



School of Commerce

Department of Marketing Management

**Factors Affecting Market Chain Performance in Distribution of
Bottle Water: *The Case of Daily Bottled Water Company in Addis
Ababa, Ethiopia***

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*A Thesis Submitted to the School of Graduate Studies of Addis Ababa
University in Partial Fulfillment of the Requirement of Master of Art
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Declaration

I, Getie Asfaw, declare that the study entitled “Factors Affecting Market Chain Performance in Distribution of Bottle Water: The Case of Daily Bottled Water Company” is the result of my own efforts in research undertaking. All information in this document has been obtained and presented in accordance with the academic rules and ethical conducts. The study has not been submitted to any Degree or Diploma in any college or university. It is submitted in the partial fulfillment of the requirement of the Degree of Masters in Marketing Management to AAU, School of commerce through department of marketing Management. Lastly, I have fully cited, acknowledge and referenced all materials and results that are not original to this study.

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Certification

This is to certify that this thesis entitled as “**Factors Affecting Market Chain Performance in Distribution of Bottle Water: The Case of Daily Bottled Water Company in Addis Ababa**” submitted in partial fulfillment of the requirements for the Degree of Master of Marketing Management, done by Getie Asfaw Biwota is an authentic work of him under my guidance”. I recommend that it to be submitted as fulfilling the Thesis requirement for the Degree of Master of Marketing Management to School of Commerce, Addis Ababa University, through the Department of Marketing Management, done by Mr. Getie Asfaw Biwota is a genuine work carried out by him.

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ACRONYMS

| | |
|-------|--|
| CSA | Central Statistics Agency |
| FAO | Food and Agriculture Organization |
| MCP | Market Chain Performance |
| PET | Polyethylene Terephthalate |
| SME | Small and Medium Enterprises |
| STP | Segmentation, Targeting, Positioning |
| UK | United Kingdom |
| UNIDO | United Nation Industrial Development Organization |
| USAID | United States of America International Development |
| WHO | World Health organization |
| WRBV | Water Resource Based View |

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ABSTRACT

The purpose of this study was to identify factors affecting market chain performance in distribution of bottle water products: the case of Daily Bottle Water Company in Addis Ababa. With report of the varying degree of successes and failures recorded by Water bottling Companies in different parts of Ethiopia, it is important to attempt a detailed study of factors that affects the market chain performance of bottle Water Companies in distribution of their products. To address the research objective 138 sampled respondents were selected using proportional sampling techniques. About 138 questionnaires were distributed; from which 129 sample respondents replied appropriately to the questionnaire. Data gathered were analyzed based on these 129 responses using SPSS V23 software package. Descriptive statistics and explanatory research approaches were employed. All outputs were presented using frequency, correlation and multiple linear regressions. The result indicates that sales promotion, product strategy, relationship marketing, distribution strategy, channel selection, segmentation strategy and positioning strategies were the major influencing factors that determine the market chain performance of the company. Among these strategies, sales promotion, product strategy, and relationship marketing strategy were the most significant influencing factors for market chain performance. The study was recommended that the company have to give more emphasis in maximizing quality and packaging design, should focus on relationship marketing, and set a promotion budget to communicate and to give information about its product using the appropriate promotional tools that increase its market share and to improve its market chain in distribute of its product to customers at anywhere.

Keywords: *market chain performance, marketing strategy, relationship marketing, distribution management, channel selection, daily bottle water*

CHAPTER ONE

INTRODUCTION

This chapter presents the background of the thesis, the objective, the scope and limitations of the thesis. Along with the concept highlighted in this thesis, very important market chain definition was disclosed. Additionally, the organization of the thesis and the significance of the study were presented. Importantly, this chapter identified the research gaps appropriately. The research questions were accurately addressed and the main objective of the thesis also realized.

1.1 Background of the Study

Stewart (2005) defines market chain performance as the ability of the market chain to meet customer needs through product accessibility and responsiveness to ensure on time delivery of the product. It involves a continuous process that requires both an analytical performance measurement system and a mechanism to initiate steps for realizing key performance indicators. Gunasekaran and McGaughey (2004) argue that the process of achieving key performance indicators are referred to as "KPI accomplishment" for example carrying cost inventory, inventory turnover, order tracking and back order rate. It connects planning, distribution, and builds steps of the company's product for realization of market chain performance goals. Market chain performance can be measured in the context of market chain activities and processes such as plan, forecast, make and deliver. These activities are considered at various levels of management that are strategic, tactical, and operational levels. It is often recognized as a systematic approach for identifying, evaluating and monitoring market chain performance of the company.

According to Kotler (2006), the marketing's key function is converting the market understanding into tools and tactics to attract the market, build relationships, and develop direction. They also assist the organization to observe how it needs to change its product offerings, pricing and communication so that it meets the needs of the distribution channel or end customers. The purpose of sales is to sell what is in stock by knocking down the doors, defeating objections, discussing prices and terms and often working inside to be sure their customer's orders are filled. The two functions are highly dependent. The author stated that every company can and should improve the relationship between customer demand and product availability to improve market chain performance.

Kotler and Keller (2012) also stated that the first decade of the 21st century challenged companies to flourish financially and even stay alive in the face of an unforgiving economic environment. A successful market chain planning should inform an organization where they would desire to be on a long-term basis that is why it is frequently said that market chain is a continuous process. Market chain is considered as the marketing logic by which the business spirit hopes to attain its marketing objectives. In the business organization, there is no clear activity where the marketers have to go and address the customer's need. Therefore, the companies should make the correct decision regarding the mechanisms of the marketing practices such as: product, positioning, distribution, channels, promotion and marketing relationships during the employment of market chain practices. These key components have to be coordinated and moved into a unified efficient strategy if the product has to achieve well in the market (Cross, 2018).

Bottled water sector has grown dramatically in recent years. Furthermore, the bottled water industry has been successful in attracting people to drink more bottled water (Feliciano, 2014). According to the Water Resource Based View (WRBV) approach, the number of bottled water manufacturing companies in Ethiopia is increasing. These companies are involved in the production and sale of potable water in the form of packaged/bottled water for safe drinking by branding water as a commercial product through labeled plastic packages. Because people's attitudes toward safe and high-quality drinking water have shifted, there is a growing trend of people preferring bottled water to tap water in large cities like Addis Ababa, Ethiopia's capital and Africa's diplomatic capital. This boosts the commercialization and profitability of bottled water as a product in the national and international market for Ethiopian bottled water manufacturers (Matiwos Ensermu, 2012).

Because of its steady and still-growing global market, bottled water has become an important business. The global bottled water industry was valued at roughly \$170 billion in 2014, according to Zion Research, and is predicted to reach approximately \$280 billion by 2020, rising at a compound annual growth rate of approximately 8.5 percent between 2015 and 2020. The market chain, as well as the selection of proper distribution channels and marketing mix, is essential factors that influence market share of bottled water products. For a company's market share performance, the capacity to use successful marketing chain operations to distribute the

finished product is crucial (Baldauf A. et al 2000; Cooper & Kleinschmidt, 1985; Lages & Lages, 2004; Leonidou L. et al 2002; Mavrogiannis M. et al, 2008).

The nature and scope of commercial competition has changed in such a way that corporations no longer compete against one other. Because the new base of business rivalry is defined by how well corporations link their operations with their market chain partners, such as distributors, wholesalers, retailers, and end customers, this is true (Yan and Cheng, 2001). Being able to build business connections with consumers, distributors, and other strategic partners based on trust and long-term commitment, according to Mattson (2002), becomes a critical competitive parameter. This is a modern-day lesson for corporations to pay more attention to their relationships with customers and distributors (Tencati, 2013). Subsequently, an organization market chain has become a strategic agenda driving decision making of specific to their end customers with nature of business.

Customers must be eager to buy; distributors must deliver the items; and employees must go to work there; and only when the market chain is linked with social involvement and environments can continuity be maintained. Companies can concentrate their resources and use them more efficiently by adding value-added concepts fully, decreasing repurchases as well as disposal efforts and expenses by employing the suitable market chain. This is due to the fact that end consumers are anyone who makes a transaction, such as bottled water. It is purchased by customers from retailers. This can be from a large supermarket or a small chain store like a corner store. The distributors will be determined by the retailers themselves, i.e., a large supermarket may have its own distributor, whilst corner stores may have to buy it from wholesalers. This describes how a company's product is linked to its customers through the market chain.

This is due to the fact that the bottled water industry plays a vital role in connecting numerous businesses and highlighting market chain management. As a result, the bottled water sector all over the world is seeking to carry out its duties in a more responsible manner, reacting to client demand as well as marketing pressure. The bottled water business, on the other hand, has been dealing with major market chain performance issues, which necessitate a systematic perspective of the determinants for successful management of industry activities throughout the development of market chain activities. As a result, there is a growing interest in studying and implementing

market chain activities in order to improve the effectiveness and efficiency of product distribution and sales operations.

Many businesses have adopted the right market chain to reduce final product distribution costs as a result of globalization and increased competitive challenges. According to Lee and Kim (2002), the market chain is a crucial component in addressing the complexity of distribution management in meeting client expectations. This is because, according to Robert (2004), a well-established market chain framework serves as a guide for particular market chain activities such as distribution channels, transportation, inventory, and logistics in the overall market strategic planning process. As a result, commodities and services frequently move through many distribution channels within the market chain before reaching customers.

The expansion of bottling firms as well as the increased production and marketing opportunity of bottled water are clear indicators of high demand for such products. Therefore, effective marketing activities leads to high rates of return usually accompany by high market share. As a real business, bottled water companies are sharply competing against each other by market chain which is affected by: distribution channels, information sharing, internal operation, reachable outlets and aggressive promotion. Therefore, the major concern of this research was to identify major contributing factors that affect market chain performance in distribution of Daily Bottled Water in Addis Ababa.

1.2 Background of Daily Bottled Water

Daily Purified Spring Bottled water was established in 2010 E.C by Belima International business Plc. Classic Daily Purified Spring Water has a short periodic of establishing and within this short time establishment the company is well known and successful to deliver quality product to customers' need and have a good market share in Ethiopia. The factory located in Oromia regional government of Oromia Special Zone, Welmera woreda, Menagesh town at kolobo kebele which is faraway 30kms from Addis Ababa. The main office of Daily Purified Spring Bottled water is found in Addis Ababa around Mexico. The company has a capacity of producing 51,000 bottles of water in an hour using around 210 employees. The water is found above 2600meters above sea level and it is bottled in two liters, one liter, and 600ml packages.

1.3 Statement of the Problem

Entry into higher-value markets (including global markets) necessitates a comprehension of the market's requirements and dynamic factors (Baker, 2006). For businesses, industries, and other organizations, the development and upgrading of the market chain is critical. Many enterprises in the bottled water manufacturing industry in other nations, such as Ghana, are trying to retain market share, growth, and profitability. According to Ferrell and Hartline (2010), an organization's marketing chain defines how the firm will meet the demands and wants of its market customers. It can also include tasks relating to the maintenance of relationships with other stakeholders, such as employees or distribution partners. Many factors have contributed to Ethiopia's rapid bottle water market growth, including the country's economic growth, an increase in the number of conferences and summits in Addis Ababa, increasing tourist traffic, and the expansion of the hospitality sector. As a result, the market chain's focus on distributing the desired product becomes critical, as it is the way of gathering information about client needs or wants and taking action to meet market demand.

A successful business model relies heavily on choosing the right market chain and distribution strategy. The sales approach, or the overall process of selling and delivering products to customers at the same time, encompasses both a company's connection to its customers and a significant portion (i.e. direct sales, manufacturers, representatives, distributors, dealers), and most firms in an industry made similar choices (Kunmar and Meenakshi,2008:356). Recent years have seen a significant increase in the number of options available, as well as the variety of options available to competitors, resulting in possible instability in competitive positions for present leaders and areas of opportunity for others. To add to the uncertainty, certain old solutions no longer provide the same mix of service and cost, and as a result, they are no longer achieving the desired goals. As a result, many businesses are being compelled to reconsider their market chain and distribution channel strategies.

Collins and Wright (2014) found that bottled water is a modern day phenomenon. It has transformed from a niche market to a product that is demanded worldwide. They stated that bottled water has grown to be a multi-million Euro industry by the effective advertisement and other elements. Lockamy and McCormack (2004) carried out a study on market chain planning and performance of manufacturing firms. It was found that market chain planning contributed to

efficiency in the market chain. Lee and Kim (2002) carried out a study on the effectiveness of market chain planning of manufacturing firms in United Kingdom. The study concluded that market chain planning improved collaboration between market chain partners. This increases market share and enhances market chain performance. Perona (2001) concluded that banks used relation market planning to integrate with their market chain partners in Italy. Ijomba (2010) conducted a study on the effects of integrated market chain on the market performance of Nairobi Bottlers. The study found that integrated market strategies led to improved market chain performance.

Zegler (2006) stated in his book that the contribution of market chain and distribution management system to the company and total sales volume of a company are interdependent. Failure to choose the right distribution method and experienced sales people will limit the sales volume of a company's sales growth, due attention has to be given.

Every bottle water company's major goals are to gain a successful market share and maximize profits. To attain this goal, any logical water bottling business organization's marketing manager should create and implement policies that will improve the company's market chain performance. With reports of diverse degrees of success and failure by water bottling companies in various sections of Ethiopia, it is critical to conduct a detailed analysis of the various marketing chain practices used by these businesses. Based on the findings and suggestions of the various experts and writers mentioned above, the area requires more and detailed research. The Bottled water brand, profit, market performance, and profitability were evaluated by several scholars. However, more research into the market link and chain between the company's product distribution and market demand is still required. In order to improve the market chain and market performance of the company in the study area, a formal and comprehensive investigation and research on "factors that affect market chain performance in distribution of packed/bottled water": in the case of Daily bottle water, was a necessary prerequisite for product availability and accessibility in the market.

1.4 Objective of the Study

1.4.1 General Objective

The general objective of the study was to determine factors that affect market chain performance of distributing Daily Bottled Water in the study area.

1.4.2 Specific Objectives

The study's particular goals were to:

1. Investigate the impact of relationship marketing on Daily Bottled Water Company's market chain performance.
2. To investigate the impact of Daily Bottled Water Company's product attributes strategy on market chain performance.
3. To determine the impact of segmentation marketing strategy approaches on the Daily Bottled Water Company's market chain performance.
4. To investigate the impact of Daily Bottled Water Company's distribution strategy on market chain performance.
5. To determine the impact of promotion strategy techniques on the Daily Bottled Water Company's market chain performance.
6. To assess the impact of channel selection strategy methods on the Daily Bottled Water Company's market chain performance.
7. To determine the impact of Daily Bottled Water Company's positioning strategy on market chain performance.

1.5 Hypothesis Formulation

The hypothesis formulated for this study was:

H1: Relationship marketing strategy practice has a positive role for market chain performance.

H2: Product strategy practice has a positive role for market chain performance.

H3: Segmentation strategy practice has a positive role for market chain performance.

H4: Distribution Strategy practices have a positive role for market chain performance.

H5: Promotion strategy practice has a positive role for market chain performance.

H6: selecting the right channel has a positive role for market chain performance.

H7: Positioning Strategy practice has a positive role for market chain performance.

1.6 Significant of the Study

This study aimed to provide information to the market on the elements affecting the Bottled Water market chain and distribution channels, as well as information on the factors influencing market channel choice decisions, marketing chain actors, and the study areas potential and constraints. In terms of academic and scientific benefits, the study's findings have aided the Bottled Water Company and traders in the study area in planning and development planners and policy makers in developing Bottled Water Company and marketing policies.

The following are some of the primary benefits that could be derived from this research:

- This study was believed to intend to close the gap on the literature of market chain performance on bottled water company.
- This study has first-hand benefit to Daily Bottle Water Company and others competitive spring water companies through identifying the influence of their market chain and level of distribution channel.
- This study also gives a hint and information's for other researcher related to market chain, distribution channels and related activity.
- The study would be aid companies which are less competitive due to their unplanned distribution channel in the bottled water market to keenly compete with the market leaders through effective and sustainable market building and development strategies.

1.7 Scope of the Study

With limited resources and human talent, attempting to evaluate the entire Bottled Water product firm is an impossible task. As a result, the study was focused on the product of the Daily Bottled Water Company market chain in Addis Ababa. The study's main focus was on the elements influencing the performance of the Daily Bottled Water distribution market chain, with product, sales promotion, distribution, customer relations, channel selection, and information quality strategy as essential variables. The study's methodology focused on customers, wholesalers, distributors, and agents of Daily Bottled Water. This means that only those with a close relationship to the factory were included for this study. Furthermore, geographically this survey was limited to Addis Ababa city.

1.8 Limitation of the Study

The research was restricted to one bottled water company's market chain and distribution networks in Addis Ababa. As a result, the study was constrained in both space and time to make it more representative of a larger range of areas and varied bottled water companies in the market chain.

1.9 Definition of Terms

Bottled water: “Bottled water is any product, including mineral, spring or well water taken from municipal or private utility systems, distilled or other water, to which chemicals may be added and which are put into sealed bottles, packages or other containers to be sold for domestic consumption or culinary use” (Department of Health, New York State, 2006).

Market chain: It is the term used to describe the various links that connect all the actors and transactions involved in the movement of products through the different phases of production, transformation and distribution to final consumers. Market chain analysis seeks to characterize how chain activities are performed and to understand how value is created and shared among chain participants (Lunndy *et al.*, 2004)

Marketing strategy: is a procedure that can allow an organization to concentrate resources on optimal opportunities with goals of increasing sales and achieving sustainable competitive advantage (Aaker, 2008). Marketing strategy refers to an organization’s integrated model of decisions that specify its crucial choices concerning to markets to serve, market segments to target, marketing activities to perform and the manner of performance of these activities (Varadarajan 2010).

Distribution channel: is a group of people and firms involved in the transfer of title or ownership as the product move from the product moves from the producer to the ultimate consumer. A distribution channel is defined by the American Marketing Association as "the structure of infra company organization units and extra company agents dealers, whole sales, and retailers through which a commodity product or service is marketed to users, with a set of intermediaries performing a variety of functions". A marketing channel (also known as a commerce channel or distribution channel) is made up of these intermediaries (K Havaladar and Vastant M Cavala, 2007: 8-15).

Wholesaler: Wholesalers deal with large volume of product distributors either through marketing and planning committee of collection centers or by the company. They invest and transact larger amount of money in their business and often control the market share.

Retailer: Comparatively small business trader and buy and sale bottled water in relatively smaller quantity and sells directly to the end user.

1.10 Organization of the study

The thesis is divided into five chapters.

Background, problem statement, research questions, objectives, significance of the study, scope of the investigation, constraints of the study, definition of words, and study organization are all covered in the first chapter. The second chapter covered a review of the study's theoretical and empirical evidence. The study's research methodology (description of the subject region, data kinds and sources, data collection methods, sample procedures, and data analysis methods) was discussed in Chapter three. The results and discussion (descriptive, market chain analysis, and correlation data) were given and discussed in detail in chapter four. The major findings of the study were presented in Chapter five, and conclusions and relevant suggestions were drawn.

CHAPTER TWO

2 LITERATURE REVIEW

This chapter includes a literature review on the notion of market chain, market chain management in bottled water manufacturers and similar industries, market chain difficulties, and other related concepts. To describe market chain practices and the distribution channel Plan, Source, and Deliver scheme, market chain management methods and industry experiences are offered. The specific qualities of industry in opposition to market chain adoption are examined in a conceptual framework at the end of the chapter.

2.1 Theoretical Literature Review of Market Chain

2.1.1 Market chain

The term "market chain" refers to all acts related to the flow of commodities from producers to consumers, which involves the placement of economic actors who perform complementary functions in order to satisfy both producers and customers. Market chain management is the integrated planning, coordination, and control of all business processes and activities in the market chain in order to provide higher consumer value at lower cost to the market as a whole while also meeting the needs of other market stakeholders (Islam and colleagues, 2001). Both formal and informal market agents can be linked in a market chain. It may also be used to link one or more bottled water distributors together. Overall, market chain understands the strategic nature of trading partner coordination and explains the twin aim of market chain: to improve the performance of a particular company as well as the entire market chain. The purpose of market chain as a competitive weapon is to seamlessly integrate both information and product flows across the market chain.

