumers form an impression of brands relative to one another, marketers often communicate a “point of reference” to help consumers make Brand Positioning comparisons. This is the position referent. Each of these decisions contributes something to the positioning statement that will, hopefully, express something about brand that separates it from competitors in a way appealing to target markets (MKT 428 web note, 2002).

2.2.3. Marketing Mix Strategies

The marketing mix was first developed by McCarthy over 40 years ago. It was designed to suggest that you should have a balanced mix of marketing activities within your marketing plan. It is a planned mix of the controllable elements known as a “mix” because each ingredient affects the other and the mix must overall be suitable to the target customer. The main four elements of the marketing mix are described as "the 4 P's" product, price, promotion and place (Littler and Wilson, 1995).

2.2.3.1. Product Strategy

Product strategy specifies market needs that may be served by different product offerings. It is a company's product strategies, duly related to market strategies, which eventually came to dominate overall strategy and the spirit of the company. Product strategies deal with such matters as number and diversity of products, product innovations, product scope, and product design

Product Positioning Strategy

The term positioning refers to placing a brand in that part of the market where it will receive a favorable reception compared to competing products. Because the market is heterogeneous, one brand cannot make an impact on the entire market. As a matter of strategy, therefore, a product should be matched with that segment of the market in which it is most likely to succeed. The product should be positioned so that it stands apart from competition brands. Positioning tells what the product stands for, what it is, and how customers should evaluate it.

Positioning is achieved by using marketing mix variables, especially design and communication. Although differentiation through positioning is more visible in consumer goods, it is equally true of industrial goods. With some products, positioning can be achieved on the basis of tangible differences (e.g. Product feature), with many others, intangibles are used to differentiate and position products (Andrew E.2001).

Product Elimination Strategy

Marketers have believed for a long time that sick products should be eliminated. It is only in recent years that this belief has become a matter of strategy. If a product's role diminishes or if it does not fit into the portfolio, it ceases to be important. When a product reaches the stage where continued support is no longer justified because performance is falling short of expectations, it is desirable to pull the product out of the market place. Poor performance is easy to spot (Walker, Boyd and Larreche, (1992).

New Product Development Strategy

New product development is an essential activity for companies seeking growth. By adopting a new product strategy as their posture, companies are better able to sustain competitive producers on their existing products and make headway. The implementation of this strategy has become easier because of technological innovations and the willingness of customers to accept new ways of doing things. The term new product is used in different senses. For our purpose, the new product strategy will be split into three alternatives; product improvement/modification, product imitation and innovation.

Product Mix Strategy

A product mix (also called product assortment) is the set of all products and items that a particular marketer offers for sale. The product mix of an individual company can be described in terms of width, length, depth, and consistency. The width refers to how many different product lines the company carries. The length refers to the total number of items in the mix. The depth of a product mix refers to how many variants of each product are offered. The *consistency* of the product mix refers to how closely relate the various product lines are in end use, production requirements, distribution channels, or some other way. These four product mix dimensions permit the company to expand its business by (1) adding new product lines, thus widening its product mix; (2) lengthening each product line; (3) deepening the product mix by adding more variants; and (4) pursuing more product line consistency (Aaker, D.A. and Keller, K.L.1990).

Marketing through the Product Life Cycle

In today's highly dynamic marketing environment, a company's marketing strategy must change as the product, market, and competitors change over time. Here, we describe the concept of the product life cycle (PLC) and the changes that companies make as the product

passes through each stage of the life cycle. To say that a product has a life cycle is to assert four things: (1) Products have a limited life; (2) product sales pass through distinct stages with different challenges, opportunities, and problems for the seller; (3) profits rise and fall at different stages of the product life cycle; and (4) products require different marketing, financial, manufacturing, purchasing, and human resource strategies in each stage. Most product lifecycle curves are portrayed as a bell shape as shown in the following figure (Lancaster, G. A, 2004).

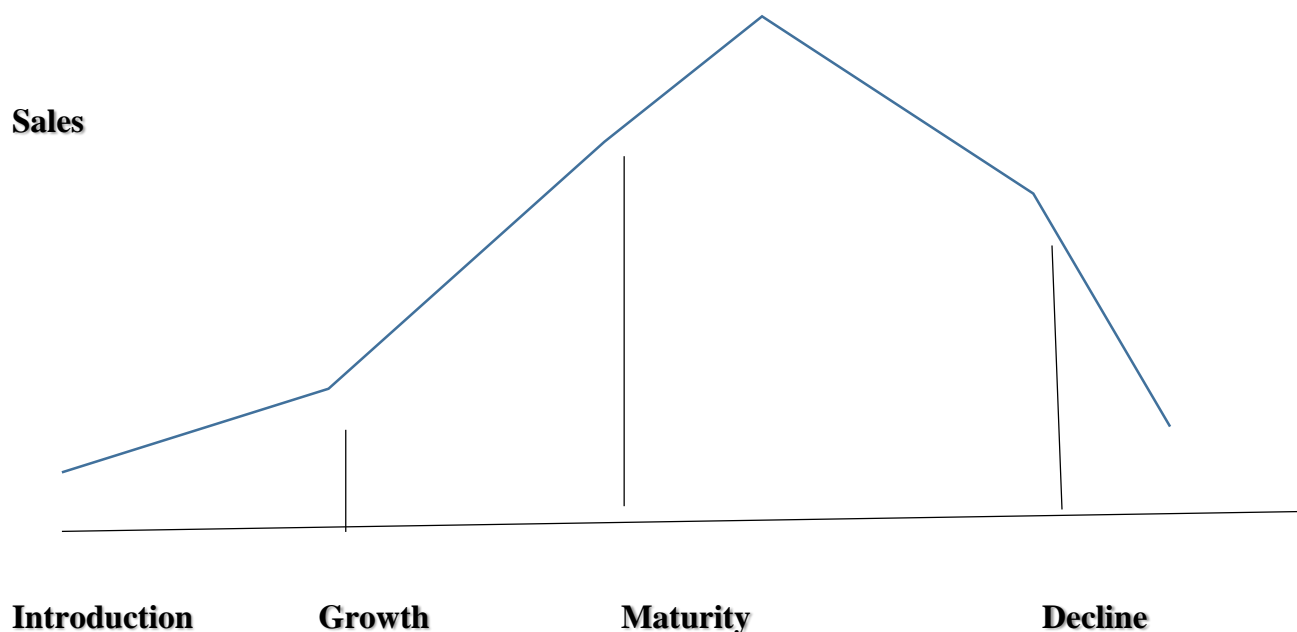


Figure 2.4: Sales and Profit Life Cycles

A). Marketing Strategies: Introduction Stage

Because it takes time to roll out a new product and fill dealer pipelines, sales growth tends to be slow at this stage. There are several causes for the slow growth: delays in the expansion of production capacity, technical problems (“working out the bugs”), delays in obtaining

adequate distribution through retail outlets, and customer reluctance to change established behaviors.

Firms focus their selling on those buyers who are the readiest to buy, usually higher income groups. Prices tend to be high because costs are high due to relatively low output rates, technological problems in production, and high required margins to support the heavy promotional expenditures.

B). Marketing Strategies: Growth Stage

The growth stage is marked by a rapid climb in sales and attracted by the opportunities; new competitors enter with new product features and expanded distribution. Prices remain where they are or fall slightly, depending on how fast demand increases. Companies maintain or increase their promotional expenditures to meet competition and to continue to educate the market.

During this stage, the firm uses several strategies to sustain rapid market growth as long as possible: (1) improving product quality and adding new product features and improved styling; (2) adding new models and flanker products; (3) entering new market segments; (4) increasing distribution coverage and entering new distribution channels; (5) shifting from product awareness advertising to product preference advertising; and (6) lowering prices to attract the next layer of price sensitive buyers.

C). Marketing Strategies: Maturity Stage

At some point, the rate of sales growth will slow, and the product will enter a stage of relative maturity. This stage normally lasts longer than the previous stages, and poses formidable

challenges to marketing management. Most products are in the maturity stage of the life cycle, and most marketing managers cope with the problem of marketing the mature product.

Three strategies for the maturity stage are market modification, product modification, and marketing mix modification.

D). Marketing Strategies: Decline Stage

As sales and profits decline, some firms withdraw from the market. Those remaining may reduce the number of products they offer. They may withdraw from smaller market segments and weaker trade channels, and they may cut their promotion budget and reduce their prices further. In a study of company strategies in declining industries, the five possible decline strategies:

Increasing the firm's investment, maintaining the firm's investment level until the uncertainties about the industry are resolved, Decreasing the firm's investment level selectively by dropping unprofitable customer groups while simultaneously strengthening the firm's investment in lucrative niches, Harvesting ("milking") the firm's investment to recover cash quickly; and Divesting the business quickly by disposing of its assets as advantageously as possible.

2.2.3.2. Pricing Strategies

Pricing has traditionally been considered as a me-too variable in marketing strategy. Effective pricing is not an easy task, even under the most favorable conditions. A large number of internal and external variables must be studied systematically before price can be set. For

example: the reactions of a competitor often stand out as an important consideration in developing pricing strategy (Tellis, G. 1986).

Factors to be Considered When Setting Prices

A company's pricing decision are affected both by internal and external company factors.

- Internal factors affecting pricing includes company's marketing objectives, marketing mix strategy, cost and organization.
- External factors affecting pricing includes nature of the market and demand, competition and other environmental factors (economy, resellers, government) (Tellis, G. (1986).

Pricing Strategies for New Products

The pricing strategies for new product should be developed so that the desired impact on the market is achieved while the emergence of competition is discouraged. Two basic strategies that may be used in pricing new products are; skimming pricing and penetration pricing strategy.

