MARKETING MIX STRATEGIES AND PERFOMANCE OF THE SUGAR COMPANIES IN KENYA

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RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION, SCHOOL OF BUSINESS UNIVERSITY OF NAIROBI.

2019

DECLARATION

This research project paper is my authentic work and hasnôt been presented for examination in any learning institution.

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This research project paper is submitted for examination with my consent as the supervisor.

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ACKNOWLEDGEMENTS

I thank God for this far he has brought me, for granting me favour, wisdom and for the gift of life.

Secondly, I convey my wholehearted appreciation to Dr. Raymond Musyoka and Mr. Jaleha for the unwavering assist and guidance during the entire period.

I would also genuinely acknowledge my lecturers who successfully took me through the coursework to its completion. I owe my earnest gratitude to my colleagues, who constantly had my back, time and time again.

DEDICATION

This project paper is dedicated to my late mother Teresa Nicholas, my family for their love, care, support and encouragement.

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ABREVIATIONS AND ACRONYMS

AMA:	American Marketing Association
DCT:	Dynamic Capability Theory.
EAC:	East African Cooperation.
GDP:	Gross Domestic Product.
IMC:	Integrated Marketing Communication.
KALRO:	Kenya Agriculture and Livestock Research Organization.
KESREF:	Kenya Sugar Research Foundation.
KSD:	Kenya Sugar Directorate.
OD:	Oxford Dictionary.
RBV:	Resource Based View.
ROA:	Return on Assets.
ROS:	Return on Sales
SDF:	Sugar Development Fund.
SONY:	South Nyanza Sugar Company.

ABSTRACT

There is continued attentiveness in the adoption of marketing mix strategy in almost all areas of economies to increase sales of products and match up to the competitive business environment. This study investigated influence of marketing mix strategies on the performance of sugar companies in Kenya taking into account the extent to which such strategies are adopted and used. The objective of the study was to determine influence of marketing mix strategies on the performance of the sugar companies in Kenya. The study was done using a cross sectional survey and the findings presented using descriptive statistics. Precisely, the study used a model in which market mix strategies were regressed on performance dimensions of the sugar companies in Kenya. The population of this study constituted the sugar companies in the country which are twelve in number. The key findings showed that the correct marketing mix strategies allow companies to track their marketing goals in the target markets depending on how they are implemented. The relationship between marketing mix strategies and performance are significant as shown in the regression model. Application of the correct marketing mix strategies make certain provision of the right product, at the right price, in the right place thus, ensures that resources are efficiently and effectively utilized. This study was guided by three theories of Resource Based Theory, Dynamic capabilities Theory and Contingency Theory. The study suggest that the decision makers concerned in the different companies increase implementation of this strategies to the enhance performance, the study suggest innovation and use of technology to enhance their performance. The study has given limitations as the context can't be used to generalise all the manufacturing companies, longitudinal studies is recommended which studies in order to delve deeper into those marketing strategies which have a palpable socioeconomic impact on the sugar companies over a given time period as the methodology used only gives findings of the specific time the study is done and can't be used to refer to all the business seasons. This study should also be replicated in other COMESA countries which would demonstrate the universality of this concept.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Organizations need to develop competitive strategies in order to gain competitive advantage and compete favourably (Porters, 1980). Marketing mix strategies has been a major focus for several organisations in attaining overall organisational performance (Papulova, 2006). An organisations selection of marketing mix strategies is based on careful evaluation of the organisation resources, capabilities and the contingent situations in the business environment informing what influences the market. This effective management of an organisation for a good performance requires knowledge of a firmӗs resources and how they contribute to organizational strengths, weaknesses and development of competitive advantage (Duncan, Gintei & Swayne, 1998).

This study was guided by three theories, Resource Based Theory (Barney, 1991), argues that possession of resources is a major contributor to organizational aggressiveness and thus has a significant influence in enhancing organizational performance stating that performance depends on the availability of these resources; Contingency Theory postulates that there is no one certain way to structure work or an organizational setup, the most relevant course of action would involve the contingent in the external and internal business environment where an institution is based, (Lawrence & Lorsch, 1967) ; The Dynamic Capabilities Theory posits that an organisation needs to build up, recast, and reorganise their existing operational abilities in to new ones that better match the ever dynamic business environment (Teece & Pissano, 1994). Teece, (2001) argues that organisational performance is enhanced when the firms combine, build and restructure the internal and external capabilities to address the ever changing business environment. Business departments must sense the environment to enable gathering of intelligence in the market and establishing the market needs, competitorӗs moves and technological changes thus identifying other opportunities.

The sugar industry is completely dependent on Sugar cane farming as the major cash crop which is a considerable contributor to Kenyaӗs economic development as it contributes to the GDP. Its contribution notwithstanding, the industry has recorded poor performance overtime which has created shortage of this product in the market. Less cane supply to factories has contributed to decimal growth in productivity, other factors include; poaching of cane, unutilized capacity, irregular import, poor cooperate management abilities, and lack of advancement in technology KSB, (2014). The sugar industry in Kenya constitute twelve companies, which have been grappling with poor performance due to the turbulence in the industry, sugar imported from other countries have flooded the market with relatively low prices making it difficult for this companies to compete considering their high cost of production, poor cooperate governance and government interference has been major factors affecting the performance of this companies. These companies must concentrate on being aggressive by initiating useful strategies and marketing in an appealing manner, however like most industries experience challenges sugar industry isnȇt left behind making the study ideal.

1.1.1 Marketing Mix Strategies

According to (McCarthy,1960) Marketing mix strategies refers product, price, place and promotion where marketers can develop good marketing programs and improve their operational output by employing the correct blend of these variables. Kotler, (1967) posits that marketing mix strategies refer to a set of controllable variables that a company can use to impact the buyers behaviour, the four variables helps a company develop a unique selling point as well as brand image. American Marketing Association (1989) defines marketing mix strategies to be a combination of different controllable market variables available for use by marketers to attain their objectives. Borden, (1949) postulates that when an organisation is formulating marketing plan to meet the goals of the company, marketing managers have to balance the behavioural forces then carefully select the right combination of the marketing mix strategies with a keen eye on the resources they have at their disposal to help enhance organisational performance. These marketing mix strategies differ from one institution to another depending on the internal environment, resource availability, contingencies and different organisational capabilities and must be regularly reviewed with the changing business environment, client taste, change in technology and innovativeness, Kotler and Armstrong, (2010).

Product Strategy; refers to the final output a company gives to the market, they include actual product, services or an ideation that could be offered and consumed in the market. They can be classified into tangible and interngable forms Kotler et al, (2010). This strategy takes note of brand identification, labeling and packing, styling and designing. Product development leads to variety of products that informs what attracts and retain clients (Solomon, 2009). A product consists of four life cycle stages including the introduction stage, growth stage, maturity stage and decline stage. Development of a new product leads to a wide range of available products that impacts the attraction and retention of customers (Pavlou, 2011).

Price Strategy; is used to show the worthiness of a product or a service to consumers, itôs indicated by the price tag leveled against it (Foss, 2012). Price depends on the phase of the product in the market, including penetration pricing and pricing for already accepted good informed by market rivalry (chinsnall, 2011). Critics proclaim that notwithstanding the fact that successful pricing strategy is not able to recoup for the poor execution on promotion, distribution and product development, when there is unsuccessful pricing there is a negative impact on the performance of the companyôs products (Palmer, 2011).

Place strategy; is typically what an organization uses to reach the end users of its product, this is done using some given channels and networks with goals of reaching the client which could be either direct or indirect. These networks include; wholesalers, distributors and the final end in retail stores (Palmers, 2011). Distribution channels are important to determine the attractiveness of a company, because they impact the time when the product reaches the end user as well as determining the final price of the product. Through distribution strategy, a company gets to understand the sales channels through enhanced understanding, better dissection on the distribution within the selling channels, the part played by the intermediaries on the sales activities, getting the knowledge of the centers of influence on the sales channel as well as the position of a company in relation to the sales channel (Whetton, 2011).