2.1.2 Marketing channel

A marketing channel is a business structure made up of interconnected organizations that runs from the place of product origin to the consumer, with the intention of delivering products to their final consumption destination. These channels can be short or long, depending on the type and quality of the product being advertised, marketing services provided, and social and environmental contributions (Koler et al, 2003).

2.1.3 The Importance of Market Chain

The basic objective of market chain management is to optimize performance of the chain to add as much value as possible for the least cost possible. In other words, it aims to link all the market chain agents to jointly cooperate within the firm as a way to maximize profitability in the market chain and deliver the most benefits to all related parties (Finch 2006). Furthermore, Mentzer (2001) emphasizes the significance of market chain as the systematic, strategic coordination of traditional business functions within a company and across businesses within the market chain, with the goal of improving the long-term performance of individual companies and the market chain as a whole. According to some authors, the major goal of market chain is to connect and manage product sourcing, flow, and control across many roles and layers of distributors using a comprehensive systems approach. Furthermore, the primary goal of the market chain is to synchronize consumer needs with product flow in order to achieve a compromise between the competing goals of maximum customer service, minimal inventory management, and cheap unit costs (Habib, 2011).

Market chain analysis is carried out for a number of reasons. However, using both qualitative and quantitative data, the major goal of market chain analysis is to understand the causes of inefficiencies in the chain and to find potential leverage points for improving the chain's performance. Market chain analysis aids in obtaining a better knowledge of competitive challenges, identifying relationships and coordination mechanisms, and determining how chain actors cope with power and who governs or influences the chain. The market chain framework aims to address these issues by identifying several entry points and linkages that small and medium businesses can use in a given manufacturing or supply chain (USAID, 2008).

2.1.4 Mapping a Market Chain

A detailed understanding of the sequence of activities, as well as the important actors and relationships engaged in the market chain, can be gained by mapping it. This exercise is carried out in both qualitative and quantitative terms using graphs that depict the various actors in the chain, their interconnections, and all chain processes from pre-production (input supply) to industrial processing and marketing (UNIDO, 2009).

According to Kaplinsky and Morris (2000), mapping the chain entails visualizing the linkages between players and tracing a product flow across an entire channel from product concept to

consumption. It's an excellent tool for calculating and quantifying the cost of administrative inefficiencies that stifle product and industry competitiveness. The market chain is a flow diagram in its most basic form. Market chains can be complicated and have a large number of participants. Each actor may potentially be linked to many market chains. As a result, it's critical to understand the study's goal and point of interest. Following that, a decision can be made about where to start in the chain and what to include in the chain analysis. The first stage in a market chain research is to identify the actors and the links between them to get the chain sketched out. This can be accomplished by doing a qualitative study first, followed by a quantitative investigation once the chain map is complete. The quantitative analysis adds to the study's accuracy by providing more information about the chain's actions and relationships (Hellin and Meijer, 2006). As a result, mapping the market chain is critical for guiding or managing the company's direction in terms of distributing its product from where to where by whom, addressing the target client, and succeeding in business.

2.1.5 Basic Factors Considered in Formulating Marketing Chain

According to Ferrell and Hartline (2011), the situation analysis is the most important factor to consider while forming the marketing chain. The condition analysis' goal is to describe existing and prospective concerns, as well as major trends, as they affect three key environments: the internal environment, the customer environment, and the external environment.

The Internal Environment

A situational analysis initial feature is a critical assessment of the firm's internal market plan and environment in terms of its aims, strategy, and performance, share of resources, market structure features, and political climate. The marketing manager should start by reviewing the company's present marketing objectives, strategy, market share, and market connectivity. Marketing objectives must be evaluated on a regular basis to ensure that they remain aligned with the company's mission as well as changing client demand, accessibility, and availability of the product in marketing contexts.

The Customer Environment

In the second part of the condition analysis, the marketing manager must examine the current and future situation with respect to customers in the company's target markets. During this analysis, information must be collected that identifies: (1) the company's current and potential customers,

(2) the prevailing needs of current and potential customers, (3) the basic features of the firm's and competitors' products alleged by customers as meeting their needs, and 4) anticipated changes in customers' needs.

The External Environment

The final and broadest matter in a situation analysis is a review of the external environment, which includes all the external factors competitive, economic, political, legal/regulatory, technological, and socio-cultural that can use considerable direct and indirect pressures on both domestic and international marketing activities.

According to Hitesh Bhasin (2012) also recommended in the magazine of marketing, there are 3 necessary factors while formulating marketing strategy. They are as follows:

- 1. Developing customer intimacy-** If a business can gain a lot by investing time in its customers, receiving to know them, their likes, dislikes, preferences.
- 2. The health of the brand –** The second most significant factor while formulating a marketing chain is determining the health of the brand. This gets the external environment into account.
- 3. Innovation-** It is significant to understand that innovation does not occur in one department only. It can happen in the distribution department, the costing department, the accounting department and most importantly the product development department.

2.1.6 Basic Factors Considered in Market Chain

2.1.6.1 Product Strategy

According to Ferrell and Hartline (2011), the design, branding, and positioning of the product are the most important strategic decisions to be taken in the marketing plan. The products that describe what the organization does and why it exists are at the heart of every organization. Products are divided into two groups. Customer products are those acquired for personal use and enjoyment, whereas business products are those purchased for resale, to manufacture other products, or to be used and exploited in a company's activities. Product attributes, branding, packaging, labeling, marketing throughout the product life cycle, introduction strategies, growth strategies, maturity strategies, and decline strategies, conferring to the author, are all integrated into products.

2.1.6.2 Promotion Strategy

All of the communication tools that marketers utilize in the marketplace are referred to as promotion. Promotion, as defined by Whalley (2010) in his strategic marketing book, is "all of the means available to the marketer for marketing communications." Marketing communications, like the marketing mix, has its own promotions mix, where different components of the promotions mix can be combined to provide a single campaign. In connection to the plan produced using STP, the fundamentals of the promotions mix are merged to form a sensible campaign.

Sales Promotion

According to Kotler and Keller (2012), sales promotion is an input element in marketing operations that consists of a collection of incentive measures, most of which are short-term, aimed to encourage consumers or the trade to acquire specific items or services faster or more frequently. Whereas advertising encourages people to purchase, sales promotion encourages people to buy. 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 industry and sales force promotion (prices off, advertising and display allowances, and free goods) are all examples of sales promotion tools (trade shows and conventions, contests for sales reps, and specialty advertising). In marketplaces with a lot of brand resemblance, sales promotions can generate a lot of sales in a short period of time however; there is minimal evidence of a long-term gain in brand preference. They may be able to permanently modify market shares in markets with significant brand value.

Ferrell and Hartline (2011) pointed out that sales promotion engaged behavior that made buyers inducement to buy a product or that added value for the buyer or the trade. Sales promotion can be targeted toward consumers, channel mediators, or the sales force. Sales promotion comprises a wide variety of promotional elements for the reason that it encompasses actions other than advertising, public relations, and personal selling.

Public Relation

According to Whalley (2010), public relations are defined as "the conscious planned and ongoing endeavor to develop and maintain mutual acceptance between an institution and its publics". Public relations can be divided into two types of communications: proactive

communications that aim to establish thoughtful relationships and reactionary communications that aim to clear up misunderstandings. The corporation must not only communicate effectively with customers, suppliers, and dealers, but also with a vast number of interested parties. Each group with a real or potential interest in or impact on a company's capacity to achieve its goals is referred to as the public. A variety of initiatives are used in public relations to promote or protect a company's image or particular items. Referring to Kotler and Keller (2012), a savvy company takes concrete actions to manage successful relationships with its main stakeholders.

Direct Mail Marketing

Direct mail is a recognized method, according to Kotler and Keller (2012), since it provides for target market selectivity, may be tailored, is flexible, and allows for early testing and response measurement. Although the cost per thousand is higher than for mass media, the number of persons reached is significantly larger. The success of direct mail, on the other hand, has become a liability, as so many marketers are sending out direct-mail pieces that mailboxes are getting overburdened, causing some customers to become numb to the barrage of solicitations they receive. Direct marketers must determine their objectives, target audiences and prospects, present elements, way of testing the campaign, and metrics of campaign performance when putting together a good direct-mail campaign.

Whalley (2010) stated that direct marketing has at the present expanded into areas such as telemarketing; cataloguing, door to door leafleting, email marketing, broadcast faxing etc. as such direct marketing is a major sub-section of marketing in its own right.

2.1.6.3 Market Segmentation

One of the first tasks in building a general marketing strategy, according to Shrives (2014), is to conduct a market chain analysis in order to manage the chain development process and ensure its success. Market segmentation is a straightforward and straightforward notion. Simply said, market segmentation is the process of looking at the whole market for a product or service and breaking it down into smaller, more manageable chunks. Wedel & Kamakura (2000) stated that market segmentation involves viewing a varied market as a number of smaller homogeneous markets in response to differing preferences attributable to the needs of consumers for more precise satisfaction of their varying needs, based on the economic theory of imperfect competition. Market segmentation has grown in importance in recent years.

According to Doyle (2002), a market segment is defined as a customer group within the market that has specific characteristics that are important for marketing strategy. In niche or focused marketing, the company does not aim to compete in the majority of the market, but rather focuses on one or a few segments. Market segmentation is also defined as "a category within a market that is plainly identifiable based on specific parameters," as stated by Lin (2002). As a result, for the segment to be viable, it must be easily recognized, distinct from other segments, reachable through promotion, and large enough to be profitable. Knowing these issues and differentiated product, prices, distribution and advertising is able to identify all targeted customer especially at the segment.

As of the research by Baxter (2007), marketers are challenged by segmentation strategies to deliver value to a specific subsection of consumers who share similar demands. Throughout market segmentation the business can give higher significance to customers by developing a market mix that deals with the specific needs and concerns of the chosen segment. Effective target marketing is a probable with segmentation.

Better sales and profitability; a closer match of products and services to client requirements; increased consumer satisfaction; and a focus on the sector with the highest probability (Ali, 2011). Additional market prospects, the creation of new market segments, and a stronger competitive position for existing products and services are among the additional benefits. If the above-mentioned profit has no impact on either the company or the client, the segmentation procedure was not done correctly.

Bases of Segmentation

Kotler and Keller (2012) noted that major segmentation elements for the business market are:- Demographic, Operating Variables, Purchasing Approaches, occasional Factors, and Personal characteristics. The demographic variables are the most important, next by the operating variables down to the personal personality of the buyer.

Michael (2011) proposed that "Almost any marketing textbook will inform you that the key to successful marketing can be summed up by the STP strategy that is, segmentation, targeting, and positioning". The term market segmentation refers to subdividing a market next to some society, similarity or affinity. That is a part of the market segment that shares something in common. STP marketers attempt to distinguish those market segments, direct marketing behavior at the

segments that the marketers believe their business can satisfy better than their competitors, and position their product offering so as to appeal to the targeted segments. Really, every buyer has their own wants, preferences, possessions and behaviors. Given that it is not possible to give for every customer's individual characteristics, so marketers should group customers to market segments by variables they have in common. These ordinary characteristics permit developing a standardized marketing mix for all customers in this segment. Andrew (2010) good use of STP (segmentation, target market and positioning) guide to segmentation of the market into groups that are homogenous by want and then these groups can be prioritized by their positional arrival and one or more can be chosen to be served and they become a target market-and a marketing mix is selected to do just that.

2.1.6.4 Distribution Channels

Palmer (2011) defined distribution marketing strategy as "the element of a firm's use of various channels and networks to distribute products and services with the goal of reaching the end customer, either directly or indirectly." Agents, wholesalers, distributors, and retailers are among the intermediaries. These principles and fundamentals assist businesses in ensuring and offering high-quality customer service, which has an impact on customer satisfaction.

The competitiveness of a company is determined by its distribution networks. This is because they have an impact on the time it takes for the goods to reach the client as well as the ultimate price. Organizations are concerned in the process of making a product available for use or consumption by customers, despite the importance of distribution tactics. As a result, in order to oversee and manage these activities, businesses must create a marketing channel that is aligned with their objectives. According to Whetton (2011), ease of access to products and services ensures that a consumer is adaptable and considers the transaction as simple. These have a significant impact on the market chain and, as a result, the company's profitability.

The set of paths that a product or service taking after production, culminating in purchase and use by the final end users is referred to as the distribution channel. Merchants are intermediaries who buy, take ownership of, and resell merchandise such as wholesalers and retailers. Others, such as brokers, manufacturers' representatives, and sales agents, look for customers and may negotiate on behalf of the producer, but they do not take title to the goods; they are known as agents. Still others, such as transportation companies, independent warehouses, and advertising

agencies, assist in the distribution process but do not take title to the goods or negotiate purchases or sales; they are known as facilitators.

The Importance of Distribution Channels

Many companies have used imaginative distribution systems to gain a competitive advantage creative and imposing distribution system made it a leader in express delivery. In addition, channel decisions involve relatively long term commitments to other firms as well as asset of policies and procedures. In managing its intermediaries, the firm must decide how much effort to devote to push versus pull marketing. A push strategy involves the manufactures using its sales force and trade promotion money to induce intermediaries to carry, promote, and sell the product to end users. Push strategy is appropriate where there is low brand loyalty in a category brand choice is made in the store, the product is an impulse item, a product benefits are well understood a pull strategy involves the manufacture using advertising and promotion to persuade consumers to as ask intermediaries to order it pull strategy is appropriate when there is high brand loyalty and high involvement in the category when people perceive differences between brands, and when people choose the brand before they go to the store (Koter and Keller, 2006: 468).

2.1.6.5 Positioning Marketing Strategy

According to Kotler (2007), positioning marketing strategy is the use of marketing to enable customers or people to develop a mental image of a product in comparison to other items. The positioning marketing strategy refers to how a target market would perceive a product or service in comparison to the competitors. It responds to the question, "Why should someone in the target market(s) buy my product or service instead of the competition?" "What must be the perceived worth of my offering in comparison to the competition?" is a similar question. Customers' perceptions of a company's product or service in comparison to competitors are referred to as positioning.

Shaw (2011) stated that positioning serves as a link between targeting and the marketing mix. If people dislike the product, it can be made more appealing by physically modifying it or repositioning it in buyers' minds. Consumer impressions can be substantially altered by repositioning.

According to Whalley (2010), after segmentation and market targeting, product positioning is the next critical step in developing a successful marketing chain strategy. Product positioning refers to how a company differentiates itself in the market and how the target market perceives its products and services as a whole; it encompasses the concept of all stakeholders in the company. An organization must have a form of differential advantage in order to compete successfully in a target market. The purpose of a positioning marketing strategy is to communicate the whole value proposition to clients in such a way that it generates and maintains a distinct, ideally unique, place in the market for the company. To be successful, an organization's basic value proposition must be something that is relevant to the target market, stand out from the competitors, and be sustainable and effectively articulated to that market. This characteristic is more closely associated with differentiation as a generic strategic option, which helps to explain the development of brands, products, and services in the market chain.

The positioning marketing chain strategy is expressed in comparison to competitors' positions. According to Aspfors (2010), positioning refers to how customers differentiate a product or service from those supplied by competitors. Thus, positioning is the act of planning a company's offering and image so that they hold a relevant and distinct competitive position in the minds of target customers, the distinct picture of a product or service in a consumer's head in comparison to similar competitor offerings. As a result, in order to establish an acknowledged market chain, all organizations must develop a positioning plan. As authored by Burrow (2012), a positioning strategy can depict how a firm will display or examine its product to consumers, as well as how it will compete in the market with other companies offering similar products and services. Consumer perceptions of a firm and its product in comparison to those of competitors are a worry for businesses. Consumers recognize a company's product as superior to a competitor's product or service based on the features that the company promotes in its marketing strategy.

According to Whalley (2010), four main aspects are important before a business builds a successful market position: clarity, consistency, credibility, and competitiveness. The 4C positioning structure;

- Clarity – the positioning thought must be clear with regard to both the target market and the foundation of competitive benefit.

- Consistency – in order to break during the noise point of competing messages, a reliable message and image is necessary.
- Credibility – this is the position selected must be credible in the mind of the target groups customer.
- Competitiveness – any successful market chain position is dependent on having a distinctive value system.

2.1.6.6 Market Relationship

Khan (2014) states that relationship marketing is relationship building and market analysis of competitors and consumers emerged as a marketing theory in the early 1990s. Kay (2011) pointed out that relationships with customers and competitors are controlled for a company when issues are addressed regarding business strategy. According to Catoiu Tichindelean (2012) the purpose of using relationship marketing is to allow small and independent firms to use a strategic process to develop and maintain a profitable relationship portfolio. Gharehbashlani & Seify (2014) pointed out that the use of relationship marketing is significant to the profitability of a business. Relationship marketing helps to promote the competitive advantage throughout networks communications and interactions during implementation of marketing chain.

Customer relationship marketing, according to Chiang (2013), is a new system that is important to the service industry for customer and business operations management. CRM is a marketing, sales, and customer service strategy with the goal of increasing marketing productivity by delivering customer value. Advanced CRM features, such as a primary focus on customers, organizational efficiency, and customer knowledge management, according to Soliman (2011), help a company achieve high marketing performance. Little business executives, according to Borisavljevic (2013), must use relationship marketing to maintain and improve their competitive position in the market. Appropriate relationship marketing implementation aids business managers in attracting and retaining profitable clients, as well as establishing relationships with manufacturers and distributors to improve organizational and operational efficiency. As of Abeysekera, Jayakody (2011), relationship marketing is a strategy for building a long-term relationship with clients in order to improve market chain performance. According to Kotler (2009), Relationship marketing is the technique of cultivating long-term satisfactory relationships with important stakeholders in order to maintain their loyalty and business.

Relationship marketing culminates in the creation of a unique company asset known as a marketing network. Customers, employees, suppliers, distributors, retailers, agencies, and others with whom the company has created mutually advantageous market ties make up the marketing network. A happy customer will always contact a service provider. Client relationship management (CRM) is a setup that ensures customer happiness. Customer relationship management (CRM) is a systematic approach to establishing long-term relationships with customers by providing the highest level of customer satisfaction.

The organization actively promotes satisfaction by taking the appropriate procedures. Maintaining the intended degree of customer satisfaction necessitates proactive company responsiveness in gaining, keeping, and retaining satisfied consumers for long-term competitive benefits (Rahman, Redwanuzzaman, Masud-Ul-Hasan and Rahman, 2014). Customer satisfaction is improved as a result of CRM effects. Customer satisfaction will rise if a firm has a successful CRM strategy; on the other hand, customer unhappiness will rise if the CRM strategy is neglected. Customer happiness is influenced by CRM elements as well. Customer satisfaction is influenced by sound, consistent, and personalized information technology, among other things.

2.1.6.7 Channel selection

(Lin and Chen, 2008: 356-365) did a study on the factors that influence manufacturers' distributor selection and concluded that recruiting good distributors in marketing channels can improve a company's performance and even provide it a competitive edge. In order to improve firm performance, manufacturers must choose the distributors who are best equipped to sell the products and service the needs of target markets from among the candidates (e.g. profitability). Finding competent distributors is thus a critical issue for manufacturers, particularly for many medium and small businesses that may lack the necessary skills and information to choose distributors. The study's empirical findings revealed that manufacturers consider four aspects when choosing distributors: firm infrastructure, marketing capabilities, relationship intensity, and logistics capabilities. Distributors can strengthen their competitive advantage by improving their competence in these four dimensions.