1. **Skimming pricing:** is the strategy of establishing initial price for a product with a view of "skimming the cream of market" at the upper end of the demand curve. It is accompanied by heavy expenditure on promotion. A skimming strategy may be recommended;
 - When the nature of demand is uncertain,
 - when a company has expended large sums of money on research and development for a new product

- When a competition is expected to develop and market a similar product in the near future or when the product is so innovative that the market is expected to mature very slowly. Under these circumstances, a skimming strategy has several advantages.

Premium and umbrella prices are two other forms of price skimming. Some products carry premium prices (high prices) permanently and build on image of superiority for themselves. Some times higher prices are maintained in order to provide an umbrella for small high cost competitors. Umbrella prices have been aided by limitation laws that specify minimum prices for a variety of products, such as milk.

2. ***Penetration pricing***: is the strategy of entering the market with a low initial price so that a greater strategy is used when an elite market does not exist and demand seems to be elastic over the entire demand curve even during early stages of product introduction. High price elasticity of demand is probably the most important reason for adopting a penetration strategy. The penetration strategy is also used to discourage competitors from entering the market. Penetration pricing reflects a long-term perspective in which short-term profits are sacrificed in order to establish sustainable competitive advantage (Paul Fifield, 1994).

■

Pricing Strategies for Established Products

An examination of existing prices may lead to one of three strategic alternatives; maintaining the price, reducing the price, or increasing the price.

- **Maintaining the prices**: If the market segment from which the company derives a big position of its sales is not affected by changes in the environment, the company may decide not to initiate any change in its pricing strategy.
- **Reducing the prices**: There are three main reasons for lowering prices.

First, as a defensive strategy, prices may be cut in response to competition. In addition, to successfully compete in mature industries, many companies reduce prices, following a strategy that is often called value pricing.

A second reason for lowering price is offensive in nature. Following the experience curve concept, costs across the board go down by fixed percentage every time experience doubles. Technology advances have made possible the low cost production of high quality electronics gear. The third and final reason for price-cutting may be a response to customer needs.

During a period of inflation, all types of costs go up, and to maintain adequate profits, an increase in price becomes necessary. How much the price should be increased is a matter of strategy that varies from case to case (Philip K. & Garry A. (2007).

Price Bundling Strategy

Bundling also called iceberg pricing refers to the inclusion of an extra margin (for support services) in the price over and above the price of the product as such. This type of pricing strategy has been popular with companies that lease rather than sell their products. Under the bundle strategy, not only are costs of hardware and profits covered, anticipated expenses for extra technical sales assistance, design and engineering of the system concept, software and applications to be used on the system, training of personnel and maintenance also include (Philip K. & Garry A., 2007).

Pricing Adjustment Strategies

Companies usually adjust their basic prices to account for various customers' differences and changing situations. Some of the pricing adjustment strategies are; discount and allowance pricing, segmented pricing, psychological pricing, promotional pricing, value pricing, geographical pricing and international pricing. (Philip Kotler, 2007).

2.2.3.3. Promotion Strategies

Promotion strategies are concerned with the planning, implementing and control of persuasive **communication** with customers. Modern marketing calls for more than developing a good product, pricing it attractively and making it accessible. Companies must also communicate with present and potential stakeholders as well as the general public. For most companies, the question is not whether to communicate but rather what to say, to whom, and how often.

Promotional Mixes

Each promotional tool has its own unique characteristics and costs. These strategies may be designed around advertising, personal selling, sales promotion and publicity.

A). Advertising strategy

Advertising is any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor. Advertising can reach geographically dispersed buyers efficiently. Certain forms of advertising (TV advertising) typically require a large budget, whereas other forms (newspaper advertising) can be done on a small budget.

In developing an advertising program, successful firms start by identifying the target market and buyer motives. Then they can make five critical decisions, known as the five Ms: Mission:

What are the advertising objectives? Money: How much can be spent? Message: What message should be sent? Media: What media should be used? Measurement: How should the results be evaluated?

B) Sales Promotion Strategy

Sales promotion, a key ingredient in many marketing campaigns, consists of a diverse collection of incentive tools, mostly short term, designed to stimulate trial, or quicker or greater purchase, of particular products or services by consumers or the trade. Whereas advertising offers a reason to buy, sales promotion offers an incentive to buy. Sales promotion includes tools for consumer promotion (samples, coupons, cash refund offers, prices off, premiums, prizes, patronage rewards, free trials, warranties, tie-in promotions, cross promotions, point of purchase displays, and demonstrations); trade promotion (prices off, advertising and display allowances, and free goods), and business and sales force promotion (trade shows and conventions, contests for sales reps, and specialty advertising). Sales promotion offer three distinctive benefits: (1) communication (they gain attention and usually provide information that may lead the consumer to the product); (2) incentive (they incorporate some concession or inducement that gives value to the consumer); and (3) invitation (they include a distinct invitation to engage in the transaction now). Sales promotion can be used for short run effects such as dramatizing product offers and boosting sales (Ranchhod, A., and Gurau, C, 2007).

C) Public Relations Strategy

Not only must the company relate constructively to customers, suppliers, and dealers, but it must also relate to a large number of interested publics. A public is any group that has an actual or potential interest in or impact on a company's ability to achieve its objectives. Public relations (PR) involve a variety of programs that are designed to promote or protect a

company's image or its individual products. The wise company takes concrete steps to manage successful relations with its key publics.

The appeal of public relations and publicity is based on three distinctive qualities: (1) high credibility (news stories and features are more authentic and credible than ads); (2) ability to catch buyers off guard (reach prospects who prefer to avoid salespeople and advertisements); and (3) dramatization (the potential for dramatizing a company or product).

D) Personal selling strategy

Personal selling is a key element in promotion, one of the four Ps in the marketing mixes. Personal selling has three distinctive qualities: (1) Personal confrontation (it involves an immediate and interactive relationship between two or more persons); (2) cultivation (it permits all kinds of relationships to spring up, ranging from a matter-of-fact selling relationship to a deep personal friendship); and (3) response (it makes the buyer feel under some obligation for having listened to the sales talk). Salespeople perform one or more of the following tasks: Prospecting, targeting, communicating, and selling approaching, Servicing, Information gathering, Allocating (Philip K. & Garry A, 2007).

2.2.3.4. Distribution Strategies

Distribution strategies are concerned with the channels a firm may employ to make its goods and services available to customers. Decisions about marketing channels, which help producers deliver goods and services to their target markets, are among the most critical facing management- because the channels that are chosen intimately affect all of the other marketing decisions. For example, the company's pricing depends on whether it uses a direct Web

presence, discount merchants, or high-quality boutiques. In addition, the firm's sales force and advertising decisions depend on how much training and motivation its dealers need.

Another reason why these decisions are so critical is that they involve relatively long-term commitments to other firms. In an era when buyers and sellers alike seek speedier sales transactions, marketing channel technologies (including automated inventory and storage systems) and the Internet are adding value by expediting the flow of physical goods, ownership, payment, information, and promotion (Rayport, J. and Sviokla, J.1994).

Types of utility distribution offers:

- Time...when the customers want to purchase the product
- Place...where the customers want to purchase the product
- Possession...facilitates customer ownership of the product.
- Form...sometimes, if changes have been made to the product in the distribution channel, i.e. Pepsi/Coke, concentrate to bottlers.

Each channel member has different responsibilities within the overall structure of the distribution of the system; mutual profit/success is obtained through cooperation.

The distribution system:

- Determines a product's marketing presence and the buyers' accessibility to the product
&
- Entail a long-term commitment, easier to change other aspects of the marketing mix.

Functions of Intermediaries

The primary role of middlemen is to transform the assortment of products made by producers in the assortments desired by consumers. Producers make narrow assortments in large

quantities, consumers want broad assortments in small quantities, discrepancy in quantity and assortment. Producer Specialization in production, economies of scale etc., therefore wants to produce large quantities but narrow product mixes. Other functions of intermediaries include: Assuming risk Provide working capital by paying for goods before they are sold, Information Flow, Financing, Payment and title flow, Negotiation, Contacts, and Promotion. A producer will use an intermediary when it believes that the intermediary can perform the function(s) more economically and efficiently than it can. "You can eliminate the middle man, but you can't eliminate their functions" a well-accepted maxim in marketing (Littler and Wilson, (1995).

2.2.5. Theoretical model

Having said about the basic complements of marketing strategy as stated above; the strategist should be in a far stronger position to focus upon the ways in which the organization is most capable of developing. Against this background, we now turn our attention to an examination one of the major strategic model by examining Michael Porter's work, in which emphasis is given to the need for a clear statement of a generic strategy and for this to be based upon a detailed understanding of corporate capability and competitive advantage. We use the model to show the nature, significance and sources of competitive advantage, the ways in which (in many markets) competitive advantage is being eroded, and how competitive advantage might possibly be leveraged.

Throughout the major process of marketing strategy, the need for objectives and strategy to be realistic, obtainable, and based firmly on corporate capability must have get considerable emphasis. In practice, of course, this translates into an almost infinite number of strategies that are open to an organization. Porter (1980) has, however, pulled them together and identified

three generic types of strategy – overall cost leadership, differentiation, and focus – that provide a meaningful basis for strategic thinking. In doing this, he gives emphasis to the need for the strategist to identify a clear and meaningful selling proposition for the organization – in other words, what is our competitive stance, and what do we stand for in the eyes of our customers? Any failure on the part of the strategist to identify and communicate the selling proposition and strategy is, he suggests, likely to lead to a dilution of the offer and to the company ending up as stuck in the middle or, as it appears, a middle-of-the road heading into the marketing wilderness.

Porter's thesis is therefore straightforward: to compete successfully the strategist needs to select a generic strategy and pursue it consistently. Obviously there is no single 'best' strategy even within a given industry, and the task faced by the strategist involves selecting the strategic approach that will best allow it to maximize its strengths vis-à-vis its competitors.