Promotion strategy; Refers to the away a firm create awareness of its products to the customers, it involves different aspects including; sales promotion, personal selling, adverts, marketing directly, sponsorship and public relation, these have a bearing to the success of sales of the goods or services (Lehtinen, 2011). Integrated Marketing Communication (IMC) suggests integrating all the component of promotion simultaneously to make a whole picture. This is so that a uniform message is conveyed by all marketing communications channels. A promotional mix directs how much attentiveness to pay to all the subcategories, including how much money to budget to all the categories. Product life cycle, among other marketing goals directs the extent to which these components are used. Kurtz& Boone (2011) explains advertising and consider it to be a major factor for companyǿs attractiveness in any sector. This is because impactful advertising helps companies to attract and ensure loyalty of the customers within the current dynamic business environment. Additionaly, a study by Lehtinen (2011) established that 50% of the end users easily recalled seeing or hearing of advertising aspects of companies.

This study adopted the four aspects of the marketing mix strategies as discussed above. The usefulness of these strategies is critical to a firm, as it lays the framework of how to achieve the company goals. To reach the goals, the marketing mix strategies have to be consistently appraised since the external business environment is ever dynamic. It also changes due to changes in customer liking and taste, change in lifestyle, innovation and technological changes. Marketing mix strategies in a firm are critical for its success and therefore should be constructed and implemented. They anchor the target end users to the business macro environment, including competition. They are varying from one institution to another, depending on their internal business environment, resources availability of the firm, marketing goals, institutional structures and information system of the company.

1.1.2 Organizational Performance

Tannenbaum, (1958), as cited by Corina, (2012), defines performance as measure of how institutions meet their goals. Seashore, (1968) as cited by Drinne, (2012) posits that performance includes organizational capability to use its environment to access and use scares resources. A company is considered to have performed after meeting its objectives effectively with minimal resource, thus efficiency Campbell, (1993). Organizational performance refers to the key achievements of a company in realizing its efficiency and effectiveness and remaining focused (Gibson, 2010). This means therefore that an organization performance refers to the ability of that enterprise to meet such goals as desirable profit, quality in its products, desirable market share, good financial health, and survival at pre-determined time using the necessary strategy for action (Koontz and Donnell, 2003). Performance provides the footing for a firm to assess how well it is fairing towards set goals, establish the areas of its strength and weakness and decide on the future inventiveness with the objective of how to push performance enhancement (Vanweele, 2006).

Company performance involves several activities that help in determining the goals of the firm, and monitor the progress towards the objectives (Johnson et al., 2006). It is used to make changes to meet the objectives more efficiently and effectively. Performance of an organization is the measure to which any institution meet its intended obligations that then determining its attractiveness (Wongrassamee, 2013). Balance score card could be employed to assess the performance of an institution relating to different dimensions including; finance, customerǿs satisfaction and even internal efficiencies because institutions should measure their efficiency from the different aspects, including effectiveness shown by the firmǿs ability in creating cognition on what they do and also improving levels of accountability of the organization (Riodan et al., 2012). It is necessary for companies to formulate strategies that are made around the skills that would drive the performance of the company. Companies performance is impacted by various factors including the marketing mix strategies, organisational resources, organisational capabilities, competences and the contingent situation, lines of authority and communication command linking workers within the institution, resources and the information to which the employees have access to, the nature of the work faced by the individuals and the type and severity of the crisis under which the individuals operate (Richard et al., 2009).

1.1.3 Sugar Industry in Kenya

Sugar cane farming was first introduced in Kenya in the year 1902. The first sugar processing factory was established at Miwani near Kisumu in 1922 and later Ramisi in the then Kwale District in 1927. Due to increase in demand for sugar, the government later got widely involved in sugar production through additional investments in sugarcane growing schemes and factories; Muhoroni (1966), Chemelil (1968), Mumias (1973), Nzoia (1978) and South Nyanza (1979). West Kenya (1979), Butali (2010), Kibos (2008), Soin (2008), Sukari (2011) and Transmara (2011) are privately owned sugar companies. (agricultureauthority.go.ke).

Most of the sugar industries are found within Western part of Kenya and this industry has contributed greatly to the countryôs development both economically and socially. The key players in the sugar industry include the Government of Kenya (GOK), Kenya Sugar Board (KSB) (now Sugar Directorate under Ministry of Agriculture), the millers organized under the umbrella of Kenya Sugar Manufacturers Association (KESMA), the suppliers of sugarcane organized under the Kenya Sugarcane Growers Association (KESGA) and customers who include sugar wholesalers, distributors and transporters, industrial users of sugar and molasses and retailers. The Kenya Sugar Research Foundation (KESREF) conducts research on production of various varieties of sugarcane and sugar processing.

The Kenyan government participation in the sugar industry was guided by the necessity to fix sugar utilization demands of the country through enough production of sugar able to sustain the country. Sugar production was initiated to lessen over relying on sugar imports and save foreign exchange on sugar imports. It was also intended to enhance development by upgrading the livelihoods in the rural areas through creating employment and wealth (Sserenkuma and Kimera, 2006).The performance of these sugar companies is pointer to the Kenyaôs economic growth.

According to Kenya Sugar Board report, (2014), itôs indicated that the problems affecting the performance of the sugar companies in Kenya are due to, inefficient factory operations, State intervention, inefficient agronomic practices, and debt burden, managerial inefficiency and unregulated importation of sugar due to liberalization. The Kenya sugar industry is largely owned by the state and thus the competitiveness of the sugar factories is affected more by state intervention and involvement than by the practices of private millers. Kenya Anti-Corruption Commission (2010) attributes the governance problems bedeviling this industry to persistent political interference as some of the major reasons of the poor performance in this industry.

Kenya suffered the highest crisis in the sector between 1988 and 2001, the industry experienced financial challenges which engulfed most of this firms some even closing up shop due to the poor performance Kimera, (2006). The government initiated policy reforms to save the industry from collapse. This culminated into the enactment of the Sugar Act 2001, which led to the formation of Kenya sugar Board as a new regulator in the industry. New reforms and policies were initiated and implemented to guide and control the activities and operations of all stakeholders in the industry (Ssrenkuma and Kimera, 2006).

The Kenya Sugar Industry Strategic Plan (2010-2014) shows that the industry is facing a myriad of challenges affecting the industry performance including poor management, law technological capabilities, politics, corruption, lack of regular factory maintenance, weak corporate governance and poor transport infrastructure which has resulted to capacity underutilization, makes this factories uncompetitive in the COMESA region. Imported sugar is cheap compared to sugar produced in Kenya as a region; this due to due to high production cost and inappropriate management strategies which has negatively impacted the performance of the sector posits Wanyande, (2001). The uncoordinated sugarcane farming, harvesting and transport to the mills affect the material (sugarcane) capability in Kenya as a region leading to the vicious irregular cycles of sugarcane shortage or surplus.

1.2 Research Problem

The marketing functions today is facing enormous challenges, the old traditional marketing channels adopted by organization to market products and services and convince end users to purchase their products are losing its drive and efficacy due to changing customer needs. The present day business environment is characterized by growth in business rivalry emerging from both local and international institutions rivalling for the same customers. The existence of more demanding and informed, customers and great technology advancement has resulted in a complex market in the sugar sector. In this multiplex market environment, the marketing strategy of the company could improve the performance of the organization. Therefore, companies need to investigate and apply an appropriate marketing strategy that will make it stand out from its competitors (Simsek, 2009). The ability of organizations to respond quickly and suitably to the business environmental challenges rely largely on the marketing strategies adopted by the firms as hardly will any product survive in a competitive market without any means of marketing.