A company must evaluate numerous factors connected to the market and clients, its own condition, the product, and the competitive climate when selecting efficient channels (Adriano, 2008: 646). All of these considerations have a significant impact on the distribution channel

chosen. Because the interests of independent intermediaries are implicated, a corporation should be very careful when choosing a distribution route because it is costly, inconvenient, and can lead to litigation to deconstruct a distribution channel once it is formed (Kumar and Meenakshi, 2008: 356). Channel members contribute value by bridging the primary time, place, and possession gaps that divide good and service from individuals who would utilize them when they label a product and service as available to customers. Members of the marketing channel may perform key functions of (Philip Kotler, 2008: 337):

- Information: gathering and distributing marketing research and intelligence information about actors and force in the marketing environment needed for planning and aiding exchange.
- Promotion: developing and spreading pervasive communication about an offer.
- Contact: finding and communicating with prospective buyers
- Matching: shaping and fitting the offer to the buyer's needs including activities such as manufacturing, grading assembling and packaging.
- Negotiation: reaching an agreement on price and other terms of the offer so that ownership or possession can be transferred.
- Physical distribution: transporting and storing goods.
- Financing: acquiring and using funds to cover the costs of the channel work.
- Risk taking: assuming the risks of carrying out the channel work.

2.1.7 Market Channel Strategy

Channel strategy decisions involve (1) the selection of most effective distribution channel (2) the appropriate level of distribution intensity and (3) degree of channel integration.

The value chain idea was defined by Porter (1998: 334) as a critical tool for assessing the sources of competitive advantage. Market chain analysis is the process of breaking down a company into its strategically important activities in order to better understand cost behavior and existing and potential sources of distinction. When a company does these strategically vital activities more cheaply or better than its competitors, it earns a competitive advantage. Porter recognized five major market chain elements: incoming logistics, operations, outgoing logistics, marketing and sales, and service, as well as four supporting activities: procurement, technology development, human resource development, and firm infrastructure. However, the focus of this study is on the

function of market chain operations in product distribution and improving a company's competitive position.

(Winter and Knemeyer, 2012: 18-38) have suggested that in industries such as retailing and product manufacturing, market chain management is perhaps the most important factor in determining the success of the firm. Incorporating the full impact of logistics into the firm's strategy is therefore a crucial imperative for firms and can lead to superior and sustainable performance.

2.1.8 Marketing Chain Management

Manufacturers must choose the intermediaries who will distribute their products (Chang, Polsa and Chen, 2003:132-139). The chosen intermediaries must be trained in certain areas such as the operation of the goods being carried, the art of selling in merchandising, and other areas as needed by the business. The intermediaries must be encouraged to enthusiastically promote the manufacturer's product. They may be offered money or non-financial incentives by the manufacturer. It is critical that intermediaries be reviewed on a regular basis in terms of the functions that they are expected to fulfill (Gassenheimer, Sterling and Robicheaux, 1996:94-119). Finally, the manufacturer must handle disagreements that arise between members of the same level of the distribution channel or between members of various levels of the distribution channel.

According to (Sahu and Raut: 2003:12) in today's world of mass production, there is always a need for intermediaries of one type or the other for enabling the goods to reach the customer. In a more detailed manner, (Rosen Bloom, 1995: 22) has pointed out many situations that can indicate the need for a market chain design as follows:-

- Developing a new product or product line. If existing market chain for other products are not suitable for the new product or product line, a new market chain may have to be set up or the existing market chain modified in some fashion;
- Aiming an existing product at a new target market;
- Making a major change in some other component of marketing mix;
- Establishing a new firm, from scratch or as a result of mergers or acquisition.
- Opening up new geographic area;
- Meeting the challenge of conflict or other behavioral problem.

The above list, although by no means comprehensive, offers an overview of the more common conditions that may require the market chain manager to channel design decisions.

2.1.9 Building and Managing Effective Distribution Channels

According to (Meenakshi, 2008: 468) manufacturers and retailers have a choice of two physical distribution channels: direct channel and indirect channel. Use of direct channel in the case of manufacturers entails transporting goods to customers straight from the factory, while for multiple retailers it involves receiving supplies at branch store level. Whereas using indirect channel is in which stocks are held at one or more intermediate locations in the market line. A manufacturer using an indirect channel directs its output through distribution depots.

(Rajagopal et al., 2009: 39) in their study mentioned that many companies, for years, have looked at third party distribution channels as a vehicle for fast acceleration of their sales. There's an excess of different types of third party distribution channels out there that a company can select, develop and manage for sales success. Those range from value added resellers, to system integrators, to manufacturer reps, to distributors, and to agents as well as international representatives.

As per (Doyle, 1994: 333) one of the biggest mistakes that companies make when they deploy a third party channel however, is to think that the companies that they sign up are going to do the work on their own without any support from the company. Usually companies spend a huge amount of resource and effort to go start, create, deploy third party system integrated value added reseller networks but they don't provide any resources, any management, any support to them after they come on board. However, according to (Cohen, 1991: 95) if a company wants to deploy those kinds of third party distribution channels, in addition to discounts and commissions that the manufacturing company is going to pay, it is necessary to proactively give to those resellers like sales, distribution and technical support, in order to make sure that they're optimized in their sales performance for the manufacturing company.

The rule of thumb he discovered is to treat your resellers and third-party distribution channels as if they were your own employees (Rowe, 2005: 159). Understand how to inspire them, get to know them, build connections with them, spend time with them in the field, and ensure that they have the resources and support they need to do their jobs well, and you'll be able to win the distribution channel and get them to sell for you. You're probably mistaken if you believe you'll

obtain something for nothing through third-party distribution channels. Nothing in sales is free, and this certainly applies to the concept of third-party distribution channels. Rewoldt, Scott, and Warshaw (Rewoldt, Scott, and Warshaw, 1981:425)

Normally, in the case of technically complicated products, the company may want to handle the distribution by themselves as they cannot expect the intermediary to learn as much and as well about the product as their salesperson. Also, the intermediary in this case may not be able to handle questions about the product as effectively.

2.1.9.1 Wholesalers

They normally operate out of the main markets in a city. They deal with a large number of company's products and packs. They have their own shops in busy trading areas. Their features are:

- They choose and decide what products they will sell;
- They are not on contract with any companies;
- Their customers are other wholesalers, retailer and institutions;
- They negotiate about 15 days credit from the distributors and special privileges on giving purchase request more than once a week even though the beat plan of the distributor may give them one visit a week.
- They extend credit terms to their loyal customers.

2.1.9.2 Retailers

They are the shopkeepers who open stores in the market to serve the requirements of hundreds of people. If a store is positioned in a high-traffic area of the market, he can demand a variety of profitable terms from wholesalers and corporations, such as credit, promotions, and the rental of display space, among other things. Regardless, the retailer has the best profit margins in the entire supply chain. Only around a quarter of customers are given credit by retailers. They've also started delivering to their loyal customers and those who reside close to their store. Value added resellers buy an unassembled product or kit and add value by putting it together and selling it to the consumer according to his specifications.

2.1.9.3 Distributors, Dealers, Stockiest and Agents

This set of channel members are also known as stockiest, agents and guarantors depending in the extent of re-distribution undertaken by them for the companies they represent. Agents do not

invest in the company's products. All belong to the same category of company outsourcing to help distribute products to retailers. Some characteristics of distributors are:-

- They are required to invest in the product by buying it from the company;
- They are on commissions, margin or mark-ups;
- They may or may not get credit from the company they, however, give credit to their customers who are wholesalers or retailers;
- Commission or margin is a percentage of the price at which they buy the product from the company;
- Mark-up is still a percentage but based on the selling price to the customer retailer.

2.1.10 Bottled Water

Although water in a plastic bottle isn't the most thrilling product category, sales of bottled water have grown steadily for more than three decades. The practice of bottling water dates back to the 1700s in Europe, when mineral spring water was bottled and marketed for its purported medicinal virtues. In many parts of Europe in the early twentieth century, bottled water provided a safe alternative to filthy tap water. Bottled water did not arrive in the United States until much later; i) sanitization of public water had been accessible in the United States since the early twentieth century. However, in the 1990s and 2000s, bottled water consumption in the United States increased rapidly, rising from 9.8 gallons per person in 1992 to 27.6 gallons per person in 2006. ii) Between 1984 and 2005, the global consumption of bottled water increased 1,000-fold. iii) The reasons for this rise were diverse and varied: aging municipal water infrastructure; the belief that bottled water was safer and tasted better than tap water; iv) and increased mobility, which necessitated the use of portable water delivery methods (Michael et al., 2013). Another key growth driver was the increased focus on healthy diet and lifestyle choices, which include proper hydration and avoiding sugary drinks. People who drink bottled water on a daily basis are twice as likely as those who do not to identify health concerns as a consideration in their beverage preferences (Shook et al., 2009). Furthermore, the increase in bottled water consumption was accompanied by a greater share of households using water filters at home. Overall, water made up 41% of the beverages Americans consume, and bottled water constituted nearly one-third of total water consumption.

Bottled water sold in many sizes and formats, bottled in both glass and various types of plastic bottles, but 70% of water sold in the United States used a “single-serve” format and came in polyethylene terephthalate (PET) plastic bottles (Michael et al., 2013). Bottled water also can be classified into several subcategories, such as carbonated, mineral, artesian, spring, purified, and deionized. None of these varieties include flavorings as such, though added minerals can enhance flavor. Water comes from various sources or goes through several processes, depending on its labeling. The most common label is pure or purified water. Purified water may be from any acceptable source, including springs or municipal sources, but the dissolved solids must be removed from it using distillation or reverse osmosis. Spring water comes from underground and rises to the surface without active extraction. Mineral water may be from any source but contains a minimum level of minerals. Regardless of the source, all bottled water must be sanitized and filtered (Kannegiesser, 2008).

2.1.11 Global Bottled Water Market Trend

Water covers over 70% of the earth's surface. Not all of them, however, are appropriate for human consumption. Oceans account for 97 percent, with polar ice shielding the remaining 2%, leaving less than 1% of all water on the planet as fresh water that we can use. Surface waters, such as rivers and catchment reservoirs, or subsurface liquids generated from rainfall percolated through the ground to reach the ground water, are the most common water sources. Water quality varies greatly and is largely determined by the location in which it is found. According to dieticians, depending on age, one or two liters of water per day is the recommended daily quantity to drink to be healthy depending on age and lifestyle. To be health and full of life means, consuming essential mineral elements. Facilitating digestion and to assume a constant preservation of the precious water of the organization (www.sigla.com).

"Water, water everywhere, but not a drop to drink," as the Rhyme of the Ancient Mariner puts it, is arguably a fitting description of many customers in cities and other locations today, who are increasingly turning to bottled water to meet part or all of their daily needs.

The shortage of safe and accessible drinking water will become a serious concern in many parts of the world as fresh water supplies are further stretched to fulfill the demands of industry, agriculture, and an ever-growing population (WHO, 2000). According to the WHO, there is growing concern about the safety and quality of drinking water as a result of many significant

outbreaks involving food and water. While bottled water is widely available in both industrialized and developing countries, it may represent a significant cost to the consumer. Consumers may have various reasons for purchasing bottled drinking water, such as taste, convenience, availability and others.

The Beverage Marketing Corporation defines the bottled water market segment as "retail PET, retail bulk, home and office delivery, vending, domestic sparkling and imports" but excluding "flavored and enhanced water." (BMC: 2008).

While the term bottled water is widely used the term packaged water is perhaps more accurate. Water sold in countries for consumption can come in cans, laminated boxes and even plastic bags. Bottled water is drinking water packaged in plastic or glass containers. The dominant one is water packaged in new polyethylene terephthalate bottles and sold retail. Another method of packaging is in larger high density polyethylene plastic bottles, or polycarbonate plastic bottled often used with water coolers (www.wikipedia.com). However, according to (WHO, 2000) bottled water is most commonly sold in glass or disposable plastic bottles. Bottled water also comes in various sizes from single servings to large carboys holding up to 80 liters. Depending on the climate, physical activity and culture, the drinking water needs for individuals vary, but for high consumers it is estimated to be about two liters per day for a 60kg person and one liter per a day for a 10kg child (WHO, 2000). In relation to the above idea (IBW A,2000) describes bottled water as water that is intended for human consumption and that is sealed in bottles or other containers with no added ingredients except that it may optionally contain safe and suitable antimicrobial agents.

According to (Howard, 2000) bottled water market is the fastest growing beverage industry in the world, worth up to \$22 billion a year. Bottled water market is partly fueled by concerns over the safety of municipal water and by the marketing of many brands which portray them as being healthier than tap water. The study of the World Wildlife Fund also indicates that bottled water sales were rising because people were worried about pollution. People attitudes toward tap water are being shaped by the pollution which is checking the river and streams. But the study conducted by University of Geneva's known researcher (Ferrier, 2000) concluded that the only difference between some bottled water and tap water may be no safer, or healthier, than tap water in many countries which selling for up to 1000 times the price. As per of (Howard, 2003), the

bottled water standards in the United states are at least as protective as those for tap water, and the industry is making a concerted effort to develop international standards.

In general, as (Ferrier, 2001) bottled water can be identified in three major types.

1. **Natural mineral water-** is an extremely specific product responding to strict criteria. It is wholesome under-ground still or aerated water protected against pollution hazards and characterized by a constant level of mineral and trace elements. This water cannot be treated, nor added any exogenous elements, such as flavors or additives.

2. **Spring** water-is also underground water protected against pollution hazards. It cannot be treated but it doesn't need to have a constant mineral composition water from different springs can be sold under the same brand name.

3. **Purified** water- surface or under-ground water that has been treated in order to be suitable for human consumption. It differs from tap water only through the way it is distributed in bottles rather than through pipes and its price.

Many bottled water consumers believe that natural mineral water has medical characteristics or provides other health benefits based on the bottled water categories listed above. Mineral concentrations in such waters are often high, and in some cases, substantially higher than those found in drinking water. According to a report by the World Health Organization (WHO) on drinking mineral water, such waters have a long history of use and are frequently accepted on the basis that they are foods rather than drinking water, even though some mineral waters may be useful in providing essential micronutrients such as calcium. The World Health Organization has yet to find any convincing evidence that drinking mineral waters has any health benefits.

2.1.12 Bottled Water Market Trend in Ethiopia

The history of bottled water market is limited to very few mineral bottler companies in Ethiopia. Since time immemorial the water tower of Africa has been feeding its life increase giving minerals to all creatures of the mysterious zone of Africa. Ethiopia the candle of mankind is known as the source of life and water in the ancient records and the very present day of archeological findings. But in bottled waters providing to the market Ethiopia counted as the least place. Except few bottled mineral drinking water companies, water bottling in Ethiopia has

a short market history but a fast growing market in the sector. For example, (CSA, 1999) from 1987 to 1997 bottled water market was increased by an average 11.7 percent.

There is also a significant increase of various bottled water brand in Ethiopia which targeted undifferentiated marketing approach and reveals all water bottlers in the country are assuming their customers as homogenous market. But as Bottled water market reality exhibits in Ethiopia, bottled water markets are rarely homogenous in benefits wanted, purchase rate, price and their response to products. Regarding this idea (Walker et al 2003:151) noted that variation among markets in product preferences, size, and growth in demand, media habits, and competitive structures further affect the differences and response rates. Because of these reason, market segmentation has become increasingly important in the development of marketing strategies for bottled water market in the country. Specially, as manager of Apex bottling company put it, it is quite common in Ethiopia to emulate another establishment (Essayas, 2007). So that the literature of bottled water in Ethiopia revealed that all bottled water companies are the same of undifferentiated or mass marketing orientation. But in Ethiopia all targeted market are not drinking bottled water for the same benefit and usages.

There are approximately 67 bottled water brands in Ethiopia's current bottled water market, making it the most competitive in the sector. With the exception of Ambo, Babile, and Cool, all were founded after 1990. Before 1990, Ethiopians who drank bottled water drank Ambo mineral drinking water because there were no other options. As (Essayas: 2009) pointed out at the time, not everyone need Ambo; others required flat water, and the market required a different offering. Additional investors quickly observed the success of High Land natural spring water, and now a variety of other brands are available on the market. According to (Kaleyesus 2009), Bottled water has advantage over tap water as it encourages saving and is clean or at least easy to keep it clean and of course it is easy to handle and manage. Even in areas where tap water is safe to drink, demand for bottled water is increasing- producing unnecessary garbage and consuming vast qualities of energy. Although in the industrialized world bottled water is often no healthier than tap water it can cost up to 10,000 times more. (Aslam: 2006). The demand for bottled water in Ethiopia is also likely to rise significantly and export to neighboring countries even to Middle East and beyond is an increasingly growing possibility.

2.2 Review of Empirical Studies

The nature of competition has evolved through time to the point where companies no longer compete against one another on the basis of quality, as was the case many years ago. Nowadays, the new source of business rivalry is defined by how well organizations link their operations with their supply chain partners, who include suppliers, distributors, wholesalers, retailers, and end customers. The ability to build long-term, trusting business relationships with consumers, distributors, and other strategic partners becomes a critical competitive criterion. Businesses have had to invest and re-focus greater attention on relationships with consumers and distributors as a result of this, as well as variables such as shorter product lifecycles and customer expectations.

As a result, different studies have been done to define market chain practices and to evaluate businesses' market chain as a strategic objective driving senior management decision making. Market practices are described as a series of activities carried out by an organization in order to promote effective market chain management. Many manufacturers and distributors are seeing the significant cost savings and service improvements that can be achieved by implementing best practices throughout their market chain. Many distinct perspectives on market activities can be found in a variety of literatures (Tan et al., 2002; Chen and Paulraj 2004; and Li, 2002 and 2005). These various authors' opinions showed that the market is multi-dimensional, encompassing a range of activities and processes from the firm's internal operations to the downstream of the market.

Market Chain Management is now widely recognized as a crucial business procedure for organizations that manufacture or distribute products. Customers' demands for most products are becoming increasingly demanding in terms of reaction time, choice, and the pursuit of lower pricing, and thanks to globalization, customers can choose from a larger number of distributors. Distributor and customer relationships, information exchange, internal operations, channel selection and management, and trust in distributors are all basic dimensions/perspectives of market chain management methods (Charles et al., 2014; Froehlich and Westbrook, 2001). According to Feng et.al (2007), product excellence and quality, efficiency and business consequences influence market chain performance dealings of the company. Mahmood and Fatimah Hajjat (2014) researched on the effect of product quality on market performance in

some Arab business companies. A model was urbanized to show the product development stages from conception to distribution. The research examines data using structural equation modeling techniques. Findings revealed that product extrinsic value affects external market performance and product intrinsic value influences internal performance.

In his study, Teshamulwa (2007) claims that Sachet Water Vendors use the 4P's, which are Product, Positioning, Place (distribution), and Promotion. They take into account the water quality of both hand-tied and factory-produced sachet water, as well as the factory-produced sachet water's brand name and company reputation. According to consumer interviews, 80% of factory-produced sachet water customers thought the water quality was good, whereas only 33% thought the same about hand-tied sachet water. The fact that factory-produced sachet water was commonly perceived to be "pure water" may have been one of the reasons why 90% of the interviewees bought it despite the fact that it was more expensive than hand-tied sachet water. Those who purchased both hand-tied and factory-produced sachet water make up 90% of the total. Reasons for preferring specific sachet-water brands included the quality of the physical product itself, expedient availability, the brand name and company reputation. 40% of the respondents preferred "Voltic" sachet water. Voltic, which has been in the Ghana market for the longest time, was established in 1995 and holds 65% market share in Ghana.

Quansah et al. (2015), in a research called "Factors Affecting Ghanaian Consumers' Purchasing Decision of Bottled Water" have identified that the psychological factors, opinion and attitude of bottled water shows a relationship with the frequency of using the product. Consumers have revealed more frequent buying behavior for a high perception and belief of bottled water. Therefore, the research has looked to a conclusion that the more positive perception of consumers about a product, the improved their motivation to purchase and/or consume the product and need market connection with them. The researchers have noted that consumers take bottled water as safe, healthy, reliable, suitable, good and available, refreshing, socially received and a good alternative to other drinks. The research has concluded that there is appositive and optimistic relationship between market chain and bottled water buying behavior among Ghanaian consumers.