Porter (1979, pp. 137–145) suggests, by taking into account a variety of factors, the five most significant of which are:

1. The bargaining power of suppliers
2. The bargaining power of customers
3. The threat of new entrants to the industry;
4. The threat of substitute products or services
5. The rivalry among current competitor

Taken together, these factors represent the forces governing the nature and intensity of competition within an industry, and they are the background against which the choice of a generic strategy should be made.

In identifying the three specified generic strategies, Porter suggests that the firms that pursue particular strategy aimed at the same market or market segment make up a strategic group. It is the firm that then manages to pursue the strategy most effectively that will generate the greatest profits. Thus in the case of firms pursuing a low-cost strategy, it is the firm that ultimately achieves the lowest cost that will do best.

2.2.5.1 Porter's three generic competitive strategies

2.2.5.1.1 Overall cost leadership

By pursuing a strategy of cost leadership, the organization concentrates upon achieving the lowest costs of production and distribution so that it has the capability of setting its prices at a lower level than its competitors. Whether it then chooses to do this depends on its objectives and its perception of the market. Saunders (1987, p. 12), for example, points to IBM and Boeing, both of which were for many years cost leaders who chose to use their lower costs not to reduce prices but rather to generate higher returns, which were then invested in marketing, R&D and manufacturing as a means of maintaining or strengthening their position. More commonly, however, firms that set out to be cost leaders then use this lower cost base to reduce prices and in this way build market share.

Although cost reduction has always been an important element of competitive strategy, Porter (1980, p. 35) has commented that it became increasingly popular in the 1970s, largely because of a greater awareness of the experience curve concept. For it to succeed, he suggests that:

“Cost leadership requires aggressive construction of efficient-scale facilities, vigorous pursuit of cost reductions from experience, tight cost and overhead control, avoidance of marginal customer accounts, and cost minimization in areas like R&D, service, sales force, advertising, and so on.”

In tackling costs the marketing planner therefore needs to recognize in advance the potential complexity of the task, since the evidence suggests that true cost leaders generally achieve this by very tight and consistent control across all areas of the business, including engineering, purchasing, manufacturing, distribution and marketing (see Wilson, 1997). An important additional element of course is the scale of operations and the scope that exists for economies of scale. However, scale alone does not necessarily lead to lower costs; rather it provides management with an opportunity to learn how the triad of technology, management and labour can be used more effectively. Whether these opportunities are then seized depends on the management stance and determination to take advantage of the potential that exists for cost cutting.

The potential benefits of being a low-cost producer are quite obviously significant, since the organization is then in a far stronger position to resist all five competitive forces, out-perform its rivals, and erect barriers to entry that will help protect the organization's long-term position. In practice, however, many organizations find the long-term pursuit and maintenance of a cost-leadership strategy difficult. The Japanese, for example, based much of their success in the 1960s on aggressive cost management but then found that, because of a combination of rising domestic costs and the emergence of new and even lower-cost competitors such as Taiwan, the position was not necessarily tenable in the long term. Although this realization coincided in many cases with a desire on the part of firms to move further up market where the scope for premium pricing is greater, the Japanese experience helps to illustrate the potential danger of an over-reliance upon cost leadership. It is largely because of this that many organizations opt sooner or later for an alternative policy, such as that of differentiation.

The difficulties of maintaining a cost-leadership position were also illustrated in the late 1980s and early 1990s in the UK grocery retailing sector, where the low-cost position had been occupied with some considerable success for a number of years by Kwik Save. The organization came under attack from an aggressive new German entrant to the market, Aldi, and from the Danish company, Netto. Faced with this, Kwik Save was forced into deciding whether to place greater emphasis on differentiation.

2.2.5.1.2 Differentiation

By pursuing a strategy of differentiation, the organization gives emphasis to a particular element of the marketing mix that is seen by customers to be important and, as a result, provides a meaningful basis for competitive advantage. The firm might therefore attempt to be the quality leader (Mercedes Benz with cars, Bang and Olufsen with hi-fi, and Marks & Spencer with food), service leader (McDonald's), marketing leader (the Japanese with cars), or technological leader (Makita with rechargeable power tools in the early 1980s, and Dolby with noise suppression circuits for tape decks). Other potential bases for differentiation include:

- ➔ Speed, by being the first into new market segments
- ➔ Levels of reliability that are higher than those of the competition
- ➔ Design
- ➔ Levels of service and delight
- ➔ Unique product features
- ➔ The brand image and personality
- ➔ New technologies;
- ➔ A greater number and/or more relevant product features
- ➔ Stronger and more meaningful relationships.

Differentiation can also be achieved by means of the brand image and packaging, a ploy that is particularly suited to mature markets in which the products are for the most part physically indistinguishable. This might arguably include cigarettes and beer, where blind tests have

shown that even highly brand-loyal customers experience difficulties in identifying their favorite brand. The significance of labels and brand images, and hence their potential for differentiation, is also shown in the fashion clothing industry, where brand names and logos such as Benetton, Nike and Lacoste are often prominently displayed and, by virtue of the images associated with them, used as the basis for premium pricing (Trout and Rifkin, 2000).

In discussing how a strategy of differentiation can be developed most effectively, (Saunders 1987) discusses the airlines industry:

“Perhaps one of the most difficult differentiation tasks is faced by the airlines, which, because of bilateral agreements, are all forced to fly the same aeroplanes, to the same destinations, and charge the same prices. But as any international traveller will know, there is wide divergence in the services offered by the airlines. Singapore Airlines, Thai Airlines and Japanese Airlines have all gained their high reputation on the basis of the in-flight services they provide. Some of these are on the basis of better food with more choice, free movies, and many accessories freely available to passengers, and slightly more modern aircraft, but it all depends upon the attentiveness and professionalism of their cabin crews.”

Differentiation can, however, prove costly if the basis for differentiation that is chosen subsequently proves to be inappropriate. Sony, for example, developed the Betamax format for its video recorders, but ultimately found that the market preferred JVC’s VHS system. Despite this, differentiation is potentially a very powerful basis for strategic development, as companies such as Marks & Spencer and Sainsbury’s have demonstrated. Its potential is also illustrated by a McGraw-Hill study of industrial buying, which estimated that most buyers would require incentives that equated to a price reduction of between 8 and 10 per cent before

considering a switch to a new supplier. In commenting on this, Baker (1985, p. 110) suggests that:

“Assuming this applies to the average product with a minimum of objective differentiation, it is clear that sellers of highly differentiated products can require an even larger premium. Given higher margins the firm following a differentiated strategy is able to plough back more into maintaining the perception of differentiation through a policy of new product development, promotional activity, customer service, etc., and thereby strengthen the barriers to entry for would-be competitors.”

It should be apparent from this that, if a strategy of differentiation is to succeed, there is a need for a very different set of skills and attitudes than is suited to cost leadership. Instead of a highly developed set of cost control skills, the strategist needs to be far more innovative and flexible so that ‘me-too’ companies are kept at a distance.

2.2.5.1.3 Focus

The third of the generic strategies identified by Porter involves the organization in concentrating its efforts upon one or more narrow market segments, rather than pursuing a broader-based strategy. By doing this the firm is able to build a greater in-depth knowledge of each of the segments, as well as creating barriers to entry by virtue of its specialist reputation. Having established it, the firm will then (depending upon the specific demands of the market) typically develop either a cost-based or differentiated strategy. Among those that have used this approach successfully, at least in the short term, are Laura Ashley and Land Rover.

Other firms that have used a focused strategy are Morgan with cars, Steinway with pianos and, in its early days, Amstrad with microcomputers that were designed for those with a low level of computer literacy and those who wanted low-price, easy-to-use word processing equipment.

One of the biggest problems faced by companies adopting this approach stems paradoxically from its potential for success, since, as the organization increases in size, there is a tendency both to outgrow the market and to lose the immediacy of contact that is often needed. As a general rule, therefore, a focused strategy is frequently best suited to smaller firms, since it is typically these that have the flexibility to respond quickly to the specialized needs of small segments.

Specializing in this way also enables the organization to achieve at least some of the benefits of the other two strategies, since, although in absolute terms the scale of operations may be limited, the organization may well have the largest economies of scale within the chosen segment. Equally, the greater the degree of concentration upon a target market, the more specialized is the firm's reputation and hence the greater the degree of perceived product differentiation.

Although Porter presents competitive strategies in this way, many companies succeed not by a blind adherence to any one approach, but rather by a combination of ideas. In commenting on this, (Saunders, 1987) has suggested that:

“It is apparent . . . that some leading companies have not succeeded by being exclusively cost leaders, differentiators or focused. Many top companies are both cost leaders and differentiators. The buying power and expertise of Marks & Spencer make it a low cost company but it trades on quality, service and its brand name; IBM is a cost leader which also trades on customer service and Boeing has lower costs than any other airplane manufacturer but the 747, its most profitable product, is unique. Many of the successful low volume manufacturers complement differentiation with a clear focus. For example, Jaguar, Land Rover and Morgan in the automobile industry, and J. C. Bamford in earthmoving. Lastly, Amstrad's success needs explaining in terms of

both cost leadership and focus. Its success in the hi-fi market has been based on integrated systems at the bottom of the market which the major Japanese manufacturers were neglecting. Equally, although Amstrad were cost leaders, it was its identification of segment needs which enabled it to become a major supplier with the audacity to challenge IBM.”

2.2.5.2 Porter’s generic strategies: a brief comment

although Porter’s ideas about how strategy needs to be thought about in terms of these three generic approaches, this thinking has been the subject of a considerable amount of criticism in recent years. Given this, the pros and cons of the approach are summarized here below:

Pros

- ⇒ The model highlights the significance of competitive advantage as the basis for competitive success;
- ⇒ The idea of three generic strategies gives recognition to the way in which, regardless of the wide variety of variables and industry situations faced by managers, there are in practice only a limited number of meaningful strategic options

Cons

- ⇒ The idea of lowest cost as a meaningful strategic option has, as Porter has acknowledged, largely been invalidated by the pace of change. The notion that economies of scale represent the basis for a sustainable position for organizations faced on the one hand by ultra-low-cost and maverick companies from the less-developed world, and on the other hand by fast-moving small companies in the developed world, is now no longer seen to be realistic.