The sugar industry in Kenya has experienced over time growth and turbulent business environment both internally and externally leading to most of them experiencing operational challenges and even collapse of some factories like Miwani. Itôs then necessary to assess how marketing mix strategies could be adopted to ensure positive performance. Consistency in use of these marketing strategies can be developed in the market and can help to enhance the performance of these millers informing their survival in the unpredictable environment. These sugar companies have to enhance their strategies for them to achieve set goals in the markets by selecting appropriate developing marketing strategy that will help it covers a wide market. In addition, the firms need to come up with new marketing strategies that can easily be adjusted whenever a business rival brings on board new strategies that might impact negatively on the companyôs performance.

Several scholars have done empirical research on marketing mix strategies and how they can influence organizational performance in different contexts. Internationally Saty, (2011) conducted a survey on the critical factors and marketing mix strategies used by sugar factories in India, The study revealed that these strategies had minimal influence in the performance of these companies, that study was however contradicted by a study conducted by Yasanallah and Vahid (2012) in a different context, they studied the Status of Marketing Mix (7Ps) in Consumer Cooperatives at Ilam Province in Iran. According to research objective, seven hypotheses are provided and tested by one sample t-test. As a result, hypotheses on price, location, promotion, product, operation management and physical assets which show lower than average status of these elements were confirmed. The only hypothesis that was rejected was the hypothesis related to the personnel element. This study gives contradicted findings of these strategies in different context. Horner (2011) did a study of the Marketing Mix Strategies Utilized by North American Christian Schools. The study established that successful marketing strategies were identified and word of mouth, advertising programs proved to be the most successful among the respondents. The study fails to explicitly show how Marketing Mix Strategies influences organization performance and also gives a contextual gap as in this case.

In Kenya Mwangi (2011) studied the extent of usage of the marketing mix variables in the shipping industry in Kenya. This study reveals that the marketing mix variables, which are, the engine driving competitive tendencies are hardly exploited within the shipping industry in Kenya. However, the study was only limited on shipping industry and thus could not be generalized to sugar industry. Shireen (2011) carried out a study on marketing Mix Strategy Adaptation: A Retail Organizationôs Response to the Global Economic Downturn. The study found that Woolworths did indeed adapt its marketing mix strategy in response to the global economic downturn. It was not clear from the findings whether marketing mix elements influences organization performance and the study also had a contextual gap as these findings couldnôt be generalized to the sugar industry. Muchohi, (2015) did a study on Marketing Mix Strategies Adopted by Tennis Affiliated companies to improve Competiveness. The results established that there is strong relationship between marketing mix strategies and competiveness. Nontheless the studies reveal a contextual gap and their findings canôt be generalized to the sugar industry.

Another study by Obonyo (2013) studied marketing mix strategies used for attractiveness by supermarkets in Kisii Town. The study established that price management hardly attracted consumers. Nontheless, the study fails to establish the proportional level each strategy needs to be implemented to maximize the performance of these supermarket; this study also has a contextual gap as its findings arenôt relevant to the sugar industry. Koske (2012) conducted a study to determine effects of 4ps Marketing Mix on Sales Performance of Automotive Fuels of Selected Service Stations in Nakuru Town the finding of the study showed a positive relationship but that canôt be generalized in the context of the sugar industry. Muthengi (2015) conducted a study on the Effects of Marketing Strategies on Sales Performance of Commercial Banks in Kenya; the study established that marketing has become a key factor in the banking sector following as increased competition due to bank consolidation and reforms. The study was focused on Commercial Banks in Kenya and thus could not be applicable to the sugar industry.

Marketing mix strategies play a vital role in the marketing of the products of the different sugar companies in Kenya. As one of the key elements of a company's success, the selection of appropriate marketing strategy has been a focal point in both supply chain and marketing channel structures of these sugar companies. Arising from the findings of the studies above, it is evident that there researcher did not come across, a study done with regard to the effectiveness of marketing mix strategies on performance sugar industry in Kenya looking at the variables herein. This study sought to fill the contextual gap through answering the question; what influence does marketing mix strategies have on performance of sugar companies in Kenya?

1.3 Objectives of the Study

The aim of this study was to establish the influence of marketing mix strategies on the performance of the sugar companies in Kenya.

1.4 Value of the Study

To the government and regulators of the sector, they will gain from the vital knowledge in how marketing mix strategies can be embraced and the finding embedded in the policies that will give direction and convince other firms within and without the sector in applying such strategies in an ethical way. The regulators can have a leaf out of the findings and will gain more on how to do pricing in the industry. The policy makers can as well apply the findings of the study to establish the gaps in the marketing strategies in existence. This would aid in enhancing the performance by advising on the best strategies to use on disposing their final products and gain market competitiveness.

To the Sugar companies in Kenya, the study seeks to investigate ways these firms will leverage on this strategies to meet their set goals as well as enhance performance, millers will find the study an invaluable source of material that will guide it in developing appropriate marketing strategies in their firms. Decision makers in the institution could also employ the findings to adapt to the changes in the dynamic business environment. It is hoped that the knowledge generated by this study will enable the companies to improve their marketing practices and sharpen their competitiveness. It is necessary for business departments to consistently apply their marketing mix strategies to the change in the working environment and also how the business rivals are counter the changes. From the study thus, the marketing units would understand different marketing mix strategies and how best to adopt them to ensure better decision making.

To the academicians the findings of the study are expected to contribute to research and practice, by elaborating the strategies that are pursued by the companies in order to perform and be competitive in the industry. There exist few empirical studies on how marketing mix strategies impacts performance of organizations especially sugar millers, the study will add to the existing body of information by identifying fresh sections for future studies following the outcome and the ensuing recommendations.

CHAPTER TWO: LITRATURE REVIEW

2.1 Introduction.

This section contains two sections expounding on the theoretical and empirical exploration of literature, theoretical literature exploration states the theoretical base where the subject of the study was based. On the other hand empirical literature exploration expound on previous studies of similar nature that had been done. The section also expound on the three theories the study was anchored on.

2.2 Theoretical Foundation

The study was anchored on three theories; Resource Based View as advance by Barney, (1991); Dynamic capability theory by (Teece & Pissano, 1994) and contingency based theory by (Lawrence & Lorsch, 1967). The resource based theory explains how efficient and effective use of the resources of an institution is critical towards designing a sustainable competitive advantage. According to Porter (2011), the theory emphasizes on the resources of a company as a determinant on the attractiveness of companies in the industry. The above theory links with Contingency theory as advanced by (Bastaian &Andreas, 2012) who elucidates that the Contingency theory entails the best practices which depend on the contingencies of the situation under which a company is operating. Contingency theorists try to establish and measure the situations under which things will probably take place as advanced by Chong, (1996). The final theory in this study, Dynamic Capability Theory then combines, build and restructure the internal and external capabilities of a company to address the ever changing business environment.

2.2.1 Resource Based Theory

Barneyös, (1991) explains that resource based theory includes an elaborate literature in strategy which speaks to institutional identicalness and in principle it pays attention to resources and the strategic abilities traits. RBV can be traced back to early year Penrose, (1959), who acknowledged the importance of resources to a firmös performance. She stressed that resources can only work to a firmös advantage depending on how they are exploited and what services they avail to the organization. (Wanerfelt, (1984), defined resources as both tangible and intangible aspects which are interconnected to an organization; a common understanding of this knowledge is that firms compete in the business environment based on their resources. Institutions with superior resources are able to maintain a relative competitive position unlike firms with minimal resources. RBV stresses that competitive edge and positive performance is defined by the distinctive capabilities of an organization. Where capability refers to the institutions ability to coordinate resource and use them productively as stated by Jones, (2010). (Rumelt, 1987) elucidates that resource based view which shows the effectiveness and efficiency in the use of resource is very necessary in developing sustainability and having a competitive edge over the others.