Furthermore, Joshi (2012) explained the benefits of brand image in terms of the advantage of branding to both producer side and consumer side. Producer side advantages of branding are: a

company's reputation is increased, easy to introduce new products, differentiates its products from competitors, helps for sales promotion, increases the market share, reduces advertising cost, increases sales, and minimizes price competition. On the other hand, consumer side advantages of branding are: differentiate the products of different producers, gain excellence products, and consumers will be satisfied.

Laswai (2013) conducted a research on examination of the effectiveness of channels of allocation models in the sales performance of an organization. The study sampled 90 sampled respondents. Interviews, questionnaires and documentary reviews have been used to collect the data. The findings confirmed that the distribution channel has a positive influence on sales and market performance of the company.

Kaipia (2008) examined the effects of selecting a distribution channel on market chain; a descriptive survey was conducted in a sample of 45 commercial banks in Europe. Primary data was collected using a semi structured questionnaire. A regression model was adopted for data analysis to establish the relationship between the effects of selecting a distribution channel on market chain. It was concluded that selecting a distribution channel was a key component in achieving improved market chain and customer satisfaction.

Lee and Kim (2002) investigated on the influence of product distribution planning on performance of manufacturing firms in UK. A causal study was conducted in a sample of 55 manufacturing firms. Both primary and secondary data was used; primary data was collected using a semi-structured questionnaire while secondary data was gathered from financial statements. A correlation analysis was done and the findings concluded that there existed a positive correlation between production distributions planning on performance of market chain of a firm.

Ebitu (2016) studied the impact of product quality, marketing communication and relationship marketing strategies on the performance of SMEs in Akwa Ibom state, Nigeria. 240 copies of survey questionnaires were copied to SMEs in the three senatorial districts of the State. This created the sample of the study. The data attained was analyzed using Pearson Product Moment correlation analysis which was calculated electronically by the use of Statistical Package for Social Science (SPSS) version 21. The study concluded that there is a considerable impact of

product quality strategy and relationship marketing chain on the effectiveness and increased market share of SMEs in Akwa Ibom State.

Devendiran (2010), in his study stated that now a days successful businesses known in the marketing environment which is constantly rotating new chances and the environment that marketed ought also identify the consumer information, source and assess their relative communication for the target market. Companies must work to make Shure customer satisfaction at all level of the buying process for the reason that after the satisfaction of customers the companies provide due considered for profit. Today more companies are recognizing the significance of satisfying keep current customers.

Tuli & Bharadwaj (2009) studied Customer satisfaction and stock returns risk. They found that, besides effective communications, effective relationships between the firms and the customers provide beneficial advantages to both the firms and the stakeholders. They found that efficient customer relationship marketing strategy has positive and optimistic effects on market performance.

Mezgebu (2015), attempted to examine the impact of customer correlation marketing on customer satisfaction; the case of Commercial Bank of Ethiopia. The research findings signifies that there is an important association between relationship marketing components including trust, commitment, communication, conflict treatment and capability on customer satisfaction and also to regression testing that all variables were identified simultaneously on customer satisfaction. The research results showed that all relationship marketing components have statistically significant impact on customer satisfaction.

Adebisi and Babatunde (2011) have been studying the application of the promotional mix that will enhance market chain and advance organization growth in the face of a strong competition and as well as promotional mix has a significant positive impact on sales turnover. Al-Rfou (2012) confirmed that intensity of market competition has an optimistic effect on organizational market chain performance. Such companies' are tray to satisfy their customers by raising the quality of their products. Nwielaghi & Ogwo (2013) accomplished that full utilization of trade promotion strategies affects marketing chain performance by enhancing sales turnover, enhancing market share and profitability which support the finding of the study.

A study by Aliata et al. (2012) launched a statistically significant connection between sales promotion and performance. They confirmed that sales promotion enhanced brand preference, which then developed brand performance and high market share thus high profits or performance. In spite of this, studies did not point out how sales promotion strategies can obviously progress market performance.

Dauda (2015) investigated the impact of advertising and promotion on sales, income, and profitability of selected Nigerian food and beverage companies. It was discovered that advertising and firm market share had a positive and significant link. In contrast, the study found that there was no positive significant association between advertising expenses and company sales revenue. The company should not only focus on advertising to raise sales revenue and firm profitability, but should also employ sales promotion, personal selling, and publicity to expand market share across the market chain, according to the recommendations.

Adebisi and Babatunde (2011) have been studying the application of the promotional mix that will enhance market share and advance market growth in the face of a strong competition and as well as promotional mix has a significant positive impact on sales turnover. Al-Rfou (2012) confirmed that intensity of market competition has an optimistic effect on market chain of such companies trying to satisfy their customers by raising the quality of their products. Nwielaghi & Ogwo (2013) accomplished that full utilization of trade promotion strategies affects market share by enhancing sales turnover, enhancing market chain and profitability which support the finding of the study.

Njawa (2015) in his research on the effect of promotion on organizational market performance: a case study of Tigo telecommunication network. The finding revealed that advertising has a significant influence on organizational market performance. Musa (2003) conducted a study on the relationship between advertising and organizational market performance in Tanzania. The researcher confirmed that advertising has a direct relationship with overall market and business performance in a company.

Collins and Wright (2014) have done a study in Ireland on bottled water consumption under the title "Still Sparkling: The Phenomenon of Bottled Water an Irish Context". The authors have collected information from 223 individuals to know whether the purchase choice of bottled water is affected by the marketing position of the manufacturers. The result of the case study with

regards to branding states that, at what time consumers' purchase, they are paying for the brand name. They have argued that the product is after all water which the consumers are paying for. When noticeable signs like the bottle and label of the bottled water are not seen, consumers were not able to distinguish the different samples of bottled water available for them. The research further found out that marketing is important for bottled water sellers to get market share in Ireland. Strong market share was indicated as a crucial factor in controlling bottled water brand choice.

Mokaya (2012) looked at the consequence of market positioning on organizational market performance in the airlines industry in Kenya; case of Kenya airways. The study uses the research design called explanatory design and established the following. Within the general segmentation-targeting-positioning framework in a business, positioning plays a pivotal role in marketing chain, since it links market analysis, segment analysis and competitive analysis to internal corporate analysis. The actions of performance that affect marketing positioning strategies at the company include employee turnover, increase in assets, increase in products, increase in revenue/profitability and market share of the company.

2.3 Summary of the Literature Review and Knowledge Gaps

There are insufficient empirical studies of marketing strategy approaches in Ethiopian water bottling enterprises. Marketing mix factors are commonly used by researchers that examine this topic. However, in the current tumultuous atmosphere, this feature falls short of describing marketing methods and other aspects. Future empirical investigations should look into whether the parameters identified in this study are still relevant in different industries.

The empirical review shows that market chain practices are an essential component in making market chain decision in a company. A market chain allows a company to match its demand for goods and services with its ability to offer them to clients. This allows a company to accomplish on-time delivery of goods and services, activity coordination, enhanced decision-making, and lower communication costs. Market chain practices contribute to customer satisfaction, need fulfillment, and the overall market chain performance of the firm in manufacturing sectors, according to studies by Lockamy and McCormack (2004), Lee and Kim (2002), and Lee and Kim (2002). Despite more than two decades of discussion in research and management journals, market chain remains an ambiguous term.

The huge amount of study in the field of market chain, as well as the fact that it crosses multiple disciplines (Tan, 2001), has resulted in a diverse set of definitions, expressions, and notions (Larson and Halldorsson, 2004; Mentzer et al., 2001). Because market chain discussions and conclusions are rarely based on serious theory or empirical evidence, market chain literature frequently becomes superficial and comprehensive.

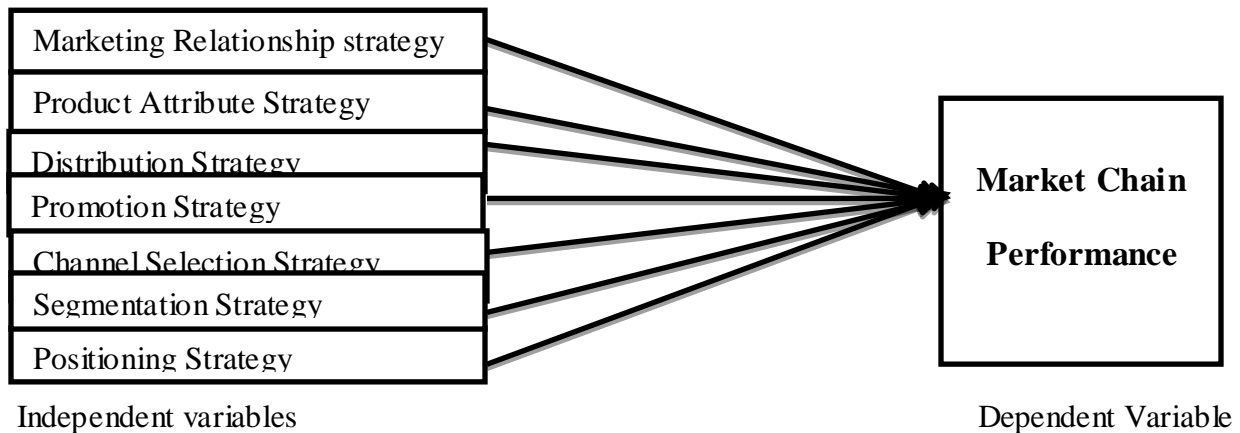
In addition, empirical investigations show that many of the market chain's expected and practiced outcomes in developing nations have not been attained. As a result, there appears to be a disconnect between ideal market chain theory and its application in real market chains. Furthermore, the majority of these studies focus on the influence or impact of market strategy on market chain performance, rather than actual market chain management and performance elements in the bottling industry. Based on local studies, little has been done on the impact of marketing tactics on the market chain performance of Ethiopian water bottling enterprises. This study looks to determine the role of marketing strategies practices and other factors on Market chain performance of Water bottling companies in Ethiopia.

According to the literature review, the majority of study has focused on the influence of relationship marketing strategy on customer satisfaction, customer-based brand equity, business performance, and brand image elements. However, there appears to be a scarcity of literature about the marketing chain's performance in distributing the product to the target client in the case of Daily bottled water firms. The purpose of this study was to find out what factors influence the performance of the Daily bottled water company in distributing bottled water to meet consumer needs in Addis Ababa.

2.4 Conceptual Framework of the Study

The essential topics about product strategy, the interaction between information sharing, distribution management, internal operation, Distribution and Promotion with market chain and distribution framework are explored in the detailed section of the literature research. As a result, the research will look into the impact of the marketing chain in distributing Daily Water in Addis Ababa. According to the studied literature, the market chain has an impact on a company's distribution and marketing success. As a result, figure 2.1 below depicts the study's conceptual framework. Prior to understanding this research in depth, conceptualization aims to envision the causation of the research challenge.

Figure 2-1 Conceptual Framework of the Study



Source: Abeselom (2013) and modified by the researcher

CHAPTER THREE

3 RESEARCH METHODOLOGIES

In this chapter, the study design, research technique, and data analysis were provided in order to answer the research questions and achieve the thesis's major goal. Data collection, processing, research design, and techniques are all covered, as well as ethical considerations. It covers sample selection, questionnaire design, data collection procedures, data processing, analysis, and evaluation, as well as the validity and reliability of the methodologies used.

3.1 Description of study area

The daily bottled water company in Addis Ababa, Ethiopia, was the subject of this thesis. Daily spring water is one of the bottled water companies that come from the Highland of Menagesh, which is located on the outskirts of Addis Ababa at an altitude of 2820 meters above sea level. Belima International Business Plc. launched Daily Purified Spring Bottled Water in 2010 E.C. This bottled water is available in top hotels, excellent restaurants, retail locations, high-class lounges, and supermarkets within a short period of time. The company is located in the Oromia Regional Government of the Oromia Special Zone, Welmera woreda, Menagesh town, kolobo kebele, 30 kilometers from Addis Ababa. Daily Purified Spring Bottled Water's headquarter is in Addis Ababa, Ethiopia, near Mexico. The company has a production capacity of 51,000 bottles of water per hour. It employs 210 employees. Belima has a 9-stage filtering system that minimizes the amount of purified natural spring water in the machine. Two liters, one liter, 600 ml, and 3.5 ml bottles are available.

3.2 Research Approach

According to Creswell (2009), Study approaches are research plans and procedures that cover everything from general assumptions to detailed data collecting, analysis, and interpretation methodologies. According to (Creswell and Plano Clark, 2009), there are three sorts of research approaches: the first is qualitative research, which incorporates evolving questions and methods, with data often obtained in the participant's location. Quantitative research, on the other hand, is a method for investigating the relationship between variables in order to test objective theories. The third type is mixed method research, which is a method of investigation that mixes or associates both qualitative and quantitative forms of inquiry. It entails philosophical assumptions, the application of qualitative and quantitative methods, and the combination of the

two in a study. Thus, it entails more than just gathering and evaluating both types of data; it also entails combining both methodologies so that a study's overall strength is stronger than either qualitative or quantitative research. As a result, a hybrid strategy was adopted in this thesis, which included both qualitative and quantitative forms. This thesis used a quantitative technique to study market chain processes using fundamental ideas and principles. Furthermore, the thesis was aided by aspects connected to market chain procedures in a selected bottled water production company in Addis Ababa, which were founded on core theories, principles, and management.

3.3 Research Design

A cross-sectional research approach was utilized to determine factors affecting the market chain in the distribution of Daily Bottled water in this study. The design is appropriate because it involves a carefully organized depiction of occurrences (Bryman & Bell, 2015). This method was appropriate for this study since it aimed to collect detailed data through descriptions, which are useful for identifying variables. Explanatory research designs, as defined by Saunders et al. (2009), attempt to establish cause-and-effect correlations between two or more variables. The basic goal of explanatory research is to figure out how events happen and which factors may influence certain results, in this case factors affecting marketing chain performance on bottle water distribution. This research design also fully depicts a population's features (Teddlie & Tashakkori, 2012). As a result, the researcher likes to utilize a descriptive and explanatory research design, which allows for both qualitative and quantitative data analysis when assessing data collected through questionnaires.

3.4 Target Population and Sampling Size Determination

3.4.1 Population of the Study

The population of the study, according to Saunders et al., (2009), is the entire set of cases from which a sample is taken. The study in the research area is concerned with the full group of persons. The entire population of 210 employees (found in the Marketing and Sales department, agents, distributors, and management) of the Daily Water Business Company was evaluated in the study. The following is the study's target population:

- The entire member of staff and their supervisor who are currently work in market chain and related functions of the company.
- All section managers which are working closely with market activity section due to their work nature.
- Agents, distributor, whole seller and retailers which are working closely with the company and distribute the water in Addis Ababa.

As a result, the researcher used purposive sampling techniques to select respondents in the Addis Ababa city.

3.4.2 Sample Size Determination

A sample is a subset of a broader population on which a study is conducted (Bordens and Abbott, 2011). In a research study, sampling is a key action that necessitates a detailed examination. The population element is utilized to form inferences about the entire population. In this study, sampling is utilized to produce results that are accurate enough to draw inferences from (Zikmund, Babin, Carr, Adhikari and Griffin, 2010).

A pilot survey was conducted to gather preliminary information about the study area in order to create vital data for questionnaire design and to choose sample representatives for the final studied report. Aside from that, the pilot survey aids in the gathering of comprehensive information about the variables studied as well as the identification of methods for disseminating and collecting questionnaires from the target groups. According to the results of the pilot survey, there are 210 people in the research area, including 32 Daily Bottle Water employees who work in marketing and sales, 10 section managers, 38 distributors, and 130 agents who include entire sellers, retailers, and salesmen.

A representative sample was chosen based on Yamane's formula from a total of 210 participants, which included agents, retailers, entire sellers, distributors, staff, and management of the Daily bottled water producing firm (Yamane, 1967). As a result, the required sample size was calculated at a 95% confidence level with a 5% degree of variability and a 5% level of precision to generate a sample size that represents a true population.

$$n = \frac{N}{1 + N(e)^2} = \frac{210}{1 + 210(0.05)^2} = 138$$

Where: **n**= the sample size,

N=210, number of retailers, whole seller, distributors, employees and the managements of Daily bottled water producing business and

e = level of precision considered 5%.

As a result, 138 agents, retailers, whole sellers, distributors, staff, and managements of the Daily Water business company in Addis Ababa were included in this study.

3.5 Sampling technique

Both probability and non-probability sampling techniques were employed to build the study's sampling frame. Purposive or judgment sampling is a type of non-probability sampling in which the researcher chooses the items for the sample purposefully rather than utilizing the random sampling technique (muzammil et al., 2010). Thus, the researcher was pick Daily Water company employees and section managers using non-probability convenience (purposive) sampling approaches. This ensured professional judgment in selecting cases that would best enable the study question and research aim to be answered and met utilizing the participant population list. The targeted sample was selected among distributors, entire sellers, retailers, salesmen, and corporate executives using a random sampling technique based on the sampling frame. Out of 138 sample sizes, 21 employees of Daily Bottle Water who work in marketing and sales, 7 section managers, 25 agents, and 85 distributors including full sellers, retailers, and salesmen were the respondents of this thesis, which was conducted using the proportionate sampling technique.

3.6 Data Type and Sources

The data for this study was gathered from both primary and secondary sources. Secondary data sources comprise both quantitative and qualitative information, and they're mostly used in descriptive and explanatory research. Secondary data is typically acquired from journals, current reports, books, and internet pages, as well as unpublished and published materials and dissertations, according to Saunders, et al. (2009). For this study, secondary data was gathered from television journals, books, research papers, and company brushes and reports. The secondary data serves as a specific reference for the researcher, and it investigates many constructions, models, and theories relevant to this study.

On the other hand, primary data can be collected in a variety of ways, including surveys and descriptive study. Observation, questionnaires, depth interviews, and content analysis are some of the most important (Kothari, 2004). Primary data, according to Hollensen (2007), is "information gathered firsthand, generated by unique study tailored to meet specific contemporary research issues." To obtain data, the researcher employed a structured questionnaire and interviews as the primary tools. Using a five-point likert response scale, the Questionnaire was utilized to collect data from various employees, distributors, and agents in order to get the information needed for the research. The questionnaire was divided into two parts: the first part focuses on the personal profiles of sample respondents, such as age, gender, and educational status, while the second part focuses on the level of agreement among respondents' marketing chain in the Daily Bottled water company. Daily Bottled Water's line supervisors were interviewed.

3.7 Data Collection Methods

This study was used primary and secondary sources of data. Secondary sources of data include both quantitative and qualitative data, and they are used principally in both descriptive and explanatory research. The secondary data was collected from journals, existing reports, books, and internet websites, unpublished and published materials, and thesis. The secondary data aids the researcher as specific reference and explores different constructs, models and theories important to this study. The researcher was used a structured questionnaire and interviews as a main instrument to collect the primary data.

3.7.1 Questionnaire

In this thesis, both structured and unstructured questions were included in questionnaires. Questionnaires were utilized by the researcher since they cover a big number of respondents in the shortest period of time and at a low cost. The major data collection strategy for this thesis was a questionnaire. To elicit pertinent information, a structured questionnaire with a series of questions was employed in conjunction with probes. The demographic and market chain activity-related questions were divided into two sections of the survey questionnaire. Before completing the questionnaire, each respondent was given a consent form to read and sign, and the researcher was told how to complete the questionnaire and given written instructions. For market chain concepts and practices, as well as multiple choice or categorical variables linked to respondent

demographics, the questions were designed to be answered on a five-point Likert scale. The primary component of the questionnaire was built on a 5-point Likert scale, with 1 indicating strong agreement and 5 indicating disagreement.

3.7.2 Interview

Various interview sessions were used as a data gathering instrument in this study. In this study, it was thought to be a valuable data collection instrument since it allows for the collection of precise information about personal feelings, perceptions, and opinions. It enables more in-depth inquiries to be asked, as well as a high response rate. The goal of the semi structured interview was to learn more about the participants' awareness of market chain procedures in bottled water.