- ⇒ The thinking that underpins the model is essentially manufacturer asset-driven rather than being based on an understanding of markets and customers. Since then, a considerable amount of power has shifted from the manufacturer to the consumer
- ⇒ The basis for market success was assumed to rest on the idea that the principal strategic challenge was that of out-maneuvering competitors. Today, far more recognition needs to be given to the power and role of the distributor and to the way in which retailers and end-users are able to leverage their position
- ⇒ The model is essentially superficial and provides little real insight to the forms of competitive advantage that determine organizational performance.

2.3 Empirical review

Assessing marketing performance is an increasingly important but unfortunately difficult task for managers and other corporate stakeholders. The difficulty is apparent since marketing performance depends on external, largely uncontrollable actors, such as customers and competitors, as well as on internal measures of performance (Clark, 2002). To ease the complex situation at hand, several simplifications can be made. Sevin (1965) takes this approach perhaps further than anyone else to propose simple profit-to marketing-expense-ratio measure of efficiency. In this measure, marketing expenses are assumed to turn into profit in a “black box”. To understand the actual reasons behind success, the “model” clearly is not sufficiently accurate. Some other problems related to Sevin’s (1965) marketing performance measure include difficulties in appointing certain costs to marketing, ignorance of time lag between marketing input and its effect upon output and impact of cumulative effects.

Due to fact that relationships in marketing are not as straightforward as Sevin (1965) proposes, many later assessment procedures have extended the seminal work of Sevin (Morgan, Clark

and Gooner, 2002). What complicates the interpretation and comparison of companies' marketing performance is that companies face a need to come up with good marketing performance. This influences the selection of marketing metrics and, consequently, "what you measure is what you get" (Ambler, Kokkinaki and Puntoni, 2004). It is, however, crucial to measure the performance since, as they say, "if you don't measure it, you can't improve it".

Using another categorizing, literature in strategic marketing has highlighted three measurement orientations relevant to performance assessment: customer-focused indicators, (e.g. customer satisfaction and customer retention); competitor-centered indicators (e.g. relative sales growth and relative market share); and internally oriented indicators (e.g. profitability and ROI) (Morgan, Clark and Gooner, 2002). Eccles (1991) suggests that companies are better off using current competitor referents than internally oriented past company performance. We do not, however, have any empirical knowledge to suggest that the use of any particular performance referent is inherently superior to any other.

Based on the above detailed literature review, the researcher proposed the following framework for measuring the effectiveness of marketing strategy in comparison with market performance and financial performance of the bank:

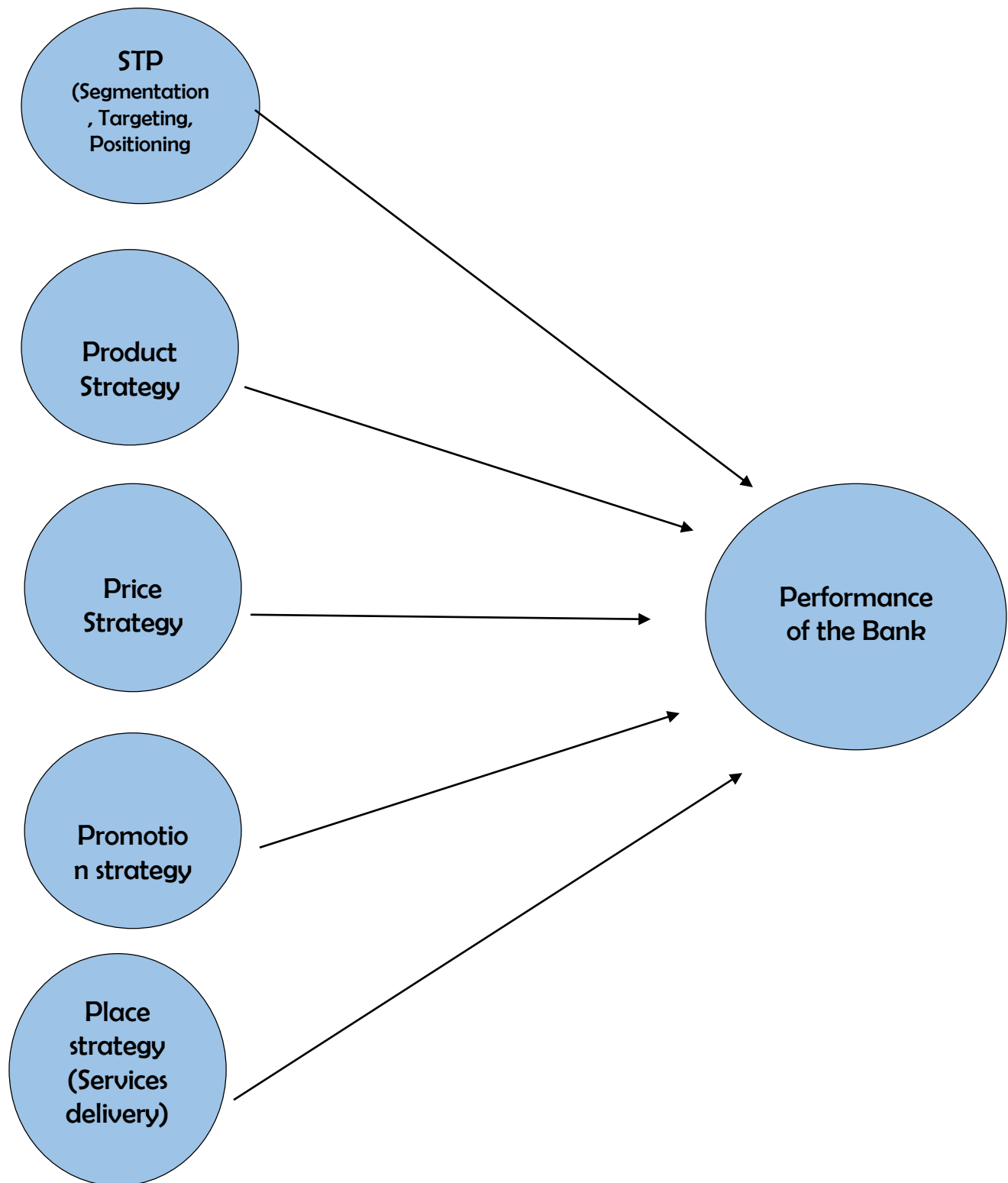


Figure 2.5 conceptual framework of the study

2.4 Conceptual review

Premkanth (2012) clearly showed the “The Market Segmentation highly positive impact on customer Satisfaction” in the research conducted on Commercial Bank of Ceylon PLC”. The research further elaborated that in this competitive commercial world, an organization has to satisfy the needs and wants of the customers, and has to attract new customers, and hence enhance their business. Customer value is considered as a control element for all business strategies.

Goyat (2011) also identified the best method of consumer market segmentation as per theoretical review under the title “The basis of market segmentation: a critical review of Literature” through European Journal of Business and Management. The result addressed that “In the literature there is dominance of demographic and psychographic factors for segmentation but critically observed that there is great influence of extraneous variables as price, trends, and market conditions on the purchase of the consumers.

Deek and Lian (2008) also showed us the relationship in other dimensions, new product development. In this paper; the influences of strategic orientation, marketing strategy, and market research activities and the moderating role of environmental factors on new product development were investigated. The results confirmed that both strategic orientation and marketing strategy directly influence new product development process, while the market research activities show no significant relationship on new product development.

The relationship also identified in the banking industry through a paper conduct under a title Marketing Strategies and Bank Performance in Nigeria: A Post-Consolidation Analysis. In this paper Micheal Ojo, (2012) proved that there is significance relationship with marketing

variables adopted the banks' performance gauged through various indicators. The paper also add additional note that this was working when considered the overall marketing variables under consideration although not much effect is seen when a marketing variable was considered in isolation of other variables.

When we tried to consider the same issues in different industry, we also observed the presences of this relationship. Akinyele, (PhD) in his paper under the title "Strategic Marketing and Firms Performance: A Study of Nigerian Oil and Gas Industry" (2011) suggested that strategic marketing is a driver of organizational positioning in a dynamic environment, and that it helps to enhance the development of new product/service for existing markets. Further, the paper proved that the organizational structure and strategies adopted by oil and gas marketing companies affect market share positively.

Before 1990s, research interest in studies examining performance impact of strategic marketing was focused on organizational resources and positions relating to sustainable competitive advantage while organizational processes were not much considered. Nowadays, however, both of these research streams that importantly explain long-term competitive advantages and business performance are well represented.

Orientation research has been a fruitful field of study in the marketing literature. In the beginning of 1990s and in the spirit of market orientation, Kohli and Jaworski (1990) interviewed some American managers. They saw profitability as a consequence of market strategy rather than part of it. How would market orientation lead to superior performance, they suggested that it facilitates clarify focus and vision in an organization's strategy (Kohli and Jaworski, 1990). Concurrently with Kohli and Jaworski, Narver and Slater (1990) explored the relationship between market strategy and business profitability of 140 business units in

both commodity products businesses and non-commodity businesses only to find, in both types of businesses, a substantial positive relationship. High level of market orientation was also argued to lead to, among others, high customer satisfaction and high repeat sales (Kohli and Jaworski, 1990).

In addition to market orientation, as stated previously, also superior resources may lead to great business performance, both market and financial. This is brought up by Hunt and Morgan (2001) who argue that “a comparative advantage in resources ... can translate into a position of competitive advantage in the marketplace and superior financial performance”. This is why firms constantly struggle for resources that could give them comparative and, consequently, competitive advantage (Hunt and Morgan, 2001).