Organizations are able to tell with the type of resource they own and control that they have the capacity to create competitive edge and ultimately enhanced performance says Ainuddin, (2011). (Powell, 2002) puts it that resource based theory is the most largely accepted in strategic management and marketing, resources of an institution can inform their capacity to charge prices that will eventually enhance their performance and continued aggressiveness in the market. Organization may also use their resource base to create entry blockade to their competitors says Newhart, (2008). This theory has evolved over time progressively in the works of different academicians; this study will use the theory to expound on the understanding of how resources should then be prioritized to ensure positive performance.

2.2.2 Dynamic Capability Theory

The notion that capabilities influence strategy dates back to Andrew, (1971). Letter on the formalization of this theory began to take shape after the work of (Teece & Pisano, 1994) and (Teece, Pissano & shuen in 1997) when they link between dynamic capabilities and an organizational competitive advantage. The theory explains that if an organization has dynamic capabilities then it must perform well. And once the organization is performing well it should have the dynamic capabilities stated Peteraf et al. (2003). Other scholars like Zoot, (2003). Argued that DCT are directly linked with organizations performance by aiming at changing of organizational resources, operational practices, and competencies which intern will affect economic performance. According to Eisenhard, (2000) he explains that the functionality of DCT can be duplicated across different organizations, their competitiveness lies in the way their resource are prioritised and put into use. (Teece, Shuen and Pisano,1997) argues that dynamic capabilities of a firm, is the ability to renew competencies so as to achieve congruence with the dynamic business environment through adapting, integrating and configuration of the internal and external organizational skills, functional competences and resources. This theory will then help the study in the understanding of how the capabilities can be employed to help formulate the ideal marketing mix strategy so as to help achieve the desired performance by the sugar millers.

2.2.3 Contingency Theory

Contingency theory was developed by (Lawrence & Lorsch, 1967). In ohio state university Nohria & Khurana, (2010). Argues that the theory has behavioural approach as a very essential future that relates to the optimal fit of organizational structure, strategy or leadership based on the contingent situations but do not stress on the versatility of the process by which a company adapts or a leader becomes effective. (Bastaian & Andreas, 2012). Elucidates that the theory looks into the best practices which depend on the contingencies of the situation. Contingency theory often refered to as ñit all dependsò theory because it depends on the contingent situations (Cadez & Guilding, 2008). The theory states that assessing the contingencies on which decisions are based can be very complicated, contingency theorists try to identify and measure the conditions under which things will likely happen as advanced by Chong, (1996).

Effectiveness relies on the appropriate matching of contingency factors with internal company designs that can allow desired responses to the environment (chapman,1997). The term contingency as used in contingency theory is similar to its use in direct practice, a contingency is a relationship between two phenomena, if one phenomenon exists, then a conclusion can be drawn about another phenomenon says Gordon, (1976). This will help the study in analyzing between the different variables since Contingency theory relates research on various management variables, it allows you analyze a situation and identify what variables impact the decision with which you are concern (Tilema, 2005). Performance variables rely on specific measures and represent certain aspects of effectiveness that are desired to evaluate the fit between contingency variables and response variables for the situation under consideration woods (2009). This theory will thus guide the study to determine the relationship between the variables in the study.

2.3 Marketing Mix strategy and Organizational Performance

It can be noted that past studies Wernerfelt (1989); Elegunde et al, (2012) have given shallow partial explanation on performance impact of strategy on performance. It was the researcherôs argument that the Kenyan sugar sector presents a rather unique context which is expected to fundamentally impact the outcome and conclusions and recommendation of the study. Hence, this study extends the frontiers of knowledge by integrating dynamic capability, resource based theories and contingency theories in assessing the relationship between market mix strategies and company performance.

Different scholars have carried out studies in relation to marketing mix strategies which have been conducted in different firms and the industry in general. Studies have sought to establish the interconnectedness of an organization performance and the market mix strategies and evaluating the effectiveness of these strategies.

Internationally, In Iran, (Vahid, 2011) did a study on influence of marketing mix strategy (7Ps) on farmers cooperatives in India, In this study, he formulated several hypotheses seven in number and was tested by sample T-test. In the findings, hypothesis test on location, promotion, price, product, operation management and physical asset showed lower than average state of these aspects was ascertained. Rejected was hypothesis on the personal element. Another study by Boone, (2010) on the financial performance of a contractual firm in the united states in relation to the marketing mix strategies adopted by the firm, he found out that when marketing mix strategies are used in an effective manner, the influence was significant and the strategies will inform the standards applied and how it will affect an organizational performance.

A study on how the marketing mix strategies influence Christian schools in America was done by (Honer, 2011). The study pointed out marketing operation which leads to success and noted that adverts and word of mouth were very effective amongst most respondents; the study thus didnôt clearly bring out how these strategies impact on performance of firms instead pointing out what worked best. Another study by Shireen, (2012). Focused on the marketing mix strategy adapted by a retail firm Woolworth to responds to global economic down turn, the study established that the retail stores actually adapted to its marketing mix strategies to respond to the global down turn in the economy and worked and the strategies worked positively. A study carried out by Obonyôo, (2014) looked into the marketing mix strategies which were adopted by Kisii Supermarkets to gain competitive edge, he found out that managing price hardly attracted clients, the study however did not establish the desired level of employing these strategies to enhance performance. Very few studies on performance of the sugar industry have been done especially in Kenya to determine the relation of how marketing mix strategies influence this companyôs performance. This study then aims to establish performance of organizations and their interconnectedness to these strategies putting emphasis on three parameters namely, sales levels (ROS) and variation in the market share of the sugar milling companies.

2.4 Summary of Literature and Knowledge Gap

Literature review on the empirical findings of the relationship between marketing mix strategies and organizational performance has both been agreed upon to be positive and criticized in the same manner with other scholars having a positive relationship between the variables while others have had contradicting findings, most of the studies discussed herein have been conducted in different context like; American Christian school, retail stores, cooperative societies, shipping industry and automotive fuel station. These studies have different findings in the varying context. From the studies, a knowledge gap therefore exists in the context of the sugar industries in Kenya where this study which seeks to establish the relationship between marketing mix strategies and performance of sugar milling companies in Kenya.

2.5 Conceptual Model

Independent variables.

Marketing mix strategy.

- ➢ Product.
- ➢ price
- ➢ Place.
- ➢ Promotion

S

→

Dependent variable.

Dimensions of performance.

- ➢ ROS

  (Sales of products).

- ➢ Market share.

Figure 2.1: Conceptual model

The figure 2.1 gives the conceptual framework used for the study. From Figure 2.1 its illustrated that there are two categories of variables involved in the study, independent variables include the product, price, place and promotion which directly affect the outcome of the dependent variables including return on sales and the Market share.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The chapter explains the methodology which was used to conduct the study. Including research design, population targeted, sample size, data collection and analysis techniques, research instruments.

3.2 Research design

Cross sectional descriptive survey was deemed appropriate as it enabled comparison to be made based on the different demographics. Cross sectional descriptive design with an aim of describing or defining a subject, by creating a profile of the sugar companies through the collection of data and tabulation of the frequencies on research variables or their interaction (Cooper and Schindler, 2003). The study requires a wide range of data which was collected conveniently by use a questioner.