3.8 Data Analysis Method

Data analysis, according to Walliman (2011), is the gathering, modeling, and transformation of data with the goal of recovering relevant information, suggesting conclusions, and assisting decision-making. The collected data and information for this thesis was reduced into summary forms that processed by using Software Package for Social Scientists (SPSS). The collected data from questionnaires were presented in tables and figures and the findings and obtained data of this thesis were organized and presented in the form of graphs, numbers and percentages by using tables. Basically this is an empirical research which states some hypothesis for the purpose of answering the main problem. For the demographic part of the research, the data were analyzed by using descriptive method such as tabulation and percentage. For the second part of the research analysis, the data were analyzed by using descriptive, correlation and multiple regressions models.

3.9 Research Model Specification

Multiple linear regressions were used with the following model to investigate the impact of independent variable selection on product distribution market chain performance.

$$Y_i = \beta_0 + \beta_1 X_{1i} + \beta_2 X_{2i} + \dots + \beta_n X_{ni} + \epsilon_i$$

Where: Y_i is dependent variable for the observation;

X_i is independent variable for i th observation;

β_0 is the intercept;

β_s are regression coefficients

ϵ_i is the error term for i th observation

Based on the research conceptual framework, this basic regression model is recast in terms of the variables utilized in this study to indicate the link between them:

$$\text{MCP} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + \beta_8 X_8$$

Where, MCP= Market Chain Performance

X_1 = Relationship marketing strategy

X_2 = product attributes strategy

X_3 = Segmentation strategy

X_4 =Distribution strategy

X_5 = Promotion strategy

X_6 = Channel selection strategy

X_7 =Positioning Strategy

β_0 =Market chain performance in the absence of relationship marketing strategy, product strategy, segmentation strategy, distribution strategy, promotional strategy, channel selection strategy and Positioning Strategy.

B_1 = the partial change in the MCP due to one unit change in relationship marketing strategy while other things remain constant.

B_2 = the partial change in the MCP due to one unit change in product attributes strategy while other things remain constant.

B_3 = the partial change in the MCP due to one unit change in segmentation strategy while other things remain constant.

B_4 =the partial change in the MCP due to one unit change in distribution strategy while other things remain constant.

B_5 =the partial change in the MCP due to one unit change in promotion strategy while other things remain constant.

B_6 =the partial change in the MCP due to one unit change in channel selection strategy while other things remain constant.

B_7 =the partial change in the MCP due to one unit change in Positioning strategy while other things remain constant.

3.10 Reliability and Validity Tests

3.10.1 Reliability

The internal consistency of variables in the research instrument was assessed using Chronbach's alpha in this study. Chronbach's alpha is a reliability coefficient that is used to assess the scale's internal consistency. According to Zikmund (2010), a scale with a coefficient alpha between 0.6 and 0.7 indicates fair reliability, hence a Chronbach's alpha score of 0.70 or above is considered adequate for determining reliability in this study.

Table 3-1 Reliability analysis Result

| Variables | Cronbach's Alpha | No. of items |
|------------------------------------|-------------------------|---------------------|
| Market relationship strategy | 0.786 | 4 |
| Product strategy | 0.815 | 5 |
| segmentation Strategy | 0.831 | 4 |
| Distribution Management strategies | 0.798 | 4 |
| Promotion Strategy | 0.773 | 5 |
| Channel Selection | 0.845 | 4 |
| Positioning Strategy | 0.792 | 4 |
| Total | 0.803 | 30 |

3.10.2 Validity

The extent to which differences identified with measuring instruments represent genuine differences among participants being evaluated is referred to as validity. The construct validity of the research was examined to confirm the quality of the research design material. Construct validity is the process of determining the most appropriate operational measurements for the concepts being examined (John, 2007). The literature research was carried out and thoroughly analyzed to ensure that the content of measuring was relevant to the study and that expert advice was sought.

3.11 Ethical Considerations

As an academic institution, Addis Ababa University's School of Commerce masters of arts board will assess the proposed research thesis to guarantee that the study methodologies are appropriate. The researcher followed an American Psychological Association code of ethics in dealing with the respondents and company officials, which requires investigators to obtain informed consent from all subjects, protect subjects from harm and discomfort, treat all research data confidentially, and explain the experiment and its results to the subjects afterward. As a result, the following ethical principles were applied to effectively handle the ethical issues part of this thesis. Furthermore, the thesis' key input was the respondents' voluntary engagement in the study. Additionally, when creating the questionnaire and interview, great effort was taken to avoid using rude, discriminatory, or other improper words. This thesis places a premium on respondents' privacy and anonymity. The experiment used acceptable sample sizes and techniques, and respondents were treated with care, according to the works of other authors.

CHAPTER FOUR

4 RESULTS AND DISCUSSIONS

4.1 Data Collection Overview

The acquired data has been evaluated and interpreted in this chapter. The information gathered is primarily based on the expectations and impressions of respondents about the various items. The demographic information of the respondents is supplied in the first section of the questionnaire, which is shown in the figures and tables below. The questionnaire's second section contains a descriptive analysis of the study's factors, followed by the results of the association between strategic variables and market chain performance. The relevant analysis and conclusions were carried out using SPSS version 23 in this study. A total of 138 questionnaires were issued to respondents, with 129 being filled out and returned correctly. The remaining nine were not gathered or filled out correctly by the respondents. As a result, 129 surveys may be analyzed using five-point likert scales. In addition to the questionnaire, information was gathered through administrative interviews with Daily Bottled Water Company's top management.

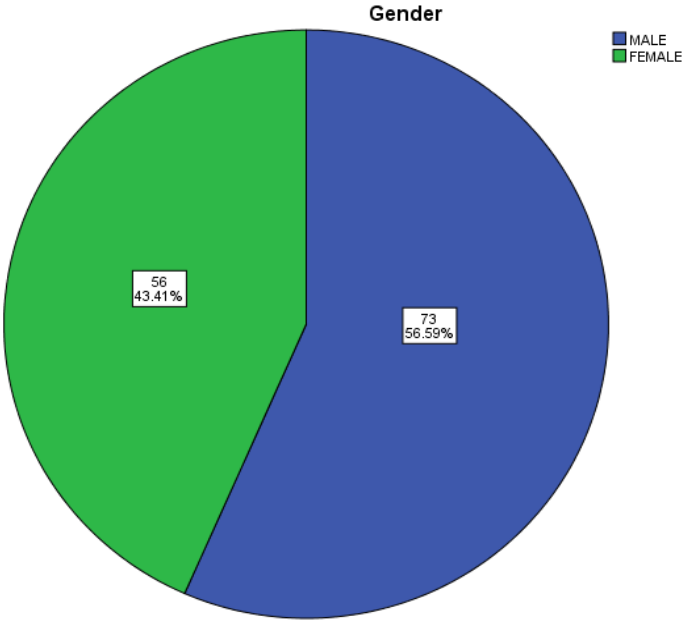
4.2 Demographic Profile of the respondents

The demographic characteristics of the target respondents have been summarized and given as figures and tables with frequency and percentages. The study participants on survey questionnaires have varying personal information; in addition to these variances, they have varying responses to marketing strategy techniques. The purpose of the study was to determine the gender, age category, degree of education, and service year status of the company's respondents. The demographic details of 129 respondents were included in the respondent profile who participated in the study.

4.2.1 Gender Category of the Respondents

Figure 4.1 shows that 56.59 percent of the respondents were male and 43.41 percent of the respondents were female. The majority of the responders were men, based on this data. Due to the fact that both genders were involved in this study, the findings did not suffer from gender bias.

Figure 4-1 Gender category of the respondents

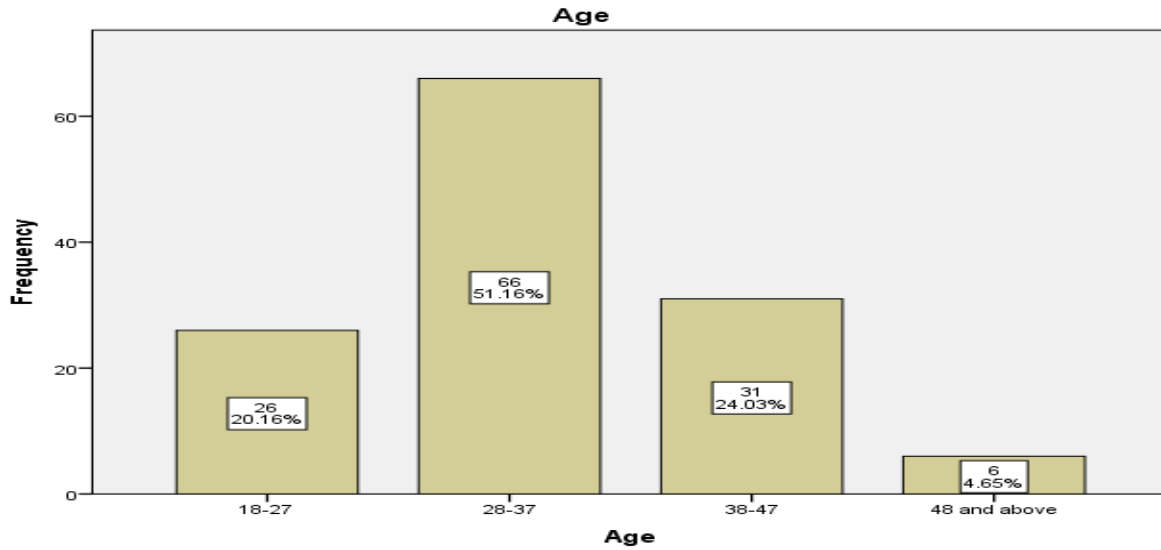


Source: own research survey, 2022

4.2.2 Age Category of the Respondents

From the figure 4-2, 51.16% of the respondents were within the age of 28-37 years old, about 24.03 of them were within the aged of 38-47 years old, about 20.16% were within the age of 18-27 years old, and about 4.65% of the respondents were above the age category of 48 years old. This is an indication that respondents were well distributed in terms of their age category. The age category implies that the respondents were heterogeneous groups in their age; which in turn enabled the researcher to get varied responses across the sample units fairly distributed. Hence, again the study did not suffer from age bias.

Figure 4-2 Age category of the respondents



Source: Own Research Survey, 2022

Table .4-1 Demographic characteristics of the respondents

| Variables | category | Frequency | Percentage |
|--------------------|-------------------|-----------|------------|
| Level of Education | Grade 12 | 36 | 27.9 |
| | Diploma | 38 | 29.5 |
| | Degree | 50 | 38.8 |
| | Masters | 3 | 2.3 |
| | PhD | 2 | 1.6 |
| | Total | 129 | 100.0 |
| Current Position | Owner and Manager | 3 | 2.3 |
| | Manager | 4 | 3.1 |
| | Employee | 21 | 16.3 |
| | Sales Person | 30 | 23.3 |
| | Agent | 23 | 17.8 |
| | Distributor | 48 | 37.2 |
| | Total | 129 | 100.0 |
| Experience | <1 year | 19 | 14.7 |
| | 1-3 years | 48 | 37.2 |
| | >3 years | 62 | 48.1 |
| | Total | 129 | 100.0 |

Source: own research survey, 2022

According to table 4.1, 38.8% of respondents had a bachelor's degree, 29.5 percent had a diploma, 27.9% had completed grade 12, and 2.3 percent had a master's degree. The majority of

the people who took part in this study had completed their studies and had a degree. As a result, it's reasonable to believe that responders have the most expertise in the marketing of water bottling strategy processes, the distribution system, and how to break into the market.

According to the respondents' present positions in the organization, 37.2 percent are distributors, 23.3 percent are salespeople, and 17.8 percent are agents. This shows that the majority of the responders were distributors and salespeople, which aids the company in marketing its goods.

According to the total years of experience that respondents had in the companies, roughly 14.7 percent of them had less than one year of experience, 37.2 percent had 1-3 years of experience, and 48.1 percent had more than three years of experience. Since the company has been around for around five years, the majority of the responders have worked for the company for more than three years. which indicates that most of the respondents were present when the company was established. This suggests that the respondents have a comprehensive awareness of the company's marketing chain for product distribution.

4.3 Descriptive Statistics Result and Discussion on Factors of Market Chain Performance

The respondents' response on the factors that affect the market chain performance have here been summarized and presented in the form of tables to illustrate their respective frequencies with valid percentage. Responses were measured on a five point likert scale with 1= strongly agree, 2= agree, 3=neutral, 4 disagree and 5=strongly disagree.

4.3.1 Product Strategy Practices

Table 4-2 Descriptive statics result on Production Strategy

| Questions | Responses | | | | |
|---|----------------|-----------|---------|----------|-------------------|
| | Strongly Agree | Agree | Neutral | Disagree | Strongly disagree |
| 1. The Package designs of your company practice increases product visibility and recognition. | 76(58.9%) | 44(34.1%) | 6(4.7%) | 2(1.6%) | 1(0.8%) |
| 2. The company packed water quality and reliability of the product offering gains importance for market | 89(69%) | 34(26.4%) | 5(3.9%) | 1(0.8%) | 0(0.0%) |

| | | | | | |
|--|-----------|-----------|-----------|---------|---------|
| expansions. | | | | | |
| 3. The customers purchase your Bottled water product because the brand is fashionable and attractive in its packaging. | 87(67.4%) | 31(24%) | 9(7%) | 2(1.6%) | 0(0.0%) |
| 4. Your Branding practices influences your market chain performance. | 33(25.6%) | 68(52.7%) | 25(19.4%) | 3(2.3%) | 0(0.0%) |
| 5. Market segmentation based on product type helps Your Company to adjust to specific needs in the market. | 48(37.2%) | 76(58.9%) | 3(2.3%) | 2(1.6%) | 0(0.0%) |
| 6. Your company responds to changes in customer perceptions and demand of the product in the market. | 54(41.9%) | 51(39.5%) | 19(14.7%) | 5(3.9%) | 0(0.0%) |

Source: Own Research Survey, 2022

According to the above table 4.2, the majority of respondents (58.9% strongly agreed and 34.1 percent agreed) that the company's package design technique promotes product visibility and awareness. 95.4 percent of respondents agreed with the second statement that the company packed water when it comes to market expansion, the quality and reliability of the product offering become increasingly important. According to the results, people purchase daily bottled water due of its brand attractiveness and fashionable packaging, with 67.4 percent and 24 percent highly agreeing and agreeing, respectively. As indicated in table 4.2, the majority of respondents agree that the product's brand practices influence the market chain performance of a daily bottled water company.

The majority of respondents (about 96 percent and 81 percent, respectively) agreed that market segmentation based on product type and companies' responses to customers' perception and demand influence the specific needs of customers in the market and the daily bottled water company's market chain performance. As a consequence of the above respondents' findings, we can conclude that product strategy techniques have a good impact on the daily bottled water company's market chain performance.

According to Adebisi and Babatunde (2011), effective product planning techniques will enhance market share and improve organization growth in the face of fierce competition, as well as have a substantial beneficial impact on market chain and sales performance. Furthermore, according to Al-Rfou (2012), market competition intensity has a beneficial impact on organizational market

chain performance. As a result, businesses should strive to please their customers by improving product accessibility and quality. As a result, the findings of this study are consistent with those of the previous two authors.

In general, one may deduce from the aforementioned findings that package design methods improve product recognition and visibility, while the companies' packed water quality and reliability of the product offering improves market chain performance. In addition to the brand's attractiveness and fashionable practices, market segmentation based on product type and how it responds to changes in customer perceptions and demand for the product in the market has a beneficial impact on the company's market share and chain. To summarize, the product strategy is considered one of the elements affecting the market chain performance of the daily bottled water company, as evidenced by the study of all items in table 4.2.

4.3.2 Distribution Management

Table 4-3 Descriptive statics result on distribution Strategy

| Questions | Responses | | | | |
|--|----------------|-----------|---------|-----------|-------------------|
| | Strongly Agree | Agree | Neutral | Disagree | Strongly disagree |
| 1. The location of your business attracts more customers and thus allows you to expand the market chain practice. | 44(34.1%) | 59(45.7%) | 5(3.9%) | 9(7%) | 12(9.3%) |
| 2. The company distributes its product in different part of the country. | 93(72.1%) | 32(24.8%) | 2(1.6%) | 2(1.6%) | 0(0%) |
| 3. The company's packed products availability and accessibility is suitable for its customers. | 89(69%) | 24(18.6%) | 1(0.8%) | 13(10.1%) | 2(1.6%) |
| 4. Your company's able the customers to buy your water with less waiting time anywhere. | 58(38.8%) | 36(27.9%) | 1(0.8%) | 33(25.6%) | 9(7%) |
| 5. Your company implements strategies that optimize distribution of product through collaborative relationships with carriers, distributor and customers with in the market. | 81(62.8%) | 13(10.1%) | 5(3.9%) | 23(17.8%) | 7(5.4%) |

Source: own research survey, 2022

According to table 4.2, 45.7 percent of respondents agreed and 34.1 percent strongly agreed that the location of the business attracts more clients and thus allows the company to develop its market chain practice. Furthermore, 72.1 percent of respondents strongly agreed that the corporation distributes its goods to other parts of the country in order to enhance its market share. As a result of this discovery, one may deduce that the location of the business and the ease with which the product is distributed appeals to a larger number of clients and allows them to obtain the product more readily, hence assisting the company in improving its market chain performance.

Based on the descriptive statistics survey results on the companies' distribution management strategy practices, it can be concluded that the Daily water business Share Company's bottled water distribution strategy indicates that the company's packed water product availability and accessibility is appropriate for its customers. The respondents agreed that the company's distribution strategy allows customers to purchase water products with minimal waiting time at any location. This, according to the respondents, is because the organization employs tactics to maximize product distribution through collaborative relationships with carriers, distributors, and customers. As a result, one can deduce that the company's distribution management plan targets and attracts more customers, allowing it to become more effective in the market and increase its market chain performance. As a result, distribution management and the selection of the appropriate distributor, as well as a positive connection with distributors, have an impact on the company's market chain success.

4.3.3 Promotion Strategy

Table 4-4 Descriptive statics results on sales Strategy

| Questions | Responses | | | | |
|---|----------------|-----------|---------|-----------|-------------------|
| | Strongly Agree | Agree | Neutral | Disagree | Strongly disagree |
| 1. The company sales promotion assists in creation of customers' awareness activities. | 56(43.4%) | 61(47.3%) | 1(0.8%) | 8(6.2%) | 3(2.3%) |
| 2. Your company's considers timely placement of sales promotion activities to attract new customers | 17(13.2%) | 72(55.8%) | 3(2.3%) | 27(20.9%) | 10(7.8%) |

| | | | | | |
|--|-----------|-----------|---------|-----------|-----------|
| and increase your market chain performance. | | | | | |
| 3. Marketing efforts such as advertising and promotion always promote to influence the market chain of your company. | 29(22.5%) | 80(62%) | 2(1.6%) | 16(12.4%) | 2(1.6%) |
| 4. Use of traditional media like radio, television, newspapers, magazines and notifications will help the customers to inform about Daily water product in the market. | 24(18.6%) | 87(67.4%) | 3(2.3%) | 9(7.0%) | 6(4.7%) |
| 5. Your company believes that use of social media like face book, Twitter, website, etc. will help customers to inform about Daily water product. | 62(48.1%) | 57(44.2%) | 0(0.0%) | 8(6.2%) | 2(1.6%) |
| 6. The company promotional messages and activities are clear, understandable and frequently updated. | 10(7.8%) | 15(11.6%) | 3(2.3%) | 87(67.4%) | 14(10.9%) |
| 7. Promotional strategy influences the market chain practices of you company. | 47(36.4%) | 71(55.0%) | 0(0.0%) | 7(5.4%) | 4(3.1%) |

Source: own research survey, 2022

Promotion is, without a doubt, one of the backbones of any business because it raises client awareness of the products or services. A solid promotional strategy should be in line with the company's long-term marketing aims and objectives. Promotions have become a critical component of the product marketing mix, according to Kotler (2006), because it is the responsibility of the marketing campaign to recognize the importance, message, knowledge, and best tool for attracting potential and prospective customers, as well as to pursue the company's marketing objective in general.