Based on the early work of Kohli and Jaworski (1990) and Narver and Slater (1990), studies in different parts of world have been conducted. They have developed and refined research tools for assessing degrees of market orientation in firms and examining its links with both market and financial performance. In general, market orientation is found to positively relate to performance; in rather many studies, however, the relationship has been found to be relatively weak, though significant. Typically only less than 20% of performance variations between firms are explained through differences in market orientation alone (Hooley et al., 2002).

Several studies have supported the findings of studies presented above. Hence with the objective to conduct marketing strategy-performance study, the following hypotheses were developed on the basis of facts and evidences outlined above:

H1: There is no positive relationship between STP (market segmentation targeting and Positioning) with the performance of the Bank.

H2: There is no positive relationship between product strategy and performance of the Bank.

H3: There is no positive relationship between price strategy and performance of the Bank

H4: There is no positive relationship between promotion strategy and performance of the Bank.

H5: There is no positive relationship between place strategy and performance of the Bank.

CHAPTER THREE

RESEARCH METHODOLOGY

This section describes in detail the methods planned to be used, specific steps to be taken and the tools employed in the collection and analysis of data to address the research problem. Methodology is the theory of how research should be undertaken or conducted. This includes the theoretical and philosophical assumptions upon which research is based and the implications of these for the method or methods adopted. It is the study of the method(s) of research that helps to identify vital data which makes solution of the research problem possible. The methods specifically refer to the techniques and procedures used to obtain and analyze data (Saunders, 2007).

3.1. RESEARCH DESIGN

This study adopted a quantitative approach to answer the research questions about the subject matters. Taking the research objectives and nature of the study into consideration, the research adopted a descriptive and exploratory research design. Therefore, the study attempted to show the relationship between the marketing strategies adopted by Bank of Abyssinia with the performance of the Bank.

3.2. SOURCES OF DATA

Both secondary and primary data adopted as an instrument to collect the necessary information in answering the research questions. For clarity, Saunders (2007) defined data as facts, opinions and statistics that have been collected together and recorded for reference or for analysis.

3.2.1. PRIMERY DATA

Primary data is data that adopted for a specific purpose for which it was gathered. For this study, the researcher collected a first-hand data through administering questionnaires to respondents, namely Top Management, Department Directors & Deputy Directors, Area Branch Managers and Customers Services Managers. The rational beyond using such data sources in this research is come from the fact that those management groups are the ultimate decisions makers in formulating and implementing the Bank's marketing strategy. In this way, the researcher assured that the relevant and necessary information and data is captured from the opinions of employees directly responsible for major elements of the marketing strategy of the Bank to answer the basic research questions.

3.2.2. SECONDERY DATA

Secondary data refers to data that is used for a purpose other than for which it was originally obtained. It may be descriptive or explanatory (Saunders et al, 2007), raw (unprocessed) or summarized (Kervin, 1999). They can be categorized into documentary, multi-source or survey- based (Saunders et al, 2006). Based on this, this research adopted a secondary data directly relevant to the research questions through reviewing different journals and books from internal and external sources. This is rational from the point that the main purposes of most researches are to augment knowledge over the existing ones in the field of study.

3.3. POPULATION OF THR STUDY

The target populations of the study was managements groups of the Bank mainly involved in the formulation and implementation of its marketing strategy including executive office employees, directors, deputy directors and division managers at different department levels,

and branch Managers and customers' service managers' deployed at the front seat to serve the customers. The paper attempts to observe the beliefs and opinions of those groups of populations regarding the bank marketing strategy formulations and implementation through one of the major sources of data, i.e., questioners.

Based on this, the researcher identified 360 managerial staffs currently working in the Bank as a population for the research. The detail population for the research is depicted under the table below in their position perspectives:

Table 1- List of population for study

S. no.	Positions	size
1.	Top Executive Officials	8
2.	Directors of Departments	14
3.	Deputy Directors	8
4.	Principal Relationship Officers	5
5.	Principal Risk Officers	2
6.	Chief Information Security Officers	1
7.	Division Managers at Departments	24
8.	Branch Managers	151
9.	Customers Service Managers	147
<i>Total</i>		<i>360</i>

3.4. SAMPLING PROCEDURE AND SABLE SIZE

Generally, a complete enumeration of the population provides better results than samples. According to the law of statistical regularity, higher degree of data gives higher degree of stability and vice versa. However, censuses of very large populations are sometimes unrealistic as a result of time, resource and budget constraints (Saunders, 2007).

According to Sherri (2009) sampling is “the process of selecting a sufficient number of elements from the population, so that a study of the sample and an understanding of its properties or characteristics would make it possible for us to generalize such properties or characteristics to the population elements”.

To ensure that all the various groups in the sampling frame are surveyed, the researcher adopted a probability and non-probability sampling methods. In line with non-probability methods, the research choose to implement a convenience or purposive sampling technique will be employed in this regard. This sampling technique help to capture the opinion and judgments of management group of the Bank towards the Bank marketing strategy. Hence, the researcher marginalized or disregarded the stratification of the Bank’s staff population since the researcher’s concern not to capture all the various sub groups within the entire staff of the Bank (both Management and non-management staffs). The rational beyond adopting this sampling technique is quite the fact that management groups contribute very crucial and important inputs towards marketing strategy formulation and implementation.

Further, after identifying the basic component of the sample through convenience sampling method. After identifying the focus of the data sources from the above method, the researcher continued to adopt the other instrument of a probability sampling techniques, stratified sampling techniques with the objective to avoid the threat that small groups of the sample which have significant contribution to the research may be ignored if we adopted other techniques.

Based on this, the research formulate five different exclusive strata, in the form of the following groups executive office employees, directors and deputy directors of departments as middle level management, division managers at each departments of the Bank, area branch managers and customers services mangers. In line with the above groups the research assigned non proportional weight based on the level of exposure of each group's towards formulation and implementation of marketing strategy of the Bank. So, it is clear that the research adopted a disproportionate sampling method with the objective to capture relevant data and information in the research.

With the objective to gather the relevant data to answer the research questions, a sample of size of 137 (40%) was selected from the given populations. Finally systematic random sampling will be applied to determine specific components of the sample from the given strata. The detail methods and the assumption used to determine the sample size is depicted in the following table;

Table 2- sample size for the study

S. no.	Positions	Population size	WEIGHT	Sample size
1.	Top Executive Officials	8	Convenience	3
2.	Middle level Management	22	100%	22
3.	Division Managers and others	32	70%	22
4.	Branch Managers	151	40%	60
5.	Customers Service Managers	147	20%	30
Total		360		137

3.5. Data Collection Method

There are various methods by which both secondary and primary data are obtained. Saunders (2007) list questionnaire, interviews (semi-structured, in-depth and group) and observation as methods those are usable. For this research, it will employ a method of survey and the instrument used for collection of relevant data for the study was administering questionnaire with the sample of the study

3.6. Method of Data Analysis

The collected data analyzed and interpreted by using both qualitative and quantitative techniques. The data collected by closed ended questionnaires were analyzed quantitatively by using figures, tables, percentages and likert scale (five point scale) statement computations.

With the objectives to analyzed data collected from research instruments, the researcher adopted descriptive and inferential statistical methods. In line with this, the research used the SPSS program through applications of multiple regression analyses (coefficient of multiple determinations) and descriptive information regarding the data compiled in the system. Through this way, the researcher tried to identify correlation among independent and the dependent variables in both models. With this objective, the researcher applied Bivariate Pearson's correlation coefficient with a two tailed test of statistical significance at the level of 95% confidence and significance < 0.05 over all the research variables.

The researcher also applied a descriptive statistical method with the objectives to describe the figures compiled in the SPSS data through means, standard deviation with the objectives to learn the average opinion s of the respondents regarding major elements of the marketing strategy. Through this means, the researcher tried to gauge the average opinions of the respondents regarding the effectiveness of marketing strategy implementation on behalf of the

Bank and the corresponding financial performance of the Bank through the variables of market share and profitability of the Bank.

Based on the above data analysis methods adopted to answer the research questions, the researcher believed that the research has exhaustively addressed its major objectives.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter reveals analysis of the data gathered, presentation and interpretation of the findings. Under this chapter, demographic profile of respondents, descriptive statistics for mean and standard deviation, reliability analysis, factor analysis and correlation analysis were deployed. Furthermore, regression analysis also used to identify the most explanatory variable among the independent variables in the models.

4.1. Response rate

Out of the 157 (one fifty seven) questionnaires distributed to the sample selected from the given population on the basis of stratified random sampling techniques, 150 (one hundred fifty) questionnaires were returned. Out of which, 13 (thirteen) questionnaires were found to be unusable for analysis as a result of error in filling and incomplete response. Finally, the researcher able to get a valid questioners of 137 (one hundred thirty seven) from further analysis, this makes the response rate 87.3%.

4.2. Testing the research instruments

Before the researcher undertake the analysis to know the relationship among the dependent and independent variables, he undertook validity and reliability test to assure the research instruments was valid beside reliable.

4.2.1. Validity Test

Bollen (1989) defined content validity as —a qualitative type of validity where the domain of the concept is made clear and the analyst judges whether the measures fully represent the domain. According to Bollen, for most concepts in the social sciences, no consensus exists on theoretical definitions, because the domain of content is ambiguous. Consequently, the burden

falls on the researcher not only to provide a theoretical definition (of the concept) accepted by his/her peers but also to select indicators that thoroughly cover its domain and dimensions.

Bollen (1989) also extends his discussions and recommended that Content validity is the appropriate type of validity mainly for social science; Bollen (1989) defined Content validity as a qualitative means of ensuring that indicators tap the meaning of a concept as defined by the researcher. For example, if a researcher wants to test a person's knowledge on elementary geography with a paper-and-pencil test, the researcher needs to be assured that the test is representative of the domain of elementary geography. He also identified two basic ways of assessing content validity: (1) ask a number of questions about the instrument or test; and/or (2) ask the opinion of expert judges in the field.