3.3 Target Population

Population is a well defined or set of organisations, people, services, elements, events, group of things or households that are being investigated (Ngechu, 2004). The target population consisted of all the units being studied. The unit of analysis was the factories of the sugar milling companies in Kenya. The population of the study comprised all sugar millers found in Kenya region which are twelve in nomber. According to KSD, Kenya has a total of twelve active factories engaged in sugar milling; Mumias sugar, SONY, Nzoia, West Kenya, Butali, Kibos, Muhoroni, Chemelil, and Sukari Industries all these firms were expected to participate in the research.

3.4 Data Collection.

Primary data was collected and used for the study; enabling the researcher to pursue the research objectives using questioner with questions tailored for the study. The questionnaire was designed on a five point Likert scale and administered through a drop and pick method. The selected respondents in this study were the marketing managers in all the sugar milling companies in Kenya. These were viewed as officers who by the virtue of their positions were responsible for day to day running of the marketing department of these companies.

3.5 Data Analysis.

Descriptive and inferential statistics were used to enable the researcher analyse the data. Data analysis enabled the researcher to clarify the relationship, and provide a sense of direction. Quantitative data was analyzed using descriptive statistics whereby tables, mean score, standard deviations and percentages were used to present the data. Qualitative data was also analyzed and it included description or measurements with non-standard scales (Ngau & Kumssa, 2004). The raw data was entered, organized, and cleaned for completeness. IBM Statistical Package for Social Sciences (SPSS) version 25 was used for analysis. The analyzed data was then presented in a report format.

(Schindler, 2004) notes that descriptive data when given statistical analysis will enable a conclusion with objectivity. The descriptive statistics used included mean scores, percentages and standard deviation. This was then presented using tables, for easier interpretation. A regression model was used to establish the relationship between marketing mix strategies and performance of the sugar millers in Western Kenya.

The regression equation assumed the following form.

$\gamma = б_0X + б_1X + б_2X + б_3X + б_4X + \varepsilon$

Where,

γ = the performance of the sugar millers measured in terms of sales levels and sugarcane production.

χ_1 =product strategy.

χ_2 =price strategy.

χ_3 =promotion strategy.

χ_4 =place strategy.

ε = this represents the error in terms of confidence level of 95%.

$б_0$=regression gradient showing change in Y as a result of change in X.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents the findings, analysis and discussion with the aim of answering the researcherӳ question of what influence has marketing mix strategies on performance of the sugar companies in Kenya. The findings are presented in percentages and frequency distributions, mean and standard deviations. The study aimed aim to establish the marketing mix strategies influence on the performance of sugar companies in Kenya.

4.2 Response Rate

Completion rate is the proportion of the population that participated as intended in all the research procedures are shown in Table 4.1.

Table 4.1: Response rate

Response rate	Frequency	Percentage (%)
Responded	10	83.3
Not responded	2	16.7
Total	**12**	**100**

Source: Primary data

From Table 4.1, a total of twelve companies exist in the context of sugar companies in Kenya, the study targeted the employees responsible for making marketing decisions in this companies, marketing managers or their assistants or other senior staff and persons heading the sales units were targeted respondents in the study, a total of twelve questioners were administered and ten were filled giving a response rate of 83.3%, this was adequate for data analysis as it conforms to Mugenda and Mugenda (2003) postulation that a response rate of 70% and over is adequate. The return rate was good and deemed representative for the study.

4.3 Demographic Information

The demographics involved in the study include number of years the companies have been in operation since inception and the ownership of the companies being either government owned or private companies.

4.3.1 Number of Years in Operation

This section of the questionnaire sought to establish the duration that the companies in Kenya had been operational. The duration of the sugar companies operation indicates an understanding of the industry and the necessary strategies that need to be adopted in order to achieve optimum organizational performance. The results are as presented in (Table 4.2).

Table 4.2: Number of Years in Operation

Number of years in operation	**Frequency**	**Percentage** (%)
Below 1	0	0
1-10	3	30
Over 10	7	70
Total	**10**	**100**

Source: Primary data

The results indicate that none of the companies were new and all of them have been in operation for more than a year. 30% of the companies that responded had been in operation for between 1-10 years. And more than 70% of the companies had been in operations for more than ten years. The results indicate that most of the sugar companies had been in operation long enough, that is more than 10 years and thus they understand well the market in which they operate in. They know well the market patterns and the need of marketing strategies in the industry in order to have improved performance over their business rivals.

4.3.2 Ownership of the sugar companies

This section sought to establish the ownership of these companies which are either government or private owned. This will indicate the difference in company management and adoption of marketing mix strategies. This is presented in Table 4.3.

Table 4.3: Ownership of the sugar companies

Company ownership	Frequency.	Percentage (%).
Government owned	4	40
Privately owned	6	60
Total	**10**	**100**

Source: primary data.

The findings indicate that of the respondents 40% were government and 60% were privately owned. This has changed over time as private firms continue to struggle to get to a portion of the multimillion sectors faced with a massive challanges in its business environment.

4.4Marketing Mix Strategies Adopted by Sugar Companies in Kenya

Marketing mix strategies is a critical determinant of successful company performance. Nonetheless, good strategy planning alone does not guarantee success. A successful strategy also entails strong and effective implementation, evaluation, and control measures. Respondents were required to indicate the extent to which their companies have adopted the marketing mix strategies on a Likert scale of 5 to 1, where 5 = to a very large extent, 4 = to a large extent, 3 = to a moderate extent, 2 = to a small extent, and 1 = not at all.

4.4.1 Product Strategy

Table 4.4 illustrates means scores and standard deviation of the responses on product strategy questions. The table is a summary showing to what extent the elements of these strategies were applied to the sugar companies.

Table 4.4: Product Strategy

Product strategy	Mean	Standard Deviation
Extent to which product strategy the companies has adopted is efficient in meeting customer wants.	3.60	.516
Extent to which the companies emphasis on innovation and style to match with the changing consumption trend.	4.40	.516
Extent to which the companies develop products that have broad market appeal	3.90	.568
Extent to which the companies offer a broad product line	4.10	.738
Extend to which your product is distinguishable from that of your competitors.	4.00	.000

Source: primary data.

With regard to the use of the product strategy in the various companies, the companies had no significant variation in their response as shown in table 4.4 itǒs shown in the results that this companies use product strategy but to a small extent. With an average mean of means to be 4.0 and average standard deviation of .4676 showing no significant difference in the response. The respondents were in agreement and agreed that innovation and styling were used to a small extent with an average of 4.4 and a standard deviation of .516 showing no significant variation in response. On companies having a broad product line, this had a small extent use of 4.1 with a standard deviation of .738 showing no significant deviation. Efforts made to have products distinguishable from competitors had a small extent of use from the different companies with a mean of 4.00 with 0.0 standard deviation. On developing products with high market appeal, a mean of 3.9 was recorded with a standard deviation of 0.568. This showed a moderate to a small extent use. Finally on to which the products are designed to meet customer want and average of 3.60 and a standard mean of .516 showing no significant variation in response.

4.4.2 Pricing Strategy

Table 4.5 illustrates means scores and standard deviation of the responses on strategy price questions. The table is a summary showing to what extent the elements of these strategies were applied to the sugar companies.

Table 4.5: Price strategy

Price Strategy	Mean	Standard Deviation.
Extent to which companies pricing strategy is realistic and accurate.	4.1	.738
Extent to which the companies monitor their competitorôs prices and use it to inform their prices.	4.2	.789
Extent which the companies uses pricing skills and systems to respond quickly to market changes	4.00	.471
Extent to which the company prices are determined by the market surveys	3.90	.738
Extent to which the prices of your product reflect their value	3.70	.675

Source: Primary data.