According to the results in table 4.4, the majority of respondents (47.3%) agreed and 43.4 strongly agreed that the company's sales promotion aids in the building of client awareness activities. In order to attract new clients and improve market performance, 55.8% of the tested respondents acknowledged that their organization considers the timing of sales promotion activities. As a result, one may deduce that the corporation considers sales promotion actions on a regular basis in order to attract more clients, aid customer awareness, and improve market

chain performance. This would help to attract new clients, maintain existing customers, and boost market performance by expanding the market chain and distributing its goods everywhere.

According to the respondents' level of agreement with this promotional strategy, the majority of respondents (62%) agreed that the company's marketing efforts, such as advertising and promotion, always influence the company's market chain. According to the fourth statement, the majority of respondents stated that conventional media such as radio, television, newspapers, magazines, and notifications continue to assist the company in informing and informing customers about the Daily water product in the market. According to the respondents' responses, in addition to traditional promotion elements, the use of modern promotional systems such as social media such as Facebook, Twitter, and websites, among others, helps customers learn about Daily bottled water products, influencing market share and market chain outlets. However, the respondents disagreed with the company's clarity and often updated advertising messages and activities, as stated in the sixth statement. This means that the promotion's message and content should be clear and updated on a regular basis in order to attract more customers and boost the company's market chain performance. According to the findings of this promotion strategy practice, advertising and promotion would promote the companies' product by increasing customer awareness of the product in the market, which would improve the market chain performance to spread the product anywhere.

According to Nwielaghi & Ogwo (2013), full implementation of promotion methods improves marketing performance by boosting sales turnover, market share, and market chain, all of which corroborate the study's findings. As a result of the study's findings, it can be concluded that the company's Daily water business Share Company promotion strategy aids the company in creating customer awareness, that the company should use timely placement of sales promotion activities, and that the company should use advertising and promotion to promote its product to gain a larger market share and to improve the market chain in the distribution of the product (water) everywhere.

As indicated in table 4.4, the respondent's response indicates that using suitable promotional strategy and tools contributes to the company's market share and performance. Furthermore, the respondent's reaction demonstrates that the corporation should promote its product with a clear, intelligible, and up-to-date message. As a result, the company's market share and market chain

performance of bottled water distribution are positively influenced by promotional strategy methods and promotional instruments.

4.3.4 Segmenting Strategy

Table 4-5 Descriptive stat result on segmenting Strategy

| Questions | Responses | | | | |
|---|----------------|------------|---------|-----------|-------------------|
| | Strongly Agree | Agree | Neutral | Disagree | Strongly disagree |
| 1. Market segmentation helps Your Company to adjust the specific needs of the customer in the market chain. | 34(26.4%) | 68(52.7%) | 2(1.6%) | 17(13.2%) | 8(6.2%) |
| 2. Focusing on a one or specific market segment can enable Your company to achieve its market chain performance. | 4(3.1%) | 32(24.8%) | 2(1.6%) | 72(55.8%) | 19(14.7%) |
| 3. Your company insures that managing market segments help to improve marketing chain performance, access and service delivery. | 21(16.3%) | 107(82.9%) | 0(0.0%) | 1(0.8%) | 0(0.0%) |
| 4. The company's target marketing strategy is market-oriented. | 55(42.6%) | 50(38.8%) | 0(0.0%) | 11(8.5%) | 13(10.1%) |
| 5. Targeting can allow Your Company to understand the market chain and how to manage it. | 21(16.3%) | 100(77.5%) | 0(0.0%) | 7(5.4%) | 1(0.8%) |

Source: Own Research Survey, 2022

According to the results of the study, the majority of respondents felt that market segmentation aids the company in adjusting the individual needs of customers throughout the market chain. As a result, we can conclude that market segmentation aids enterprises in adapting to individual needs in the bottled water brand market chain. The majority of respondents disagreed that focusing on a single or specific market segment can help their organization reach its marketing

chain success, according to the poll results. As a result of the findings, it is clear that focusing on a single market segment would not allow the company to reach its marketing chain or market performance.

The majority of respondents (82.9 percent) agreed that managing market segments helps to improve market chain performance, access, and service delivery, according to their replies to the third statement. As a result, the Daily Water Business Share Company may ensure the market chain and service delivery by managing market segments to increase marketing efficiency. According to the respondents, the target marketing strategy of the Daily Water Company is market focused, and targeting can assist the Company understand and manage the market chain. As a result, the company's segmentation tactics enable it to boost market share and market chain performance, in addition to focusing on a single or specific market segment.

Improved sales and profitability; closer match of products and services to customer requirements; greater consumer satisfaction; and concentrates on areas with the highest potential, according to Capon (2008), as stated in (Ali, 2011). Further market prospects, as well as the growth of new market sectors and improved competitive positions for existing products and services, increase the company's market chain. As a consequence of the survey results, one can infer and deduce that the company's chosen segments have greater potential to adjust individual consumer wants, to have more market access and provide good service, and to improve the market chain performance of the product distribution. However, concentrating on a single or narrow market sector did not allow the company to accomplish its marketing efficiency and market chain. As a result, the business may ensure that controlling market segments aids it in improving its market chain, share, and service delivery. As a result, the company's chosen marketing sector approach will enable it to reach its market chain performance in the distribution of bottled water.

4.3.5 Positioning Strategy

Table 4-6 Descriptive stat result on positioning segmenting Strategy

| Questions | Responses | | | | |
|-----------|-----------|-------|---------|----------|----------|
| | Strongly | Agree | Neutral | Disagree | Strongly |
| | | | | | |

| | Agree | | | | disagree |
|---|-----------|-----------|-----------|----------|----------|
| 1. Product positioning enhances Your Company's market chain performance by creating good mind set in customers about your product. | 77(59.7%) | 31(24.0%) | 9(7.0%) | 4(3.1%) | 8(6.2%) |
| 2. Your company's brand position and identity are packed in an attractive way in order to quote the differences from other competitors. | 27(20.9%) | 92(71.3%) | 2(1.6%) | 8(6.2%) | 0(0.0%) |
| 3. Your product Construct a credible position in bottled/packed water market in Ethiopia. | 49(38.0%) | 55(42.6%) | 16(12.4%) | 11(8.5%) | 6(4.7%) |
| 4. Positioning can allow Your market to fulfill the requirement of Your target markets and enable to build image by your customers. | 41(31.8%) | 55(42.6%) | 16(12.4%) | 11(8.5%) | 6(4.7%) |

Source: Own Research Survey, 2022

According to table 4.6 from the above, the majority of respondents strongly agreed that product positioning improves their company's market chain performance by building a positive mental image of the product in the minds of customers. The result reveals that the product's brand positioning influences the company's market chain performance in terms of distributing its goods by instilling a positive image of the product in the minds of buyers. The majority of respondents agreed that their company's brand stance and identity are attractively packaged to highlight the distinctions from competitors. As a result of this finding, we can deduce that the company's product brand positioning and identities should be linked and designed in a unique and appealing manner in order to differentiate its brand from its competitors. This would allow the corporation to demonstrate that its offerings are superior to those of competitors. It may also assist consumers in selecting the appropriate brand and create clear differentiation/separation from competitors in Ethiopian water bottling companies.

According to table 4.6, the majority of respondents agreed that their product Construct a credible position in Ethiopian bottled/packaged water brands, with 38 percent strongly agreeing and 42.6 percent agreeing. The respondents also agreed that their companies' brand positioning can help them meet the needs of their target markets and develop a positive image in the minds of their customers. As a result of these findings, we can infer that daily water company's bottled water products have a respectable position in Ethiopia's bottled/packaged water market, and their brand

association sets them apart from their competitors. As a result of their positioning marketing strategy, they are competitors.

Mokaya (2012) investigated the impact of market positioning on organizational market performance in Kenya's aviation industry, namely Kenya Airlines. Because it connects market chain research, segment analysis, and competitor analysis to internal corporate analysis, the results show that a firm positioning plan is vital in marketing strategy. In general, product positioning can aid in the realization of consumer expectations, the creation of a positive image among customers, and the achievement of market chain performance through the distribution of the product throughout the market. Daily water business Company bottled water product Construct a credible position in bottled/package water brand in Ethiopia, and its brand association differentiate the brand from its competitors. Its product positioning assisted it in meeting consumers' expectations and creating a positive image with its customers, all of which contributed to the product's market chain performance.

4.3.6 Channel Selection Strategy

Table 4-7 Descriptive stat result on channel selection Strategy

| Questions | Responses | | | | |
|--|----------------|-----------|-----------|-----------|-------------------|
| | Strongly Agree | Agree | Neutral | Disagree | Strongly disagree |
| 1. The company considers quality of channels as number one criterion in selection of distributors. | 38(29.5%) | 83(64.3%) | 0(0.0%) | 4(3.1%) | 1(0.8%) |
| 2. The company uses direct personal selling as a main distribution strategy in the market chain. | 21(16.3%) | 22(17.1%) | 0(0.0%) | 59(45.7%) | 27(20.9%) |
| 3. Your companies have low level of conflict with agents, retailers, distributors, wholesalers and partner. | 39(30.2%) | 46(35.7%) | 13(10.1%) | 15(11.6%) | 16(12.4%) |
| 4. Your companies have strong trust on channels of agents, retailers, and wholesalers to distribute your product to the target market. | 91(70.5%) | 15(11.6%) | 5(3.9%) | 12(9.3%) | 6(4.7%) |
| 5. Controlling in selecting the | 82(63.6%) | 27(20.9%) | 5(3.9%) | 8(6.2%) | 7(5.4%) |

| | | | | | |
|---|-----------|-----------|---------|-----------|-----------|
| channel helps your company to achieve a competitive advantage against its competitors. | | | | | |
| 6. Your company outsources transportation to third and fourth party logistic providers to distribute the product at any market chain. | 61(47.3%) | 22(17.1%) | 0(0.0%) | 30(23.3%) | 16(12.4%) |

Source: Own Research Survey, 2022

According to the responses in table 4.7 above, the majority of respondents (64.3%) agreed that the organization considered channel quality to be the most important factor in selecting distributors. This suggests that the company's channel quality influences the product's distribution level in order to control market share and improve market chain performance. The majority of respondents disagreed that direct personal selling is the company's primary distribution strategy. This implies that businesses should not rely on direct sales, but rather pick and allow diverse parties to participate in the distribution of their products. According to the third statement in the above table, 35.7 percent of respondents agreed and 30.2 percent strongly agreed that there is little friction between the company and its agents, retailers, distributors, wholesalers, and partners. This means that the company's relationship with channel outlets should be positive in order to improve product distribution through market outlets.

According to table 4.7, 70.5 percent of respondents strongly agreed that the company has strong trust in the distribution channels of agents, retailers, and wholesalers to reach the target market. Furthermore, 63.6 percent of respondents strongly agreed that having control over channel selection helps a company acquire a competitive advantage over its competitors. According to the above table respondents also agreed that outsource transportation to third and fourth party logistic providers have positive result to distribute the product at any place through the market chain.

Based on the descriptive statistics survey result on channel selection strategy practice of the company, one can conclude that Daily Bottled water Company channel selection strategy practice indicates that the company considers quality during selecting distribution channels, the company should not depend on direct personal selling of the product and the company has a good relations with its agents, retailers, distributors, wholesalers and partner According to the

above data, respondents also agreed that outsourcing transportation to third and fourth-party logistic providers has a favorable impact on distributing products anywhere along the supply chain.

Based on the descriptive statistics survey results on the company's channel selection strategy practice, one can conclude that the company considers quality when selecting distribution channels, the company should not rely on direct personal selling of the product, and the company has good relationships with its agents, retailers, distributors, wholesalers, and partners.

4.3.7 Relationship Marketing Strategy

Table 4-8 Descriptive stat result on relationship marketing Strategy

| Questions | Responses | | | | |
|--|----------------|-----------|----------|-----------|-------------------|
| | Strongly Agree | Agree | Neutral | Disagree | Strongly disagree |
| 1. The company frequently communicates with its agents and customers about the acceptance of the product to expand market chain. | 19(14.7%) | 89(69.0%) | 6(4.7%) | 8(6.2%) | 7(5.4%) |
| 2. Your company focuses on relationship marketing and longterm relationship building with customers to expand market chain. | 29(22.5%) | 62(48.1%) | 11(8.5%) | 6(4.7%) | 21(16.3%) |
| 3. The company works on maximum satisfaction of customers by distributing the product to access the product everywhere and any market. | 26(20.2%) | 99(76.7%) | 1(0.8%) | 2(1.6%) | 1(0.8%) |
| 4. Your company uses digital marketing to build relations with customers and prospects through regular, low-cost | 19(14.7%) | 21(16.3%) | 3(2.3%) | 48(37.2%) | 38(29.5%) |

| | | | | | |
|---|-----------|-----------|---------|---------|---------|
| personalized communication. | | | | | |
| 5. Your company's market chain performance is improved by creating relations with agents, retailers wholesalers and distributors. | 42(32.6%) | 73(56.6%) | 5(3.9%) | 6(4.7%) | 3(2.3%) |

Source: *Own Research Survey, 2022*

According to table 4.8, the majority of respondents agreed that the company communicates with its agents and customers on a regular basis about product acceptance in order to expand the market chain. They both agreed that their organization focuses on relationship marketing in order to highlight long-term customer relationships in order to develop their market chain. The results show that organizations are emphasizing on relationship marketing by connecting and interacting with their agents and consumers on a regular basis in order to maintain a long-term relationship with them. We conclude that getting consumer feedback or creating great relationships with customers' needs communication, and organizations place a higher value on gathering input and analyzing it to make better market decisions and build stronger relationships.

According to the above table, respondents agreed that the company strives for maximum customer satisfaction by distributing the product so that it can be accessed anywhere and at any time. As a result, the company is aiming to improve its market chain performance by following the "SATISFACTION FIRST, PROFIT NEXT" principles.

The respondents disagree with the fourth statement, which states that the organization uses digital marketing to develop relationships with consumers and prospects through frequent, low-cost tailored communication. The organization didn't employ digital marketing to create relationships with consumers and prospects through regular; low-cost individualized communication, as far as we can see. When we compare traditional marketing to digital marketing, we can see that digital marketing gives clients greater information and access to the company's products. Businesses may supply millions of customers with diverse products based on their unique interests thanks to this benefit of digital marketing.

According to the last question on relationship marketing strategy, the majority of respondents believed that building relationships with agents, retailers, wholesalers, and distributors improves

the company's market chain performance. This shows that the company has increased its market share and established a distribution chain for its goods by forming relationships with its agents, retailers, wholesalers, and distributors.

According to Mezgebu (2015), who attempted to test the impact of customer relationship marketing on customer satisfaction in the case of Commercial Bank of Ethiopia, there is a significant relationship between relationship marketing components such as trust, commitment, communication, conflict resolution, and competence on customer satisfaction; the results showed that all components have a significant impact on customer satisfaction; the results showed that all components have a significant impact on customer satisfaction. As a result of this research, we can infer that organizations utilize relationship marketing strategy to communicate and meet with their agents and customers on a regular basis, as well as to stress long-term relationship building with clients. However, the company did not leverage digital marketing to cultivate relationships with consumers and prospects through low-cost tailored communication on a regular basis.

4.4 Result of Inferential Statistics

The results of the inferential statistics utilized in the investigation are reported in this section. Correlation coefficient and various regression analyses were also used to draw conclusions and analyze the study's aims.

4.4.1 Correlation Analysis of the Result

The intensity or degree of a linear link between two variables is measured via correlation analysis. The correlation coefficient investigates the magnitude and direction of a linear link between two variables. The correlation coefficient can be anywhere between -1 and +1, with the bigger the absolute value of the coefficient indicating the stronger the association between the

variables. A value of zero (0) shows that there is no link between two variables. The relationship's symbol indicates the relationship's direction. If the p-value is less than or equal to the significance level, the correlation is statistically significant; if the p-value is less than or equal to the significance level, we can conclude that the correlation is not zero. If the p-value is more than the significance level, we cannot conclude that the correlation is different from 0; if the p-value is greater than the significance level, we cannot conclude that the correlation is different from 0. As such the following table shows the correlation between Water bottling companies market chain Performance, relationship marketing, Product strategy, segmenting strategy, distribution strategy, promotional strategy, channel selection and positioning strategy.

Table 4-9 Pearson correlation b/n all independent variables and market chain performance

| | | Market relationship strategy | Product strategy | segmentation Strategy | distribution management strategies | promotion strategy | Channel selection | Positioning strategy | Market chain performance |
|------------------------------------|---|------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|-------------------------------------|--------------------------|
| Market relationship strategy | Pearson Correlation Sig. (2-tailed) N | 1 129 | | | | | | | |
| Product strategy | Pearson Correlation Sig. (2-tailed) N | -.065 .461 129 | 1 129 | | | | | | |
| segmentation Strategy | Pearson Correlation Sig. (2-tailed) N | -.087 .329 129 | .252** .004 | 1 129 | | | | | |
| distribution management strategies | Pearson Correlation Sig. (2-tailed) N | .075 .401 129 | .137 .122 129 | -.003 .972 | 1 129 | | | | |
| promotion strategy | Pearson Correlation Sig. (2-tailed) N | -.063 .477 128 | .260** .003 128 | .345** .000 128 | .054 .546 128 | 1 128 | | | |
| Channel selection | Pearson Correlation Sig. (2-tailed) N | .034 .698 129 | -.134 .130 129 | -.030 .733 129 | -.086 .334 129 | .130 .143 128 | 1 129 | | |
| Positioning strategy | Pearson Correlation Sig. (2-tailed) N | -.161 .069 129 | -.042 .640 129 | -.113 .204 129 | .040 .651 129 | .011 .903 128 | .058 .513 129 | 1 129 | |
| Market chain performance | Pearson Correlation Sig. (2-tailed) N | .219* .013 129 | .477** .000 129 | .394** .000 129 | .307** .000 129 | .398** .000 128 | .192* .029 129 | .325** .000 129 | 1 129 |

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

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

Source: Own Research Survey, 2022

Most of the independent created factors were correlated with market chain performance, as shown in the above correlation table 4.9. Product strategy and market chain performance ($r=0.477$), promotion strategy and market chain performance ($r=0.398$), and segmenting strategy and market chain performance ($r=0.394$) had the highest and strongest correlation coefficients among the variables, followed by positioning strategy and market chain performance ($r=0.394$) (0.325). Distribution management strategy and market chain performance ($r=0.307$), relationship marketing strategy and market chain performance ($r=0.219$), and channel selection strategy and market chain performance ($r=0.192$) had the moderate and lowest correlations. Because the p (sig) value is less than 05 levels, we can conclude that market relationship strategy, product strategy, segmentation strategy, distribution strategy, promotion strategy, channel selection strategy, and positioning strategy had a significant and positive correlation with market chain performance.

4.5 Diagnosis Test about Assumptions of Regression Analysis

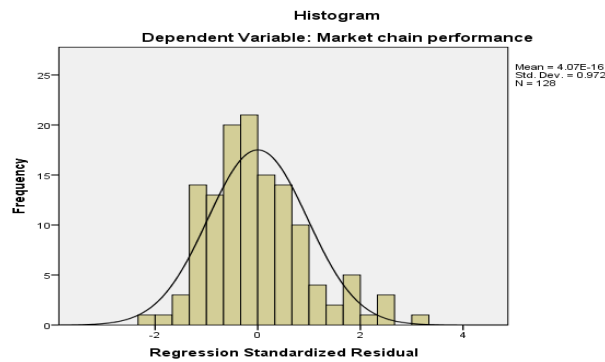
Various tests were carried out in order to prepare the data for analysis and to ensure that the research produced accurate results. When explanatory factors are regressed against dependent variables, these tests were designed to see if the multiple regression model assumptions are met. As a result, the multiple regression model assumption is tested in the following assumption.