For the sake of assuring the validity of the research instrument, the researcher conducted a pre-test of the questionnaire among the branch managers of 6 branches the Bank to gather feedbacks towards enhancing the instruments validity in line with content validity type. Besides the researchers acquired and incorporated the opinions of the expert in order to enhance the research instrument validity.

Based on the above accepted scientific ways, the researchers believed that the reasonable level of the research instrument validity was ascertained.

4.2.2. Reliability Test

Testing reliability of measurement items is important because reliability shows whether or not the measurements are free from error so as to yield reliable outcomes. The most common technique used in the literature to assess reliability is to use cronbach's alpha (Churchil, 1982; pallant, 2005), which identifies to what extent items hang together as one set (Sekaran,2005) as cited by (Zeglat 2008). Low cronbach's alpha value means items don't capture the same

construct, but high values of cronbach's alpha indicate that items very well measure the construct.

A satisfactory level of reliability depends on how a measure is being used. Ideally cronbach's alpha should be over 0.70 to produce a reliable scale (Cronbach, 1951), as quoted by zeglat (2008). This also strengthened by Nunnally (1978) who suggests that reliabilities of .70 or higher will be sufficient to affirm the reliability of the research instrument.

As far as related with the reliability test, the researchers run SPSS on each variables and the output of the reliability test is depicted under the following table (see table 3).

Table 3: Mean and Standard Deviation for all variables

Factors	Cronbach's alpha	Number of items
STP (Segmentation. Targeting & positioning)	.718	11
Product Strategy	.705	5
Price Strategy	.710	5
Promotion Strategy	.773	4
Place strategy	.735	5
All variables	.938	33

Source: own survey 2016

Based on the output of SPSS as shown in the above table, the researcher proved the reliability of the research instruments in that it directly confirmed that the research instruments will provide a reliable response to effectively answer the research questions.

4.3. ANALYSIS OF THE PRIMAERY DATA

4.3.1. DESCRIPTIVE ANALYSIS

The following tables are showing frequency and percentage level of different categories of the background information regarding respondents of the questioners.

Table 4 Gender of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	113	82.5	82.5	82.5
	Female	24	17.5	17.5	100.00
	Total	137	100.00	100.00	

Source: own survey 2016

As can be seen in the above table, Male significantly dominates the gender proportion of the respondents (82.5) which implies that most of the Bank's positions are assumed by the male than their counterparts.

Table 5 Age of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	under 30	24	17.5	17.5	17.5
	31-40	79	57.7	57.7	75.2
	41-50	30	21.9	21.9	97.1
	51-60	4	2.9	2.9	100.0
	Total	137	100.00	100.00	

Source: own survey 2016

The above tables illustrates that most of respondents' age is ranged between 31 and 40 years old (57.7) whereas only 2.9% of the total have the age beyond 50 years old. This implies that the management of the bank constituted with energetic staffs to implement strategy in line with the contemporary culture.

Table 6 education level of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	BA/BSC	103	75.2	75.7	75.7
	MA/NSC/MBA	33	24.1	24.3	100.00
	Total	136	99.3	100.00	
Missing System		1	.70		
Total		137	100.00		

Table 6 confirms that the Bank has good profile as far as the level of qualification for the employees of the Bank. From the table, we can easily refer that majority of the respondents (75%) are first degree holders. Further the Bank has also a better chance to boost its profile capability from the available its employees having second (Masters) degree holders (24.1%). This clearly shows the available potential of the Bank to formulate and implement the marketing strategy successfully.

Table 7 Services Year of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 1 year	12	8.8	8.8	8.8
	Between 2-5 years	35	25.5	25.5	34.3
	Between 5-10 years	45	32.8	32.8	67.2
	Between 10-15 years	39	28.5	28.5	95.6
	More than 15 years	6	4.4	4.4	100.0
	Total	137	100.0	100.0	

Source: own survey 2016

Regarding service years of the respondents within the Bank, majority of respondents, 45 (32%) have stayed for 5 -10 years and followed by employees stayed between 10-15 years (28.5%)

within the Bank. This implies that the Bank is good at maintaining the experienced staffs which have a chance to augment pursuing its strategies.

Table 8 Job Positions of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Executives office	3	2.2	2.2	2.2
	Middle Level Management	22	16.1	16.1	18.2
	Division Managers	22	16.1	16.1	34.3
	Branch Managers	60	43.8	43.8	78.1
	Customers Services Manager	30	21.9	21.9	100.0
	Total	137	100.0	100.0	

Source: own survey 2016

Considering job positions of respondents, 60 (43.8%) of the respondents are Branch Mangers and 30 (21.9%) are Customers Services Mangers. This gives the research a chance to capture the opinions of employees who have a significant contribution to earth down the Marketing Strategy through a day to day encounter with customers. Further, the research also considered the top and middle level of the managements of the Bank in accordance with their population size.

4.3.2. DESCRIPTIVE ANALYSIS OF THE BASIC INFORMATION

The descriptive statistics (mean and standard deviation) of each variable is presented in the following table.

The research applied a likert scale with value ranging from 1 to 5 in order to measure all variables of the study. Even though all variables have the mean value of below 3.5, out of which, price strategy has the highest mean value of 3.3243 (SD= .04940) then followed by STP (M=3.2197, SD=.06151. Finally, among all the variables, Performance of the Bank has scored the least mean value of 3.0766 with SD of .07433.

Table 9: Mean and Standard Deviation for the model

	N	Mean	Standard deviation
STP	137	3.2197	.06151
Product Strategy	137	3.1766	.05784
Price Strategy	137	3.3241	.05080
Promotion Strategy	137	3.2153	.06466
Place strategy	137	3.1813	.05570
Performance of BOA	137	3.0766	.07433

Source: own survey 2016

With the objectives of interpretation of the above descriptive data, the researcher adopted measurement scale intervals or range from Poonlar Btawee, 1987 as cited by Hailu Demissie (2013). Based on Btawee, mean scores ranging from 4.51 to 5.00 consider as “excellent or very good”, 3.51- 4.50 as “good”, 2.51-3.50 as “average or moderate”, 1.51-2.50 as “fair” and 1.00-1.50 as “poor” (Hailu Demissie, 2013).

Based on these parameters, all the research variables fall in the category of range between 2.51 and 3.50 which means respondents have an average or moderate opinion on the effectiveness of overall implementation of marketing strategy on behalf of the Bank and the corresponding financial performance of the Bank which explained in its market share and profitability.

In the models, as it has shown in the above table 9, all variables scored relatively low scales of standard deviation which tells us that the data are narrowly spread. This means that the respondents have a close opinion regarding each variable of the research.

4.2.3. Correlation analysis

Correlation coefficient is a very useful means to summarize the relationship between two variables with a single number that falls between -1 and +1 (Field, 2005). According to guidelines suggested by Field (2005) to interpret the strength of relationship between variables, the correlation coefficient(r) is as follows: if the correlation coefficient falls between 0.01 to 0.29, it is weak; 0.3 to 0.49 is moderate; and >0.5 is strong relationship existed between variables.

With the objectives to explore the relationship between the independent and dependant variables, a correlation analysis with Bivariate Pearson's correlation coefficient with a two tailed test of statistical significance at the level of 95% confidence and significance < 0.05 was conducted over all the research variables. The results of the test are disused below under each hypothesis of the research.

Hypotheses testing

Ha1: There is positive relationship between STP and performance of the Bank.

H01: There is no positive relationship between STP and performance of the Bank.

Table 10: Correlation between STP and performance of the Bank

		STP	Performance of the Bank
STP	Pearson Correlation	1	.809**
	Sig (2-tailed)		.000
	N	137	137
Performance of the Bank	Pearson Correlation	.809**	1
	Sig (2-tailed)	.000	
	N	137	137

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

Source own survey 2016

As shown in the table 11, Pearson's correlation exhibits that there is a significant positive relationship between STP and Performance of the Bank ($r=.809^{**}$, $p<.01$) which didn't support the null hypothesis number one of the research. Consequently, the null hypothesis is rejected but the alternative hypothesis number one of the research that "there is a significant positive relationship between market segmentation and market program effectiveness of the Bank is accepted.

The researcher confirmed the agreements between the research findings related with drawing relationship between major elements of marketing strategy (segmentation, targeting & positioning) and performance of the Bank with the empirical findings in the study of Kohli and Jaworski (1990) and Narver and Slater (1990).

H02: There is a positive relationship between product strategy and performance of the Bank.

H02: There is no positive relationship between product strategy and performance of the Bank.

Table 11: Correlation Between product strategy and performance of the Bank

		Product strategy	Performance of the Bank
Product Strategy	Pearson Correlation	1	.667**
	Sig (2-tailed)		.000
	N	137	137
Performance of the Bank	Pearson Correlation	.667**	1
	Sig (2-tailed)	.000	
	N	137	137

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

Source own survey 2016

As indicated in table 11, Pearson's correlation exhibits that there is a significant positive relationship between product strategy and performance of the Bank ($r=.667^{**}$, $p<.01$) which didn't support the null hypothesis number four of the research. Consequently, the null hypothesis is rejected but the alternative hypothesis number four of the research that "there is a significant positive relationship between product strategy and performance of the Bank is accepted.

H05: There is a positive relationship between price strategy and performance of the Bank.

H05: There is no positive relationship between price strategy and performance of the Bank.

Table 12: Correlation Between price strategy and performance of the Bank

		Price strategy	Performance of the Bank
Price Strategy	Pearson Correlation	1	.489^{**}
	Sig (2-tailed)		.000
	N	137	137
Performance of the Bank	Pearson Correlation	.489^{**}	1
	Sig (2-tailed)	.000	
	N	137	137

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

Source own survey 2016

As indicated in table 12, Pearson's correlation exhibits that there is a moderate positive relationship between price strategy and performance of the Bank ($r=.489^{**}$, $p<.01$) which didn't support the null hypothesis number five of the research. Consequently, the null hypothesis is rejected but the alternative hypothesis number five of the research that "there is a moderate positive relationship between price strategy and performance of the Bank is accepted.