With regard to the extent of use of the price strategy in the various companies, the companies had no significant variation in their response as shown in table 4.5 Itôs shown in the results that this companies use price strategy but to a small extent. With an average mean of means to be 3.98 and average standard deviation of .6822 in regards to pricing strategy being realistic and accurate, to this extent the results show use of this strategy to a small extent with a standard deviation of .738 showing no significant variation on response. In monitor their competitorôs prices and use it to inform their prices, the companies uses to a small extent with a mean of 4.2 and standard variation of .789 showing no significant deviation in the response. Uses pricing skills and systems to respond quickly to market changes similarly shows a small extent of use of this strategy with a mean of 4.00 with a standard deviation of .471 showing no significant variation in the response. Prices being determined by the market surveys recorded a mean of 3.9 and a standard deviation of .738 showing a moderate to a small extent of use of this strategy with no significant deviation on the response. Prices of products reflecting their value had a mean of 3.98 and a standard deviation of .675 showing a moderate to a small extent use of this strategies and no significant deviation in response.

4.4.3 Place Strategy

Table 4.6 illustrates means scores and standard deviation of the responses on strategy place questions. The table is a summary showing to what extent the elements of these strategies were applied to the sugar companies.

Table 4.6: Place Strategy

Place Strategy	Mean	Standard Deviation
Extent to which your business is located in an accessible place	3.90	.994
Extent does your business cover various locations in the country through its distribution channels.	4.20s	.632
Extent to which the firm has incorporated technology in provision of its products	4.20	.632
Extent to which the companies have designed facilities to achieve specific marketing image objectives	4.10	.738

Source: primary data

Extent to which the companies are located in an accessible place recorded a mean of 3.90 and a standard deviation of .994 showing moderate to a small extent application of these strategies with no significant deviation in the response. On the extent to which the companies cover various locations in the country through its distribution channels, a mean of 4.20 was recorded with a standard deviation of .632 showing a small extent of use with no significance variation on the response. On use of technology in provision of their products, a mean of 4.2 with a standard deviation of .632 was recorded; this showed a small extent of use of this strategy with no significance deviation in the response. On designed facilities to achieve specific marketing image objectives, a mean of 4.1 with a standard deviation of .738 was recorded showing minimal use of this strategy and no significant deviation in the response.

4.4.4 Promotion Strategy

Table 4.7 illustrates means scores and standard deviation of the responses on strategy product questions. The table is a summary showing to what extent the elements of these strategies were applied to the sugar companies.

Table 4.7: Promotion Strategy

Promotion Strategy	**Mean**	**Standard deviation**
Extent to which the company advertises its products through various media	4.20	.422
Extent to which the company promotional strategy elicit attention, interest, desire and action	3.90	.738
Extent to which the company use promotion as an essential component to market its products	4.20	.422
Extent to which promotion enabled the company to gain market share.	4.10	.568

Source: primary data

On advertises the strategy recorded a mean of 4.2 with a standard deviation of .422 showing the strategy is used to a small extent with no significant variation on the response. On the company promotional strategy eliciting attention, interest, desire and action the study recorded a mean of 3.9 and a standard variation of .738 indicating a small extent of use of this strategy and no significant variation on the response. On using promotion as an essential component to market its products the study recorded a mean of 4.2 and a standard deviation of .422 showing a small use of this strategy and no significant deviation on the response. Checking if promotion enabled the company to gain market share, the study recorded a mean of 4.1 with a standard deviation of .568 showing a small extent use of this strategies with no significant deviation in the response.

4.4.5 Summary of Marketing Mix Strategies

Table 4.8: Marketing strategies as adopted

	To a very large extent	To a large extent	To a moderate extent	To a small extent	Not at all	Total percentage (%)	Average mean	Average standard deviation
Product strategy	0	4	42	54	0	100	4.00	.4676
Price strategy	0	4	58	38	0	100	3.98	.6822
Place strategy	0	20	35	45	0	100	4.1	.749
Promotion strategy	0	7	27.5	65.5	0	100	4.1	.5375

Source: primary data

A standard deviation of <1 means that there was no important variation in responses whereas a standard deviation of >1 shows that there was significant variation in responses. Percentages used to present the findings shows that promotion recorded the highest percentage in agreement where 65.5% saying the strategies are used to a small extent by the organizations in this context This was supported by an average mean score of 4.10 showing application to a small extent and a standard deviation of .5375 showing a very no significant variation in the response.

Product strategy also indicated a high percentage of 54% acknowledging that these strategies are used to a small extent in this organizations with an average mean of 4.00 showing small extent of the strategy use and 0.4676 indicating no significant variation in response rate. Place strategy had an average mean of 4.10 similarly showing a small extent of use to this strategy with an average standard deviation of .749 again agreeing that this strategy is used to a small extent by the sugar companies. Price strategy had an average mean of 3.98 showing moderate to a small extent use of the strategy, with an average standard deviation of .6822 there was no significant variation in response. The average mean of the strategies were 4.045 and average standard deviation of .609 which shows use of marketing mix strategies to a small extent without a significant variation in the response.

4.5 Regression Analysis

The study applied inferential statistics (regression analysis). The application of regression analysis identifies the relationship between the variables; that is the dependent variable, whose value is to be predicted, and the independent or explanatory variables about which knowledge is available. The technique can show what proportion of variance between variables is due to the dependent variable, and what proportion is due to the independent variables. The relation between the variables was shown using an equation. The study adopted multiple regression guided by the following model.

$\gamma = \beta_0 X + \beta_1 X + \beta_2 X + \beta_3 X + \beta_4 X + \varepsilon$

γ = the performance of the sugar millers measured in terms of sales levels and sugarcane production.

X_1=product strategy.

X_2=price strategy.

X_3=promotion strategy.

X_4=place strategy.

ε = this represents the error in terms of confidence level of 5%.

β_0=regression gradient showing change in Y as a result of change in X.

4.5.1 Model Summary

The relationship between marketing strategies (price, place, product and promotion) and sugar companies was tested using a linear regression analysis. The following show the model summary, ANOVA and coefficients of regression.

Table 4.9: Model summary

Model	R	R square	Adjusted R square	Standard error of the estimate
1	.807	.651	.372	.836

Source: SPSS

The four independent variables that were studied explained 65.1% of the performance of the sugar companies in Kenya as represented by R^2. This therefore means that other factors not studied in this research contribute 34.9% to performance of the sugar companies in Kenya.

4.5.2 Anova Results

Table 4.10: ANOVA results

Model		Sum of squares	Df	Mean square	F	sig
1	regression	6.509	4	1.627	2.331	.189[b]
	Residual	3.491	5	.698		
	Total	10	9			

Source: SPSS

The significance value is 0.189 with F value of 2.331 showing the model is statistically significant in predicting how use of product, price, place and promotion and place affect performance of these companies, this is because this strategies are used to a small extent thus having minimal impact on the performance of the sugar companies. The F critical at 5% level of significance was 2.331 since F calculated is greater than the F critical (value = 0.189), shows the model has a significance.

4.5.3 Regression Coefficient

Table 4.11: Regression coefficient

Model		Unstandardized coefficient	Standardized coefficient	Standardized coefficient	t	sig
		B	Standard error	Beta		
(Constant)		7.182	2.526		2.844	.036
1	Product	.091	.797	.045	.114	.914
	Price	.745	1.066	.365	.699	.516
	Place	1.527	.637	0.822	2.396	.062
	promotion	0.691	.596	0.484	1.159	.299

Source: SPSS

As per the SPSS generated in the table above, the following regression equation was obtained:

$\gamma = ɓ_0X + ɓ_1X + ɓ_2X + ɓ_3X + ɓ_4X + ú$

then becomes

$\gamma = (7.182 + 0.091X_1 + 0.745X_2 + 1.527X_3 + 0.691)$

According to the regression equation established, taking all the four marketing mix strategies into account constant at zero, performance of the sugar companies will be 7.182. The data findings analyzed also shows that taking all other independent variables at zero, a unit increase in product strategy will lead to a 0.91 increase in performance of sugar companies; a unit increase in price strategy will lead to a 0.745 increase in performance of sugar companies, a unit increase in place strategy will lead to a 1.527 increase in performance of sugar companies; a unit increase in promotion strategy will lead to a 0.691 increase in performance of sugar companies.