4.5.1 Normality Test

The normality tests in this study, as shown in figure 3 of the histogram, reveal that all variables (independent and dependent) must be regularly distributed for linear regression analysis to work. A histogram plus a fitted normal curve or a P-P-plot are used to ensure normality. The error term should be regularly distributed or the expected value of the error terms should be zero ($E(u_t) = 0$), according to the assumptions of Classical Linear Regression Models.

Figure 3 compares the standardized residuals frequency distribution to a normal distribution. As you can see, while certain residuals (such as those occurring around 0) are quite far from the curve, the majority of residuals are fairly close to 0. Furthermore, because the histogram is bell-shaped, the residual (disturbance or errors) is assumed to be regularly distributed. As a result, there are no breaches of the regularly distributed error term assumption.

Figure 4.3, Normality test for the multiple regression model assumption

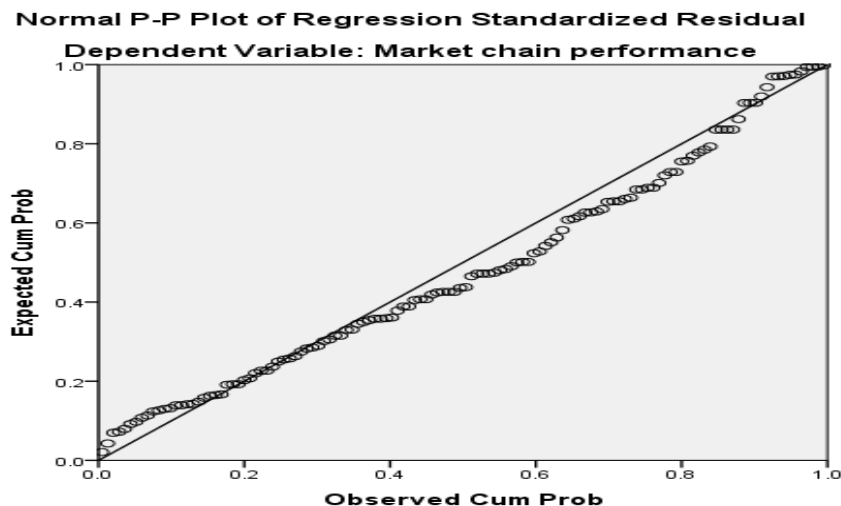


Source: *Own Research Result, 2022*

4.5.2 Linearity test

According to the linearity assumption, the connection between the independent and dependent variables is linear in nature. The presence of linear relationships between the dependent variable and the independent variables can be determined by looking at the residual plots. A straight line reaching diagonally from the bottom left to the top right is depicted by the plotted point in Figure 4.4. The regression residuals were plotted using SPSS V23 software to see if the relationship between the dependent variable Market Chain Performance (MCP) and the independent variables Product strategy, channel selection strategy, distribution strategy, promotional strategy, segmentation strategy, positioning strategy, and relationship marketing strategy is linear. As a result, the linearity assumption is upheld, and the model's variables have somewhat linear connection.

Figure 4-4 Test for linearity



Source: *Own Research Survey, 2022*

4.5.3 Multicollinearity Test between Study Variables

The third assumption is linear regression assumes that there is little or no multicollinearity in the data. Multicollinearity happens when the independent variables are not independent from each other. The other assumption is that the error term of the mean should be independent from the other explanatory variables. Thus, we can test using the following procedures.

1. Correlation matrix- In this case at the time of calculating the matrix of Pearson's Bivariate Correlation among all explanatory variables the correlation coefficients should be smaller than 1. Therefore, from this research finding correlation tables indicates that all independent variables have correlation coefficients less than one.
2. Tolerance – In this assumption the tolerance value indicates the effect of one explanatory variable on all other independent variables; the tolerance is intended with an initial linear regression analysis. Thus, from the finding in the coefficient table all tolerance values were less than one. See table 4.10.
3. Variance Inflation Factor (VIF) – In this case the VIF indicates that the linear regression is defined as $VIF = 1/T$. Likewise, if the value of $VIF > 10$ there is a warning for multicollinearity problem; with $VIF > 100$ there is surely multicollinearity in the sample. Thus, from the coefficient table 4.10 all VIF values are less than 10. This demonstrates that there are no violations of low or no multicollinearity amongst independent variables. Simply put, there is no strong pair-wise association between the explanatory variables, as shown in the correlation table above. As a rule of thumb, inter-correlation among independent variables more than 0.80 indicates the possibility of multicollinearity. As a result, all of the independent variables in the study exhibit low correlation power, indicating that there is no multicollinearity.

Table 4- 10 Multicollinearity Test by Variance Inflation Factor (VIF)

| Model | Collinearity Statistics | |
|------------------------------------|-------------------------|-------|
| | Tolerance | VIF |
| Market relationship strategy | 0.956 | 1.047 |
| Product strategy | 0.876 | 1.141 |
| Segmentation Strategy | 0.839 | 1.191 |
| Distribution management strategies | 0.977 | 1.023 |
| Promotion strategy | 0.829 | 1.206 |
| Channel selection | 0.950 | 1.053 |
| Positioning strategy | 0.959 | 1.043 |

a. Dependent Variable: Market chain performance

4.5.4 Autocorrelation Test

Another assumption is that linear regression analysis requires data with little or no autocorrelation. When the residuals are not free from each other, autocorrelation occurs. In this case, scatter plots of diagrams allow us to check for autocorrelations, and the Durbin-Watson test can be used to check the linear regression model for autocorrelation. Durbin Watson's value is assumed to be between 0 and 4, with values around 2 indicating no autocorrelation. From our test, the value of Durbin Watson is about 1.956. Thus, it lies between $0 < 1.956 < 4$ (see table 4.12 below). The fact that Durbin Watson's value is near to 2 suggests that autocorrelation is not violated. Thus, based on an explanation of the data supplied in all five tests, it is possible to conclude that there are no significant data issues that would lead to the conclusion that the multiple regression assumptions have been seriously violated.

4.5.5 Homoscedasticity Test

Lastly, homoscedasticity test which indicates whether residuals are evenly scattered, or presence of equality of variance/homogeneity of variance. The following test was done in testing the problem of Homoscedasticity.

Table 4-11 SPSS output result by using Glejser Test of Homoscedasticity

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|------------------------------------|-----------------------------|------------|---------------------------|--------|-------|
| | B | Std. error | Beta | | |
| (Constant) | 0.261 | 0.107 | | 2.436 | 0.016 |
| Market relationship strategy | 0.011 | 0.016 | 0.063 | 0.714 | 0.476 |
| Product strategy | -0.014 | 0.015 | -0.081 | -0.924 | 0.357 |
| Segmentation Strategy | 0.003 | 0.014 | 0.015 | 0.184 | 0.855 |
| Distribution management strategies | -0.011 | 0.017 | -0.066 | -0.677 | 0.499 |
| Promotion strategy | 0.022 | 0.012 | -0.146 | -1.806 | 0.73 |
| Channel selection | 0.015 | 0.015 | 0.089 | 0.996 | 0.321 |
| Positioning strategy | 0.018 | 0.014 | 0.112 | 1.302 | 0.195 |

Source: Own Research Survey, 2022

Using Glejser test the following output were obtained

According to Glejser Test of Homoscedasticity:

1. If value Sig. > .05 there is no problem of Heteroscedasticity
2. If value Sig. < .05 there is problem of Heteroscedasticity

Thus, from the above table 4.11 all dimensions/variables significance value based on the Gejser test was greater than 5% significant level i.e. $p\text{-value} > .05$. Therefore, from the test, there is no violation of Homoscedasticity.

4.6 Regression Analysis Result and Discussions

The objective of this study was to examine the factors affecting market chain performance of daily bottle water business Share Company in Ethiopia. A multivariate regression model was used to investigate the relationship between the dependent and independent variables and to identify the best predictors of the dependent variable (Market chain performance). The model and hypotheses were tested using multiple regressions. It explains how much variance in the dependent variable is described by the model or how much market chain performance is explained by the constructed variables, while the R² explains how much variance in the dependent variable is explained by the model. In order to arrive at the results, statements of hypothesis were constructed based on the seven variables used in this study.

Table 4-12, Multiple regression analysis Model summary result

| Model Summary^b | | | | | | | | | | |
|----------------------------------|--------|----------|-------------------|----------------------------|-------------------|----------|-----|-----|---------------|---------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | | Durbin-Watson |
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change | |
| 1 | 0.831a | 0.691 | 0.673 | 0.306 | 0.691 | 38.260 | 7 | 120 | 0.000 | 1.956 |

a. Predictors: (Constant), Positioning strategy, promotion strategy, distribution management strategies, Channel selection, Market relationship strategy, Product strategy, segmentation Strategy

b. Dependent Variable: Market chain performance

Source: Own Research Survey, 2022

R and R² are shown in Table 4.12 as two key factors. R has a significant positive connection of 0.691, or 69.1 %, according to this table. The R² value of 0.691 indicates that the independent variables can predict 69.1% of the variation in the model, or in other words, the created independent factors influence 69.1% of Market chain performance. Other marketing techniques not included in the model are responsible for the remaining 31.9 % variations in Market chain performance in Daily water business Share Company in Addis Ababa. As a result, built market chain performance practices (such as product strategy, channel strategy, relationship strategy, distribution strategy, promotion strategy, segmentation strategy, and positioning strategy) are

good explanatory variables that influencing market chain performance of daily water business Share Company.

4.6.1 ANOVA Analysis result

Table 4-13 ANOVA analysis result

| ANOVA ^a | | | | | | |
|--------------------|------------|----------------|-----|-------------|--------|-------------------|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 25.012 | 7 | 3.573 | 38.260 | .000 ^b |
| | Residual | 11.207 | 120 | .093 | | |
| | Total | 36.219 | 127 | | | |

a. Dependent Variable: Market chain performance

b. Predictors: (Constant), Positioning strategy, promotion strategy , distribution management strategies, Channel selection, Market relationship strategy, Product strategy, segmentation Strategy

Source: Own Research Survey, 2022

From the ANOVA test in the above table 4.13, it shows the table Sig. value 0.05 is greater than the calculated sig. value of .000. This shows the statistically significant relationships between the seven independent variables (Positioning strategy, promotion strategy, distribution management strategies, Channel selection, Market relationship strategy, Product strategy, segmentation Strategy) and market chain performance at 5% significance level. This means, the seven explanatory variables have a great impact on the market chain performance. But, it does not mean that all these strategies influencing companies' performance have equally significant correlation with market chain performance.

Beside the F statistics (38.260) which is used to measure the overall test of significance of the model was presented, and the model is well fitted at 5 percent level of significance.

4.6.2 Regression Coefficient Analysis

Table 4-14 Regression Coefficient Analysis of the model

| Model | | Coefficients ^a | | | | |
|-------|------------------------------------|-----------------------------|------------|---------------------------|-------|-------|
| | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 0.111 | 0.092 | | 1.217 | 0.226 |
| | Market relationship strategy | 0.127 | 0.024 | 0.327 | 5.291 | 0.000 |
| | Product strategy | 0.110 | 0.019 | 0.366 | 5.668 | 0.000 |
| | Segmentation Strategy | 0.048 | 0.021 | 0.149 | 2.263 | 0.025 |
| | Distribution management strategies | 0.065 | 0.025 | 0.160 | 2.611 | 0.010 |
| | Promotion strategy | 0.083 | 0.029 | 0.189 | 2.845 | 0.005 |
| | Channel selection | 0.073 | 0.025 | 0.183 | 2.955 | 0.004 |
| | Positioning strategy | 0.089 | 0.023 | 0.241 | 3.915 | 0.000 |

a. Dependent Variable: Market chain performance

Source: Own Research Survey, 2022

In the table 4.14 above, coefficients indicated how much the dependent variable varies with an independent variable, when all other independent variables are held constant. The Beta coefficients indicated how and to what extent the independent variables influence the dependent variable. Accordingly, the result of coefficient value of regression analysis indicated the highest determinant independent variables which influence the market chain performance was product strategy (at Beta value=0.366), followed by market relationship strategy (Beta=0.327), positioning strategy (Beta=0.241), promotion strategy (Beta=0.189), Channel selection (Beta=0.183), distribution management strategies (Beta=0.160) and segmentation strategy (Beta=0.149). Thus, from the finding all independent variables have positive and statistically significant influence on market chain performance because the p(sig) value in correlation table is less than $\alpha=.05$ level. Among the variables one can infer that among the selected independent variables product strategy, market relationship strategy and positioning strategy are the most statistically significant marketing strategy practices influencing daily water business Share Company market chain performance.

4.6.3 Regression Equation

Based on the above table 4.14 finding we can develop the following Regression equation:

$$\text{MCP} = 0.111 + 0.1127X_1 + 0.110X_2 + 0.048X_3 + 0.065X_4 + 0.083X_5 + 0.073X_6 + 0.089X_7$$

Where, MCP= Market Chain Performance

X1= Market relationship strategy

X2= Product strategy

X3= Segmentation Strategy

X4= distribution management strategies

X5= promotion strategy

X6= Channel selection

X7= Positioning Strategy

Based on the above model result, all the explanatory variables have significant and positive influence on companies' market chain performance. The unstandardized B coefficient of market relationship strategy =0.1127.i.e. 100% change in market relationship strategy leads to 11.27% change in market chain performance, product strategy =0.048 indicating that 100% change in product leads to 4.8% increase in market chain performance, segmentation Strategy =0.065 implies that a one unit change in segmentation strategy leads to 0.065 unit(6.5%) increase in market chain performance, distribution management strategies = 0.083 signifies that a one unit change in distribution management strategy results to 0.083 unit (8.3%) increase in market chain performance, promotion strategy =0.073 indicating that a one unit change in promotion strategy would leads to increase market chain performance by 0.073 units (7.3%), channel selection strategy of coefficient=0.089 indicates that a one unit change in channel selection strategy would leads to 8.9% increase in market chain performance and positioning strategy coefficient 0.049 indicates that a one unit change in positioning would results to 4.9% increase in market chain performance of the selected daily bottle water business Share Company to distribute its product in Ethiopia.

These findings provide significant support for the reliability, distribution efficiency and ease of use literature which advocates that the independent/explanatory variables have an influence on market chain performance of daily bottle water business Share Company.

4.7 Testing Hypothesis from the Regression Result

After the analysis of the data, hypotheses were tested to make sure the assertion in the light of the data analyzed. Thus, the hypotheses were tested at 5% confidence level ($\alpha = 0.05$) and P values (level of significance) in the table below.

Table 4-15 Hypotheses Testing

| Variables | Hypothesis | P - Value | $\alpha = 5\%$ | H0 | H1 |
|------------------------------|------------|-----------|----------------|--------|--------|
| Market relationship strategy | H0, H1 | 0.000 | 0.05 | Reject | Accept |
| Product Strategy | H0, H2 | 0.000 | 0.05 | Reject | Accept |
| Segmentation Strategy | H0, H3 | 0.025 | 0.05 | Reject | Accept |
| Distribution Strategy | H0, H4 | 0.010 | 0.05 | Reject | Accept |
| Promotion Strategy | H0, H4 | 0.005 | 0.05 | Reject | Accept |
| Channel selection | H0, H4 | 0.004 | 0.05 | Reject | Accept |
| Positioning Strategy | H0, H4 | 0.000 | 0.05 | Reject | Accept |

Source: *Research Hypothesis, 2022*

According to the above table, p-values of market relationship, product, segmentation, distribution, promotion, channel selection and positioning Strategies are lower than the value 0.05, hence the null hypotheses were rejected and alternative hypotheses were accepted. Therefore, the null hypotheses were rejected and alternative hypotheses were accepted because the mix variables strategies considered as an explanatory variables were positive and statistically significant with market chain performance which is in line with the research hypothesis.

4.8 Analysis and Interpretation of the Company's Marketing Manager Interview and Answers

The researcher has interviewed the company's Marketing Manager to get some basic information toward the company's market chain and product distribution management system, and all the questions together with its answers are presented below.

The manager responded that the company mostly uses distributor channels such as retailers and wholesalers. Direct personal selling marketing in some extent and agents also used to distribute their products/services. According to the marketing manager responded, the company is used combination of company owned distributors and sub-contracted distributors to distribute the product both for regional and Addis market.

Thus, the company's manager response supports the idea of Kaipia (2008) who concluded in his study that selecting a distribution channel was a key component to achieve and improve market chain of the company and the survey result of the respondents' response in this study. Therefore, managing and selecting the distribution channels have a vital role to improve the company's market chain performance to distribute the product.

The manager of marketing and sales responded that, the company mostly uses the traditional way of promotional tools such as television, radio, personal selling and different printing materials. In recent time the company tries to use the online advertisement and promotional tools to address the information about the product for a lot of customers and to increase its market share and improve its market chain over the competitors.

As confirmed by Al-Rfou (2012) and respondents of this study, the intensity of market promotion and promotion tool has an optimistic effect on organizational market chain performance. The response of the company's manager assures that the company uses different type of promotional tools both the traditional and online promotion to advert its product. Thus selecting and use of the appropriate tool of promotion contributes to create awareness about the product and marketing of the company which in turn affects the market chain performance of the company to distribute it product.

As per the managers' response, the company evaluates its product availability and accessibility by creating a marketing relation with its customers and getting the information and receiving the comment about the products. In addition to this, the company uses distribution strategies to

distribute its product widely through the country especially in Addis by expanding its market chain.

The company's managers responded that marketing relationship is the best factors for their market chain performance. Information about the accessibility, availability and demand of the product is gain through building of the relation with the distributors, retailers, whole sellers, agents and with customers. The managers said that, the more information they gain from customers about the demand of the product, the more they try to expand and improve their market chain. Therefore, according to the managers' response marketing relationship is the backbone of the company to manage and improve its marketing share and chain.

As per different scholars studied and the result of this study shows from the respondent; effective communications, effective relationships between the companies and the customers provide beneficial advantages to both the companies and the stakeholders. They found that efficient customer relationship marketing strategy has positive and optimistic effects on market performance. The marketing managers of daily bottle water company assures that having a relation and effective communication with the customers and stake holders have a potential to evaluate the availability and accessibility of the product in the market which helps for improving market chain performance of the company. Therefore, relationship marketing strategy affects the marketing chain performance of the company directly with its effectiveness.

According to the respondents, service type and quality of service is affected by the performance of the market chain of the company. The company have more distributors and agents to distribute its product at everywhere by expanding its market share and improving its market chain with distributors. Therefore, service type and quality is affected by market chain performance. If the companies have a good market chain performance, they can deliver their product and services as it demands by the market and the customers.

The managers responded that their promotion strategies have great contribution about their market chain performance. Due to using promotional tools, they have a good view and acceptances about their products over their competitors and the promotion supports the company to expand its share by improving its market chain to addresses the product at everywhere when it demanded and required. Therefore, according to the managers' response we can conclude that promotional strategy is vital to the companies' market chain performance by introducing and

addressing the information for both for existing and new customers about the product. The companies' market chain is highly affected by the performance and application of promotional strategies.

According to the managers' responded, in order to make a product available and to know customers order, outlets available in the company owned distribution routes communicate their need directly to the company managements whereas the majority of the outlets available in the sub-contracted routes communicate with the sales person in that specific route. In addition to this, the company adverts it addresses such as its telephone and e-mails for customers to order the product and to get information at any time. This shows that the company distribution system have uniform order handling system by assign a contact person to handle the customer's order. This helps the company to expand its market outlets and to improve its market chain performance.

Generally, based on different scholars studied, as per the respondents response in this study and the managers response of the company; promotion strategy, distribution management, relationship marketing, promotion strategy, product strategy, positioning and channel selection considers basic factors of market chain performance of daily bottle water company to distribute its product in the market.