H06: There is a positive relationship between promotion strategy and performance of the Bank.

H06: There is no positive relationship between promotion strategy and performance of the Bank.

Table 13: Correlation Between promotion strategy and performance of the Bank

		Promotion strategy	Performance of the Bank
Promotion Strategy	Pearson Correlation	1	.596^{**}
	Sig (2-tailed)		.000
	N	137	137
Performance of the Bank	Pearson Correlation	.596^{**}	1
	Sig (2-tailed)	.000	
	N	137	137

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

Source own survey 2016

As indicated in table 13, Pearson's correlation exhibits that there is a significant positive relationship between promotion strategy and performance of the Bank ($r=.596^{**}$, $p<.01$) which didn't support the null hypothesis number six of the research. Consequently, the null hypothesis is rejected but the alternative hypothesis number six of the research that "there is a significant positive relationship between promotion strategy and performance of the Bank is accepted.

H07: There is a positive relationship between place strategy and performance of the Bank.

H07: There is no positive relationship between place strategy and performance of the Bank.

Table 14: Correlation Between place strategy and performance of the Bank

		Place strategy	Performance of the Bank
Place Strategy	Pearson Correlation	1	.687^{**}
	Sig (2-tailed)		.000
	N	137	137
Performance of the Bank	Pearson Correlation	.687^{**}	1
	Sig (2-tailed)	.000	
	N	137	137

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

Source own survey 2016

As indicated in table 14, Pearson's correlation exhibits that there is a significant positive relationship between place strategy and performance of the Bank ($r=.687^{**}$, $p<.01$) which didn't support the null hypothesis number seven of the research. Consequently, the null hypothesis is rejected but the alternative hypothesis number seven of the research that "there is a significant positive relationship between place strategy and performance of the Bank is accepted.

Summary of the hypotheses testing

As it is discussed above, the entire independent variables have a strong relationship ($r>.5$) with the dependent variables in both case of relationship except the price strategy which has a moderate positive relationship ($r=.489$) with financial performance of the Bank. This means that any improvement in any or all of the three independent variables (segmentation, target market, positioning) results in improvement in effectiveness of the marketing program. It is also true in the model which shows the relationship between the marketing strategy and financial performance of the Bank. In other words, any or all of the change in the four independent variables (pricing, product, promotion & place strategy) confidently improve the financial performance improvement of the Bank.

After finding the relationship among the dependent (financial performance of the Bank) and independent variables (product strategy, price, promotion, & place strategy) of the research, the researcher confirmed that the findings are whether it is in line with the existing empirical research findings. Based on this, the researcher confirmed that the research findings is agree with the empirical finding from Hooley, G.J., Saunders, J.A. and Piercy, N.F. (1998) although their relationship has been found to be relatively weak, though significant.

4.2.4. Multiple regressions

Correlations are very useful research tools but they tell us nothing about the predictive power of variables (Field, 2005). To support the correlation tools, a regression analysis was implemented. A regression analysis was used to further investigate the relative importance of the independent variables in predicting the dependant variable.

As Pallant (2005) mentioned that the commonly used cut-off points for determining the existence of Multicollinearity among independent variables are Tolerance value and Variance inflation factor (VIF) value. The rule stated that when tolerance value exceeds 0.2 and the VIF less than 10; it is a signal of Multicollinearity, which could lead to misleading and/or inaccurate results.

Before the data regress, the researcher run the Multicollinearity test over each variable with the objective to test the appearance of Multicollinearity among the variables in line with the above discussion. The SPSS output result is depicted in the following table (table 15).

Table 15: Multicollinearity statistics for the second relationship

Factors	Tolerance	VIF
STP	.356	2.868
Product Strategy	.384	2.602
Price Strategy	.546	1.831
Promotion Strategy	.417	2.397
Place strategy	.350	2.854

Source: own survey 2016

As it is indicated in the above table (table 15), the researcher proved that there is no any signal of Multicollinearity among the variables under observation.

Regression analysis

After the study proved the Multicollinearity test, it extends to the analysis of the regression and the results of the regression made between various variables as shown in the following table (table 16).

Table 16: Regression Result of Independent and Dependant Variables for the second relationship

Model	Coefficient		Sig.
	coefficient	Std. error	
(constant)	-.207	.309	.504
STP	.316	.055	.000
Product Strategy	.322	.123	.001
Price Strategy	-.008	.117	.924
Promotion Strategy	.096	.106	.296
Place Strategy	.388	.134	.000
Adjusted R²	.522	.60176	.000

Significant at 0.05 levels

Source: own survey 2016

As table 16 showed, the regression analysis results which conducted with the objective to show the effect of the independent variables over the dependent variable indicates that f the three marketing strategic elements on the financial performance of the Bank.

According to the results indicated as above, the R-square value of .522 indicated that 52.2% of the variation on the financial performance of the Bank can be accounted for the change in the independent variables (product, price, and promotion & place strategies). Similarly the F statistics of 38.073 is statistically significant at the 0.01 level which ensures theta there is less than 1% probability for 38.073 large score happened by chance.

On the same table the results showed that all independent variables had impact on the dependent variable with Beta and significance level of:

- (1) STP: $\beta=0.316$ and Sig.= 0.001,
- (2) Product strategy: $\beta=0.322$ and Sig.= 0.001,
- (3) Price strategy: $\beta=-0.008$ and Sig. =0.924,
- (4) Promotion strategy: $\beta=0.096$ and Sig. = 0.296,
- (5) Place strategy: $\beta=0.388$ and Sig. = 0.000.

Based on the above results, place strategy was the most important factor influencing the dependent variable followed by product strategy. In line with this, the established regression function is:

$$FPB = -.207 + .316(STP) + .322(Pd) + -.008(Pr) + .096(Pro) + .388(Pl)$$

Where:

FPB = financial performance of the Bank;

STP=segmentation, targeting & positioning;

Pd = *Product Strategy*;

Pr = *price Strategy*;

Pro = *Promotion strategy*;

Pl= *Place strategy*; and

-.207= *constant (y-intercept)* .

CHAPTER FIVE

SUMMERY OF FINDINGS, CONCLUSIONS & RECOMMENDATIONS

5.1. SUMMERY OF FINDINGS

5.1.1. Testing the research instruments

- ❖ **Validity Test-** the reasonable level of validity of the **research** instrument was ascertained through scientific methods.
- ❖ **Reliability Test-**As far as related with the reliability test, the researchers run SPSS on each variable then the reliability statistics also ascertained.

5.1.2. DESCRIPTIVE ANALYSIS (General information of respondents)

- ❖ Majority of the respondents (82.5%) are male which implies that most of the Bank's positions are assumed by the male than their counterparts.
- ❖ Most of respondents age is ranged between 31 and 40 years old (57.7) whereas only 2.9% of the total has the age beyond 50 years old. This implies that the management of the bank constituted with energetic staffs to implement strategy in line with the contemporary culture.
- ❖ Of the respondents, majority of the respondents (75%) are first degree holders and the remaining 24.1% second (Masters) degree holders. This provides an opportunity to obtain valid opinions for the subject matters through utilize acclaimed level of knowledge.
- ❖ Regarding service years of the respondents within the Bank, majority of respondents (32%) have stayed for 5 -10 years and followed by employees stayed between 10-15 years (28.5%). This give an opportunity to the research to capture

- the opinions from senior staffs of the bank that owned an involved in major decisions regarding the subject matter.
- ❖ More than half of the respondents, branch managers (43.8%) and customer's services managers (21.9%) are employees working as a personal selling staffs through day to day contact with the customers. This gives to the research a chance to capture the opinions of employees who have a significant contribution to earth down the Marketing Strategy.

5.1.3. DESCRIPTIVE ANALYSIS (basic Data)

In case of the first model, the mean score and standard deviation of the three independent and dependent variables are:

- ❖ Price strategy has the highest mean value of 3.3241 (SD= .05) then followed by target marketing (M=3.25, SD=.066) and promotion strategy (M=3.22, SD=.065) (Table 9). Further, performance of the Bank has scored the least mean value of 3.0766 with SD of .07433.

5.1.4. Correlation analysis of the first model

- ❖ There is a significant positive relationship between STP and performance of the **Bank** ($r=.809^{**}$, $p<.01$) which didn't support the null hypothesis number one of the research.
- ❖ There is a significant positive relationship between product strategy and performance of the Bank ($r=.667^{**}$, $p<.01$) which didn't support the null hypothesis number four of the research.
- ❖ There is a moderate positive relationship between price strategy and performance of the Bank ($r=.489^{**}$, $p<.01$) which didn't support the null hypothesis number five of the research.

- ❖ There is a significant positive relationship between promotion strategy and performance of the Bank ($r=.596^{**}$, $p<.01$) which didn't support the null hypothesis number six of the research.
- ❖ There is a significant positive relationship between place strategy (service delivery) and financial performance of the Bank ($r=.687^{**}$, $p<.01$) which didn't support the null hypothesis number seven of the research.
- ❖ In the model, except the price strategy which has a moderate positive relationship ($r=.489$) with financial performance of the Bank, the entire independent variables have a strong relationship ($r>.5$) with the dependent variables.
- ❖ This means that any improvement in any or all of the five independent variables (STP, pricing, product, promotion & place strategy) will improve the performance improvement of the Bank whether it is financial or non-financial performance.
- ❖ The research relationship finding among the dependent and independent variables of the model is supported by the empirical finding of Hooley, G.J., Saunders, J.A. and Piercy, N.F. (1998) although their relationship has been found to be relatively weak, though significant.

5.1.5. Multiple regressions

5.1.6.1. Multicollinearity statistics for the first relationship

- ❖ Before undertaking the regression analysis, the Multicollinearity test took place and the researcher proves that there is no any signal of Multicollinearity among the variables under observation.