4.6 Discussion of findings

Marketing strategy is adoption is increasing virtually all the industry of the economy, either service or manufacturing industry. Marketing strategy has been a major determinant of any companyös short and long run success and differential advantage in any competitive business environment. The desire for marketing strategy in any institution cannot be over emphasized; strategy is particularly significant in the sugar industry in Kenya today because of the turbulent business environment, highly competitive especially with imported sugar which is characteristic in this business environment. Therefore, each of the sugar companies must use marketing mix strategy to develop competitive edge. With the ever changing global markets and the business environmental challenges, a firm cannot afford to be reluctant after launching the product they have to monitor progress in the market and conform accordingly since the end users needs and preferences are dynamic and the competition is always on the increase.

Jobber (2001) indicated that the price is a key factor of marketing mix because it represents on a unit basis what an institution receives for the product or service, which is in the market. Cravens, (2006) posits that through monitoring competitorsô prices and price changes creates a competitive advantage in response to market changes. Though in this study, the companies with single line of product being sugar has minimal input as the prices are set by the government as measure of control, however those with multiple line of products have the advantage of setting out the prices on their own. Rafiq and Ahmed (2005) postulates that distribution is part of merchandising and must be factored in any merchandising system. Marketing distribution can similarly gain economies of scale through specialization, which distribution members can work more efficiently than producers because they have built good working relationships with their customers. This studies finding however are contradicting because of the small extent this strategy is used and the underutilization of the companies capacity leading to low production.

A business organization must sell products in order to survive and grow. Promotion mainly works to create a psychological effect to end users of the products, which influences the decision to buy a product. Promotion is a communication process between institutions and customers, with an aim to create positive attitude about products and services, which approves the products and services stand in the purchasing and consumption process. It is a continuous process of communication between an institution on one side and existing and probable customers on the opposite side.

The study found out that the sugar companies were using promotional strategy to a small extent; this makes this strategy not very effective in this context. Elements of this strategy include advertising products through various media, to elicit attention, interest, inclination and action, and focusing on end users needs and combining all activities of the company to satisfy such needs. Kimball (2002) posits that effective sales promotion campaign make companies to be enable to successfully out-brand its business rivals in a continuous competition for the hearts and minds of customers and the market share. Lewinson and Delozier (2012) argues that it is significant for companies to build up channels of communication with their probable customers, and use market intelligence to collect any information that a company would find useful in a competitive business environment.

Sugar industry doesnǿt exist in a monopoly set up, thus it faces competition from both internal Kenyan environment but also from importation of sugar as a commodity. It therefore follows that sugar companies must know who are its competitors as part of marketing commandments are and be prepared to compete with them. This requires the attainment of knowledge about the competition and strategies necessary, and finding out and implementing ways to sell ahead of the competitors. Jobber and Fahy, (2006) postulate that marketing mix strategies are significant in an organization in increasing the sales, market share and thus increased production capacity. This makes the products and services of an organization more popular with the market. Further, marketing mix strategies are significant in exploration of new markets and spread of business to new territories so as to raise awareness of the products and services offered in a place where an organization is establishing its branches. Moreover, marketing strategies are used in bringing a product onto the market so that it can have a great impact in the market.

The findings in this study shows that the small uptake of these strategies has contributed to the minimal influence in performance as witnessed with the different companies in the industry. This has lead to low sales of the local companiesô product, thus low market share as compared to the imported sugar which has flooded the market. The regression results show that the performance of the sugar companies is significantly influenced by marketing strategies the companies use. The sugar companies should be alive to the fact that marketing mix practice is an important contributor to performance as argued by Lui, Shah, and chroeder (2011). The well-conceived and effective marketing activities facilitate to the achievement of typical organizational objectives such as higher sales, market share, and thus increased production.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The study was on the influence of marketing mix strategies on performance of sugar companies in Kenya. This chapter will therefore outline; a summary of the findings, conclusion, recommendations for policy and practice, limitations of the study, and finally suggestions for further research.

5.2 Summary

The researcher administered questionnaires to the 12 sugar companies, 10 of them responded constituting a response rate of 83.3%. Of the 10 that respondents, were sales and marketing managers. The study found that of the 10 who responded, none of the sugar companies was new in the market indicated by less than a year, 30% had been in business for between 1-10 years while most of them 70% had been in existence for more than 10 years in operation. The study further revealed that 4 of the companies who responded constituting 40% were government owned while 6 of those who responded were private millers constituting 60%.The study revealed the product strategy is adopted by organizations to a small extent with an average mean of 4.00 and with no significant variation in responses indicated by an average standard deviation of .4676. None of the organization admitted to not trying to use these strategies. The product is the core of the marketing strategy for the sugar companies as it enabled the companies to meet customersô wants, provide products with a low probability of failure, develop products that have broad market appeal, develop innovative new products and offer a broad product line. In order to increase the sales of the company, this strategy is however not exploited by the sugar companies according to the findings of the study.

Price strategies are adapted to a moderate extent with an average mean of 3.98 with an average standard deviation of 0.6882 showing minimal deviation in the response. The study found out that pricing by the companies was a critical factor as though had minimal use thus explaining the poor performance in this context the competitiveness of the companies is as a result of the pricing strategy adopted by the firms. This is common to homogeneous and substitutable products. The pricing strategy that has been adopted by the sugar companies majorly to those with multiple product lines was however not realistic and accurate because of the high production costs associated with the industry.

The study revealed that the place strategy is used by these companies to a small extent though it the highest contributor to performance with coefficient of 1.527. With an average mean of 4.1 and a standard deviation of 0.749, showing no significance in the response rate. This indicates that marketing mix strategies has significant impact on the performance of the sugar companies though the uptake of this strategies are to a small extent. This is due to the fact that it largely contributes to organizational performance. The study further indicated the promotion strategy has been adapted to a small extent by the sugar companies with an average mean score of 4.1 but with a mean standard deviation of .537 indicating no significant variation in responses. Most of the companies have adopted these strategies to a small extent. Market promotions strategies should be undertaken through various media, to elicit attention, interest, desire and action, and focusing on customer needs and integrating all activities of the organization to satisfy those needs. The study established that these companies used this strategy to a small extent even though itôs the third most used and thus did significantly help to achieve the objectives of the companies by enhancing performance of the turbulent context.

Marketing is very important in the performance of any company particularly in the industry with competitors. Marketing is often a differentiator between organizations that operate at similar conditions. In most cases, marketing strategies creates a positive impression of a given product and organizations and as such it makes the clients to make their buy decisions based on that information. From the results, there is a number of marketing mix strategies which are practiced by the sugar companies to different degree but largely used to a small extent thus not assisting in meeting the objectives of these companies. Generally there is a low uptake of these strategies by the sugar companies, giving a negative relationship of the marketing mix strategies in the context of the sugar companies. This suggested that for sugar companies to achieve superior performance, they need to take up such marketing mix strategies to help enhance their performance outcome.

5.3 Conclusion

The effectiveness of sugar companies depends on their ability to respond positively to their business environment. It is also worth emphasizing that the concept of marketing mix strategy has a dynamic component; it implies effectiveness, efficacy and efficiency, but it also implies responsiveness in developing awareness to environmental change and identifying appropriate and effective reaction to that change. The level of implementation of these strategies informs their effectiveness. In any organization, marketing always strives to position their clients at the centre stage of all their business operations. This is with the aim of ensuring that they bring out superior performance of an organization. Customer needs and expectations evolve over time and delivering consistently high quality products and services and responsiveness to changing market place needs become important for the success of an institution. This is achieved through implementation of marketing activities and strategies designed to satisfy customer needs better than competitors.