CHAPTER FIVE

5 SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary

Based on the result of data analysis and interpretation in the data analysis of the previous chapter, the following summary of major finding was give:

The main objective of the study was to examine factors of market chain performance in distribution of Daily bottled water company in Addis Ababa. The study was designed mainly to deal with some measuring elements such as, product strategies, distribution management strategies, positioning strategies, segmentation strategies, promotion strategies, channel selection strategies and relationship marketing strategies practiced in the company that affects its market chain performance to distribute the product.

The study employed both descriptive and explanatory research along with quantitative and qualitative data from self-administered questionnaires and interview. From the demographic profile of the respondents:

- ✓ Most of the respondents were male.
- ✓ Majority of the respondents were within the age category of from 28-37 years old; degree holders followed by diploma in their education level, distributors in their current position of the company and
- ✓ Working in the company above three years who are presented from the company establishment to date and they contribute for market expansion and to promote the company's product.

Based on the descriptive statistics results, from the product strategies the package design practices increases the product recognition and visibility of the company, the company packed water quality and reliability of the product offering gains importance for its market expansions and customers purchase its Bottled water product because the brand is fashionable and attractive in its packaging design. Therefore, the company branding practices in its product attribute strategy affects the market chain performance to distribute its product.

- ✓ The company's distribution strategy gives a room for large customer base by addressing and increasing the product availability and accessibility. The company implements

strategies that optimize distribution of product through collaborative relationships with carriers, distributor and customers. Therefore, the location of the business and convenience of the product distribution addresses more customers and allows them to get the product easily; and helps the company to improve its market chain performance.

- ✓ The company's promotion strategy assists the company in creating customers' awareness, the company uses timely placement of sales promotion activities, and use advertising and promotion to promote its product to have more share in the market and to improve the market chain in distribution of the product (bottled water) everywhere. Therefore, the promotional strategy practices influence the company's market share and market chain performance of distribution of the bottled water positively.
- ✓ The company's chosen segments have more potential to adjust specific needs of the customers, managing market segments help to improve marketing chain performance, access and service delivery. But, focusing on a one or specific market segment didn't enable the company to achieve its marketing efficiency and market chain. Selected marketing segment strategy would be empowering the company to achieve its market chain performance in distribution of bottled water.
- ✓ Product positioning can help to realize consumers' expectations and build a great image on customers mind and then the company achieve its market chain performance, brand position and identity were connected in complicated way to quote the company product brand difference from other competitors and may also help consumers in choosing the right brand, and can provide clear distinction from competitors in water bottling companies in Ethiopia, Daily water business Company bottled water product Construct a credible position in bottled/package water brand in Ethiopia, and the product brand association differentiate the brand from its competitors, and the company product positioning helped it to realize consumers' expectations and build great image on it customers and then achieve market chain performance of distribution of the product.
- ✓ Channel selection strategies of the company can influence the market chain performance of the company to distribute their product. Daily Bottled water Company channel selection strategy practice indicates that the company considers quality during selecting distribution channels, the company should not depend on direct personal selling of the

product. The company has a good relation and strong trust on its channels of agents, retailers, and wholesalers and the company believes that controlling in selecting the channel and outsource transportation to third and fourth party logistic providers helps the company to achieve a competitive advantage against its competitors to expand it distribution of the product and to improve the market chain performance.

- ✓ The company used relationship marketing strategy for frequently communicating and meeting with its agents and its customers, and to emphasize long-term relationship building with customers. The company works on maximum satisfaction of customers by distributing the product to access the product everywhere and able to the customer getting the product with less waiting time.

Thus, among the variables relationship marketing, promotion strategy, selection of the quality channels and distribution management system was the highest and strong influence factors of market chain performance of Daily bottled water company in distribution of its product. The constructed market chain performance factors (such as product strategy, distribution management strategy, promotion strategy, product positioning strategy, segmentation strategy, selecting quality channel strategy and marketing relationship strategy) are a good descriptive variables of market strategies that are influencing the market chain performance of Daily bottled water company to distribute it product in Ethiopia generally and in Addis Ababa specifically. Therefore, from the finding all variable have positive and strategically significant factors or influences on market chain performance of distribution of bottled water product.

From interview analysis, the following finding was obtained:

- ✓ The company is used combination of company owned distributors and sub-contracted distributors to distribute the product both for regional and Addis market.
- ✓ The company mostly uses the traditional way of promotional tools such as television, radio, personal selling and different printing materials. In recent time the company tries to use the online advertisement and promotional tools to address the information about the product for a lot of customers and to increase its market share and improve its market chain performance over the competitors.
- ✓ The company evaluates its product availability and accessibility by creating a marketing relation with its distributors, agents and customers and getting the information and

receiving the comment about the products. In addition to this, the company uses distribution strategies to distribute its product widely through the country especially in Addis by expanding its market chain.

- ✓ Marketing relationship is the best factors for the company market chain performance. Information about the accessibility, availability and demand of the product is gain through building of the relation with the distributors, retailers, whole sellers, agents and with customers.
- ✓ The type and quality of service given by the company affects the market chain performance of the company. If the company delivers its products and services as it required and demands by the market and the customers, the company will have a good market chain performance to distribute its product.
- ✓ The companies' market chain is highly affected by the performance and application of promotional strategies.
- ✓ The company assures the product accessibility to address the customers demand through uniform distribution system and order handling system on its outlets available in the company owned distribution routes and communicate with its assigned contact person. This helps to assure the company to expand its market outlets and to improve its market chain performance.

Overall the influence factor/variables which are stated from questionnaires also assured by the interviews from marketing managers as they are influential and most significant strategies in affecting the market chain performance of the company positively.

5.2 Conclusion

This research tried to analyze the market chain performance of Daily bottled water company. Market chain is a network of various links that connect all the actors and transactions involved in the movement of products through the different phases of production, transformation and distribution to final consumers. Based on the finding of the study the following conclusion was made.

To improve the market chain performance of the company the company uses promotional tools such as advertising and sales promotion. The company considers timely placement of sales promotion activities to attract new customers and increases its market chain performance in

distribution of its product. This implies that the company should focus on promotion of its product through advertising that assists them in creation of customers' awareness activities that leads to additional market share and new market chain. The promotional strategies also affect the long term image of the product in the market. The study concluded that promotional strategies had a positive significant effect on market chain performance of Daily bottled water company to distribute its products. The study also concluded that the performance of market chain affected by the promotional strategy of the company. The total intuition and result of the study revealed that promotional strategies affect the market chain performance of the organizations.

To make the product available and accessible to consumers the company implements strategies that optimize distribution of product through collaborative relationships with carriers, distributor and customers. The convenience of the distribution strategy of its business makes the distribution system effective to distribute the product in the market chain. The study concluded that there is a strong positive and significant relationship between distribution strategy and organizational market share and market chain performance. Effective distribution system can have a strong impact on a market chain. The study concluded that distribution strategy had a positive and significant effect on market chain performance of Daily bottled water Business Company.

The company's target marketing strategy is market-oriented. The company market segmentation helps the company to adjust the specific needs of the customer in the market chain. The study concluded that the company's chosen segments have more potential to adjust specific needs of the customers, to have more accesses and give good service in the market and to improve the market chain performance of the distribution of the product. But, focusing on a one or specific market segment didn't enable the company to achieve its marketing efficiency and market chain. Therefore, the company can insure that managing market segments helps it in order to improve market chain, share and service delivery. Thus, selected marketing segment strategy would be enabling the company to achieve its market chain performance in distribution of bottled water.

The brand positioning of the product affects the market chain performance of the company to distribute its product through creating good memory on the customers mind about its product. The company brand position and identity are packed in an attractive way in order to quote the differences from other competitors. The study concluded that the company's product brand positioning and identities should be connected and designed in a special character and attractive

way to quote its brand difference from other competitors. This would enable the company to prove superiority of company's offers over competitors. It may also help consumers in choosing the right brand, and can provide clear distinction/separation from competitors in water bottling companies in Ethiopia. Thus we can conclude that positioning marketing strategy had positive and significant effect on Daily water business Company water bottling market chain performance in distribution of its products.

The channel of the company affects the distribution level of the product to control the market share and to improve market chain performance. Based on the descriptive statistics survey result on channel selection strategy practice of the company in this study, one can conclude that Daily Bottled water Company channel selection strategy practice indicates that the company considers quality during selecting distribution channels, the company should not depend on direct personal selling of the product and the company has a good relations with its agents, retailers, distributors, wholesalers and partner. In addition, the company has strong trust on its channels of agents, retailers, and wholesalers and the company believes that controlling in selecting the channel and outsource transportation to third and fourth party logistic providers helps the company to achieve a competitive advantage against its competitors to expand it distribution of the product and to improve the market chain performance. Therefore, we can conclude that channel selection strategies can influence the market chain performance of the company to distribute its product.

From the relationship marketing strategy, the company use relationship marketing strategy for frequently communicating and meeting with its agents and its customers, and to emphasize long-term relationship building with customers. The company focuses on relationship marketing as to emphasize long-term relationship building with its customers to expand market chain. The company works on maximum satisfaction of customers by distributing the product to access the product everywhere and at any market. Generally, relationship marketing strategy contributes for company market chain performance due to the company is working for customer satisfaction principles to improve its market chain performance. Thus we can conclude that relationship marketing strategy had positive and significant effect on Daily bottled water business Company market chain performance in distribution of its products.

5.3 Recommendation

According to (Meenakshi, 2008: 102), physical distribution is the set of activities concerned with efficient movement of finished goods from the end of the production operation to the ultimate consumer in the market. Distribution of the product take place within the market chain using wholesaling and retailing distribution channels, and includes such important decision areas as customer service, inventory control, materials handling, protective packaging order processing, transportation, warehouse site selection and warehousing. Product distribution is part of a larger process called “distribution” which includes wholesale and retail marketing, as well as the physical movement of products. Accordingly, market chain can be viewed as a system of components linked together for the efficient distribution of products. These components (customer service, transportation, warehousing, order processing, inventory control, protective packaging and materials handling) are interrelated so decisions made in one area affect the market chain performance of the company.

Based on the above facts, analysis and conclusions the researcher recommends the following points that will helpful to improve the marketing chain performance of Daily bottled Water Company.

In competitive market, the promotion strategy plays a vital role to inform the existence of the company, to introduce the company’s product to customers about the product type, quality, product identification, product features and about product availability and accessibility in the market. Thus, Daily bottled water company has to give further emphasis for promotion strategies to introduce about its product type, quality, special identification of its products and its product availability and accessibility with the appropriate promotion tool to increase its customers, increase market share and to compete in the market as well as to improve the market chain to distribute the promoted product to the market. Therefore, promotional strategy of the company is directly affects the market chain performance of the company to distribute the product with in the competitive market area and the company has to set further budget and attention for promotional strategies.

In Ethiopia, the bottled water business company becomes increased in number and size. This makes difficult to compete in the market to be effective and win the market share of the product. To meet the competitive advantage there should be strong market chain to distribute

the product at any place of the market to address the product to the target customers. This market chain should improve through upgrading the product attributes such as product design and packaging style of the product. Hence, the company also has to give more and additional attention in maximizing quality and packaging design to improve market chain performance and to gain a high market share and to win the competitive advantage. So, it is recommended that due to high competition in the market, the company should improve its packaging design and branding strategy hence it increases product visibility and recognition which contributes for market chain performance of distribution of the product.

The market segmentation of the company should address the variety interest of the customer in the market. So, the market segmentation of the company should not focus on a specific market segment. Customers may have different tastes and preferences based on their age, life style, income level, work type and other factors. The market segmentation should include other bases to address the interest and preferences of the customers by improving the market chain of the company.

To make its product available and accessible to customers the company should manage its distribution system and select the quality channels to distribute the product. The company direct selling only is not effective to address the customers demand and to make the product is available at any market and to able the customers to buy the product with less waiting time. So, it is recommended that the company should select the right channels of distribution and working with wholesalers, retailers, agents and customers by expanding its market chain at any market area. This contributes to the company to improve the market chain performance in distribution of the product to its customers that enables the customers to get the product at anywhere when they required.

Relation marketing has a significant effect on company to create long-term relations with the customers. This enables the company to communicate about the product availability, accessibility and demand of the product by the customer which enables it to manage its market chain to distribute the product. In addition of the direct sales man, distributors and agents, the company should better to use internet market to communicate and create relations with customers. This would attract new customers with new market chain and retained the existing customers.

Therefore, all the factors which are mentioned in this study have a significant role in the market chain performance of the company to distribute its product to make available and accessible at the market place and to win the competitive advantage over its competitors. So, for this highly competitive bottling water industry, the company should assess all the factors by encompassing the internal and external partners and by improving the marketing and sales managers marketing skills.

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Appendix1

Addis Ababa University

School of Commerce

Department of Marketing Management

Dear Respondents

I would like to extend my deep gratitude in advance for your dedication to fill this questionnaire.

The purpose of this questionnaire is to gather data from employees, agents, distributors, wholesalers, and retailers of Daily Bottled water Share Company. The main objective of the study is to examine the impact of market chain in distribution of Daily water in Addis Ababa, in partial fulfillment of Masters of Marketing Management. In this regard I kindly request your assistance in responding to the questions listed below. The success of this study is to a great extent contingent upon your genuine responses. Hence you are kindly requested to be honest in your responses. I can assure you that the information obtained in the process will be maintained confidential.

Thank you for your cooperation.

Since rely

I. General information

1. Gender

a) Male b) Female

2. Age

a) 18-27 b) 28-37 c) 38-47 d) Above 47

3. Educational Background

a) 12 complete b) Diploma (L1-L4) c) First Degree
 d) Master's Degree e) PhD f) other please specify_____

4. What are your states in the Daily Water Production and distribution outlet?

a) Owner and manager b) Manager c) Employee
 d) Sales person e) Agent f) Distributors
 g) Other please specify_____

5. How long have you been working in your current position?

a) Less than 1 year b) between 1-3 years
 c) Between 3-5 years d) More than 5 years

· Please tick (✓) in the box that best reflects your level of agreement where: 1=strongly Agree, 2=agree, 3=Neutral, 4= disagree, 5=strongly disagree

| Product strategy | 1 | 2 | 3 | 4 | 5 |
|---|----------|----------|----------|----------|----------|
| 1. The Package designs of your company practice increases product visibility and recognition. | | | | | |
| 2. The company packed water quality and reliability of the product offering gains importance for market expansions. | | | | | |

| | | | | | |
|---|----------|----------|----------|----------|----------|
| 3. The customers purchase your Bottled water product because the brand is fashionable and attractive in its packaging. | | | | | |
| 4. Your Branding practices influences your market chain performance. | | | | | |
| 5. Market segmentation based on product type helps Your Company to adjust to specific needs in the market. | | | | | |
| 6. Your company responds to changes in customer perceptions and demand. | | | | | |
| Distribution management | 1 | 2 | 3 | 4 | 5 |
| 7. The location of your business attracts more customers and thus allows you to expand the market chain practice. | | | | | |
| 8. The company distributes its product in different part of the country. | | | | | |
| 9. The company's packed products availability and accessibility is suitable for its customers. | | | | | |
| 10. Your company able the customer to buy the water with less waiting time anywhere. | | | | | |
| 11. Your company implements strategies that optimize distribution of product through collaborative relationships with carriers, distributor and customers. | | | | | |
| Sales promotion | 1 | 2 | 3 | 4 | 5 |
| 12. Your sales promotion assists in creation of customers' awareness activities. | | | | | |
| 13. Your company considers timely placement of sales promotion activities to attract new customers and increase Your sales performance. | | | | | |
| 14. Marketing efforts such as advertising and promotion always promote expansion of the market chain of your company. | | | | | |
| 15. Use of traditional media like radio, television, newspapers, magazines and notifications will help the customers to inform about Daily water product in the market. | | | | | |
| 16. Your company believes that use of social media like face book, Twitter, website, etc. will help customers to inform about Daily water product. | | | | | |
| 17. The company promotional messages and activities are clear, understandable and frequently updated. | | | | | |
| 18. Promotional strategy influences the market chain practices of you company. | | | | | |
| Segmenting strategy | 1 | 2 | 3 | 4 | 5 |
| 19. Market segmentation helps Your Company to adjust to specific needs in the market chain. | | | | | |
| 20. Focusing on a one or specific market segment can enable Your | | | | | |

| | | | | | |
|--|----------|----------|----------|----------|----------|
| company to achieve its marketing chain performance. | | | | | |
| 21. Your company insures that managing market segments help to improve marketing chain performance, access and service delivery. | | | | | |
| 22. The company's target marketing strategy is market-oriented. | | | | | |
| 23. Targeting can allow Your Company to understand the market chain and how to manage it. | | | | | |
| Positioning | 1 | 2 | 3 | 4 | 5 |
| 24. Product positioning enhances Your Company's market chain performance by creating good mind set in customers about product. | | | | | |
| 25. Your company's brand position and identity are packed in an attractive way in order to quote the differences from other competitors. | | | | | |
| 26. Your product Construct a credible position in bottled/packed water market in Ethiopia. | | | | | |
| 27. Positioning can allow Your market to fulfill the requirement of Your target markets and enable to build image by your customers. | | | | | |
| Channel Selection Strategy | 1 | 2 | 3 | 4 | 5 |
| 28. The company considers quality of channels as number one criterion in selection of distributors. | | | | | |
| 29. The company uses direct personal selling as a main distribution strategy | | | | | |
| 30. Your companies have low level of conflict with agents, retailers, distributors, wholesalers and partner. | | | | | |
| 31. Your companies have strong trust on channels of agents, retailers, and wholesalers to distribute your product to the target market. | | | | | |
| 32. Controlling in selecting the channel helps your company to achieve a competitive advantage against its competitors. | | | | | |
| 33. Your company outsources transportation to third and fourth party logistics providers to distribute the product at any market chain. | | | | | |
| Relationship Marketing strategy | 1 | 2 | 3 | 4 | 5 |
| 34. The company frequently communicates with its agents and customers about the acceptance of the product to expand market chain. | | | | | |
| 35. Your company focus on relationship marketing as it emphasizes long-term relationship building with customers to expand market chain. | | | | | |

| | | | | | |
|---|--|--|--|--|--|
| 36. The company works on maximum satisfaction of customers by distributing the product to access the product everywhere and any market. | | | | | |
| 37. Your company uses digital marketing to build relations with customers and prospects through regular, low-cost personalized communication. | | | | | |
| 38. Your company's market chain performance is improved by creating relations with agents, retailers wholesalers and distributors. | | | | | |

39. The following questions are regarding the company's overall attitude on market chain performance as a result of different marketing practices in the selecting variables. Please read and indicate the degree to which you agree with the statements by using likert scale from 1=strongly agree to 5= strongly dis agrees.

| Measurement Item | 1 | 2 | 3 | 4 | 5 |
|--|----------|----------|----------|----------|----------|
| Market chain performance of Daily water enhanced by marketing relationship strategies. | | | | | |
| Market chain performance of Daily water is enhanced by Product strategy to distribute the product everywhere to access for customer. | | | | | |
| The market chain performance of daily bottle water company affects by the Segmentation strategy of the company. | | | | | |
| The company market chain performance is improved as a result of the application of distribution channel (retailers/distributers/wholesalers) strategies. | | | | | |
| The application of promotion strategy helps the company to achieve market chain performance and to get a competitive advantage against its competitors. | | | | | |
| Channel selection and demand management process of Daily water ensures market chain performance of the company. | | | | | |
| The company positioning strategy improves the market chain performance by constructing a credible position in bottled/packed water brand in Ethiopia. | | | | | |

Interview Questions for Managers and supervisors working in the company market and distribution system)

1. Which marketing channel does your company use to distribute your products/services?
2. Which promotional tools does your company mostly use to promote your product?
3. How do you evaluate product availability accessibility along with market chain performance?
4. How do you evaluate the role of marketing relationship factors in relation to market chain performance?
5. How is service type and quality along with the company's market chain performance?
6. How do you evaluate the status of promotion to creating awareness about the product and your market chain performance?
7. How do you know your product accessibility is addressed the customers demand or how do you know your product is required by the customer?