5.1.6.2. Regression results

The regression results for the first Model:

- ❖ According to the regression results, the R-square value of .522 indicated that 52.2% of the variation on the financial performance of the Bank can be accounted for the change in the independent variables (product, price, and promotion & place strategies).
- ❖ Similarly the F statistics of 38.073 is statistically significant at the 0.01 level which ensures that there is less than 1% probability for 38.073 large score happened by chance.
- ❖ Based on the regression results the established regression function of the second model is:

$$FPB = -.207 + .316(STP) + .322(Pd) + -.008(Pr) + .096(Pro) + .388(Pl)$$

Where:

FPB = financial performance of the Bank;

STP = segmentation, targeting & positioning;

Pd = Product Strategy;

Pr = price Strategy;

Pro = Promotion strategy;

Pl = Place strategy; and

-.207 = constant (y-intercept)

- ❖ Finally the researcher tried to link the research findings with the existing empirical findings. Based on this, the above research finding was the relationship between the performances of the Bank with the five independent variables was in agreement with the empirical findings from the study of Kohli and Jaworski (1990) and Narver and Slater (1990).

5.2. CONCLUSIONS

When it comes to marketing strategies, most people spontaneously think about the 4P (Product, Price, Place, and Promotion). Market segmentation and the identification of target markets, however, are an important element of each marketing strategy. These are the basis for determining any particular marketing mix and the corresponding financial performance of any firm. In line with this, a number of empirical researches identified profound relationship among the company efforts paid to marketing strategy and the overall business performance, both market and financial.

In line with this, the researcher undertook the appropriate scientific study with the objective to explore any relationship among the bank consideration to the major elements of the marketing strategy with the overall effectiveness of the marketing programs and the corresponding relationship with the financial performance of the Bank. Based on this study, the following conclusions are drawn out of the research findings:

From the **finding** it can be concluded that although the bank give a due considerations to formulate and implement the relevant marketing strategy, the practices indicated that it did not give the appropriate level of consideration to the basic elements of marketing strategy in the form of market segmentation, targeting and positioning. In other terms, it is moderate or average level of consideration is paid towards these major elements of the marketing strategy.

From the **finding** it can be concluded that the performance of the Bank whether it is financial or non-financial terms, it is not satisfactory based on the opinions of the respondents. In other terms, the Bank only limited to achieve a moderate or average performance.

From the **finding** it can be concluded that the five components of the marketing program (i.e., STP, product, price, promotion & place strategy) played a considerable contribution towards the performance of the Bank. This explained by the results of the research, the R-square value of .522 that tells 52.2% of the variation on performance of the Bank can be accounted for the change in the above independent variables.

More over from the **findings** the researcher concluded that among the five independent variables STP ($\beta=0.316$), product strategy ($\beta=0.322$) & place strategy ($\beta=0.388$) have better prediction power than the rest two variables.

5.3. RECOMMENDATIONS

Finally, the researcher forwards the recommendations following from the research findings:

- ❖ The management of the Bank shall provide equal appropriate levels of consideration to the basic elements of the marketing strategy as a strategic tools in order to acquire a satisfactory performance in the form of financial or non-financial terms;
- ❖ In order to break the competition, the Bank shall devoted to break the average par performance through focusing on the major elements of the marketing strategy;
- ❖ The bank shall learn the power of the emphasis on the five components of the marketing program (i.e., STP, product, price, promotion & place strategy) have over the overall performance of the Bank (R-square value of .522) and keep on working those variable in order to bet the competition.
- ❖ Further, it is advisable that the Bank has to pay more emphasis towards STP, product & place strategy other than the other two marketing programs in order to acquire the benefit of better prediction power these three have over the other two variables.

5.4. LIMITAIONS & FUTURE DIRECTION

Finally, the researcher identified the limitation of the project. In order to augment these limitations, the researchers identified the following areas for future study in order to extend the knowledge under the subject matter;

The first area the researcher identified for further research was to undertake a project study through explanatory research design with the objectives to clarify why and how the above relationship existed among the basic elements of the marketing strategy and the marketing programs with the performance of the Bank.

Second, the researcher calls for another research project by incorporating the view and opinions of customers to the subject matter in order to yield more light to the area.

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**Addis Ababa University School of Commerce
Degree of Masters in Marketing Management**

Questionnaires to be filled by Bank of Abyssinia's management staffs

Dear respondents;

The purpose of this questionnaire is to carry out a research for the partial fulfilment of master's degree in Marketing Management. The title of the study is "Assessment the effectiveness of marketing strategy practices" and its general objective is to assess the effectiveness of the marketing strategy practices of Bank of Abyssinia in relation with the performance of the Bank and to identify whether it is aligned with the target marketing, marketing mix and corporate mission to satisfy customer requirements.

Hence, I would deeply appreciate if you would take some minute from your precious time to complete the questionnaire. Any information you present will be kept utterly confidential and will be used only for academic purpose. Your cooperation and prompt response will be highly appreciated.

N.B:

- ❖ Writing your name is not necessary

Thank You in advance

1. Gender

Male Female

2. Age(in years)

Under 30 30-40 40-50 51-65 Over 65

3. Educational level

Diploma BA/BSC MA/MSC/MBA PhD

Other (if any) _____

4. Position

Senior executive officials	<input type="checkbox"/>	Chief Information Security Officers	<input type="checkbox"/>
Directors of Departments	<input type="checkbox"/>	Principal Risk Officers	<input type="checkbox"/>

Deputy Directors

Division Managers at Departments

Principal Relationship Officers

Customers Service Manager

Branch Manager

Other _____

5. How long have you been employee of BOA?

Less than 1 year

2 to 5 years

5 to 10 years

10 to 15 years

More than 15 years

II. Basic Questions

Please note that from Q6-Q12, 1 stands for “strongly disagree”, 2 for “disagree”, 3 for “neutral”, 4 for “agree” & 5 for “strongly agree”.

6. Thinking now about the level of attention that the bank pays towards Market Segmentation. Please indicate how far you agree with each of the following statement by putting “√” for your choice in the box provided.

	1	2	3	4	5
The Bank has paying considerable efforts to Market segmentation to understated its customers					
The Bank bases of segmentation are helpful to understand its target market					
The Bank exhaustively distinguish the among the major segments of the Bank					
Segments of the Bank are reachable					

7. Thinking now about the level of attention that the bank pays towards its Target Market. Please indicate how far you agree with each of the following statement by putting “√” for your choice in the box provided.

	1	2	3	4	5
The Bank target markets have strategic attractiveness of market over time in terms of expected size.					
The Bank target market has a huge potential for growth					
Overall the target market is stable					

8. Thinking now about the level of attention that the bank pays towards Market Positioning. Please indicate how far you agree with each of the following statement by putting “√” for your choice in the box provided. Where **SD stands for strongly disagree, **D** for disagree, **N** for neutral, **A** for agree & **SA** for strongly agree.**

	1	2	3	4	5
The Bank clearly differentiates in an attractive and meaningful way than its competitors					
The Bank imprinting a unique, credible and memorable in the mind of the customers					
The Bank consistently works at defending and reinforcing its position.					
The Bank positioning build brand loyalty among consumers					

9. Please choose the most appropriate answers for each statements in line with Product Program by Putting “√” for your choice in the box provided.

Statements	1	2	3	4	5
The Bank provides a wide range of products as the customers expectations					
The Bank product strategy give undue attention to attain its quality to meet the customers satisfaction					
The Bank product development capability in terms of rapidly responding the market demands provides competitive advantages over the competitors					
The Bank due attentions to existing product improvement/modification to extends the life the products					
The bank undertake appropriate product management through the life of the products from its introduction until disposed off					

10. Please choose the most appropriate answers for each statements in line with Price Program by Putting “√” for your choice in the box provided.

Statements	1	2	3	4	5
Services charges in the form of fees and commissions are acceptable as well as satisfactory					
The pricing strategy pay attention to the competition and other factors and act accordingly immediately					
The Bank new product pricing strategy encourages customers willing to try new products easily					
The Bank implements and exploit the pricing adjustments program to account for varies customers' differences. (for instance charging extra premium for segments need extra service)					
The Bank has a good experiences of offering discounts on the basis of loyalty					

11. Please choose the most appropriate answers for each statement in line with Promotion Program by Putting “√” for your choice in the box provided.

Statements	1	2	3	4	5
The Bank pay due attention to communicate and educate its staffs to ease the personal selling efforts					
The Bank advertising helps to effectively communicate and get the required response from the customers					
The Bank sales promotion programs (like giving giveaways & prizes) encourage the frequency customers purchase at most times of the program					
The Bank public relation programs provides a good corporate citizenship images in the eyes of the society					

12. Please choose the most appropriate answers for each statement in line with Place/channel Program by Putting “√” for your choice in the box provided.

Statements	1	2	3	4	5
The Bank placing/channel program improve its accessibility towards its customers via adequate numbers of branches					
The Bank placing/channel program helps to harness the existing internet technology					

The placing strategy of the Bank exhaustively utilizing the alternate channels to interact with their over a variety of channels like mobile banking & internet banking					
The customers of the Bank getting a consistent experience across all forms channels both conventional and alternatives ones					
The Bank has deployed sufficient numbers of number of ATM booth as its customers' expectations					
The capabilities of ATMs go beyond standalone devices for cash dispensing and enabled real-time access to account information.					

13. Please fill out the level of importance the Bank Marketing Program with respect to Financial Performance of the Bank through the under listed parameters. Please put “√” for your choice in the box provided.

Financial Performance Parameters	Descriptions	1	2	3	4	5
Market share	<i>The Marketing program leads to attain satisfactory Market share</i>					
Profitability	<i>The Marketing program leads to satisfactory profitability</i>					

14. What are the major problems encountered in implementing marketing strategies?

15. If you have further comments please indicate in the space provided below.