Marketing mix strategy is a necessary strategy in sugar companies to ensure these companies' success. It is vital to marketing the sugar companies in the target market and acts on behalf of the whole company or with coordination in dealing with sugar company performance. Marketing mix strategies are essential in todayös world for any competitive organization. From the findings it can be concluded that sugar companies have adopted a combination of marketing mix strategies to a small extent thus not helping the companies achieve their performance objectives to the optimal level. The overall results suggest that minimal use of the marketing mix strategies as in this study has minimal impact on the performance of these companies and such performance will only be enhanced with the continued uptake of such strategies, ensure proper process of implementation, evaluation and control.

On the basis of the study findings, it is hereby concluded that the following factors have significant influence on improving performance of sugar companies in Kenya: pricing, place, product and promotion strategies depending on their implementation. Itös noted that increase in the use of this strategies will positively impact performance of this companies. It can also be concluded from the study that marketing strategy has direct relationship with the survival of the sugar companies and the extent of use of this strategies will inform their performance. Therefore, managements of these institutions are encouraged to pursue the use of the strategic marketing mix strategies with vigor so that these organizations can achieve a sustainable competitive advantage and ensure that the continuing existence of their organizations is guaranteed and enhance their performance.

5.4 Limitations of the Study

While this study has provided valuable insight, there are some limitations, which may limit generalizability, The study targeted marketing managers or other people influential in making marketing decisions. Consideration should also be given to other stakeholders engaged in the interactive approach to all phases of marketing strategy planning. This research has been conducted in a manufacturing industry, exclusively in the sugar companies, which implies that the generalizability of the research results are limited to the sugar companies in Kenya and cannot be generalized to other manufacturing markets either in developed or developing countries. The study concept was on multiple parameters of the dependent variable, there should be focus on one parameter of the dependent variable at a time. The study used a cross sectional survey which only focuses on a given time of the study and thus can't be used to analyze behavior over time, a longitudinal study would be recommended to see the actual behavior over time. There were some difficulties with the distribution of the research questionnaire and the not all companies were willing to give information. While it is a common practice within the studies in channel and firm–customer relationships to focus upon one side of these dyads, there are, however, likely to be benefits of surveying both parties. The use of such multiple informants would enhance the reliability of the research measures and improve confidence of the results.

5.5 Suggestion for Further Research

The study was undertaken on sugar manufacturing and selling companies and it is recommended that future studies be undertaken in other context of manufacturing, non-profit making organizations, government ministries, departments and agencies or a combination of the industries and organizations which can give a more detailed view of the nature of the relationship as will be identified in the studies. In order to assess the impact of the macro-environment on the marketing strategies and double bottom line of sugar companies, longitudinal research can be conducted. Longitudinal studies would have to be conducted in order to delve deeper into those marketing strategy components which have a palpable socioeconomic impact on sugar companiesô clients over a period of time as well as those strategies which drive client acquisition rates and the performance of sugar companies. The replication of this study in other countries especially in the Sub-Saharan region especially the COMESA countries would demonstrate the universality and significance of the marketing strategies and performance relationship in general and on the performance of manufacturing firms in particular.

5.6 Recommendations for Policy and Practice

The study established that the sugar companies use marketing mix strategies to a small extent and recommended that there should be efforts to use such strategies to enhance performance in the already turbulent environment. The sugar companies can use social media to create a viral market for their products. The sugar companies must also incorporate technology by creating links on social media to drive traffic to their corporate websites and increase awareness of their products this enhancing promotion. It is recommended that for effective marketing mix strategy to be achieved, staff members are encouraged to attend on-the-job trainings. This type of training and retraining of employees must be done on continuous and regular basis so that a successful implementation of strategic marketing can be guaranteed and also that employees are knowledgeable and skilled in marketing strategy and marketing environment analysis. Employee training often enables the manager to cope with challenges by ensuring relevance and effectiveness in todayĝs dynamic business environment.

Marketing managers need to integrate all facets of strategy; they need adequate analytical capabilities to perform this essential role. These competencies enable them to identify threats and opportunities skillfully within their business environments, monitor and access environmental change, and improvise marketing strategy accordingly. Such capabilities enable promotion of the marketing concept to senior management in the firm. This is vital, as failure in this respect leads to failed strategy execution and even a poor image of marketing within the firm.

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APPENDICES

APENDIX 1: QUESTIONNAIRE

The purpose of this study is to establish the influence of marketing mix strategies and consumer attitude on the performance of the sugar millers Western Kenya region. This questionnaire is a part of Masters of Business Administration course at the University of Nairobi, and is completely anonymous and your answers will be used for academic purposes only and will be treated with strict confidentially. Please indicate the correct option as honestly and as correctly as possible by checking a TICK (ã) on one of the options. For the questions that require your opinion, please complete the blanks. *(You are kindly requested to respond to ALL the questions for a valid and reliable research.*

Part 1: General details.

1. What is the name of your company?...
2. Who owns the company?
   a) Government owned. ( )
   b) Private ownership. ( )
3. For how long has your company been in operation?

(a) Less than 1 year. ( )

(b) Between 1 and 10 years. ( )

(c) More than 10 years. ( )

Part 2: Marketing mix strategies.

Kindly rate the below stamen in a scale of 1 to 5 depending on your level of agreement.

Where; 1-not at all, 2-a small extent, 3-moderate extent, 4-laeger extent, 5-very large extent.

PLACE.

STATEMENT.	1	2	3	4	5
To what extent is your business located in accessible place?					
Does your business cover various locations within the county?					

When marketing, do you have given clear direction to your location?					
Is distribution strategy is key in the performance of the company?					

PRICE.

STATEMENT.	**1**	**2**	**3**	**4**	**5**
Are prices in your organization are determined by market surveys?					
Does Your pricing structure includes discounts, product option and rebates?					
Is your organization a leader in price offering compared to your competitors?					
Do you offer prices that reflects the value of your products?					

PRODUCT.

STATEMENT	**1**	**2**	**3**	**4**	**5**
Are your products are of superior quality?					
Does your organization emphasize on innovation and style to match with changing consumption trend?					
Are your products are reliable					
Are your products are distinguishable from that of your competitors?					
Do you use differentiation strategy to help in bringing out the uniqueness of your product thus increasing your sales?					

PROMOTION.

STATEMENT	**1**	**2**	**3**	**4**	**5**
Does Your organization relies on advertising as a marketing strategy?					
Does your organization use sales promotion as an essential component you use to promote your products?					
Do you use personal selling to promote your products?					
Is public relation used as a promotion strategy in your organization?					
Has promotion strategy enabled your company to gain brand loyalty?					
Has promotion strategy improved customer satisfaction?					

Performance indicators.

Please indicate the performance of your company relative to your competitors based on the following? Use 1-More worse than competitors, 2-Worse, 3-Fine, 4-Better and 5-Much better than competitors.

Performance Indicators.	**1**	**2**	**3**	**4**	**5**
Increased sales volumes.					
Increased market share					

APPENDIX II: LIST OF SUGAR COMPANIES

Government-owned sugar manufacturers

1. Nzoia Sugar Factory
2. South Nyanza Sugar Company
3. Muhoroni Sugar Company
4. Chemelil Sugar Factory
5. Mumias Sugar Company
6. Ramisi sugar factory

Private sugar manufacturers

1. West Kenya Sugar Company
2. Kibos Sugar and Allied Industries Limited
3. Butali Sugar Mills
4. Transmara Sugar Company
5. Sukari Industries Limited
6. Soin Sugar Factory

Source: Kenya Sugar Directorate