EFFECTS OF MARKETING STRATEGIES ON THE PERFORMANCE OF RETAIL STORES IN FOOTWEAR SECTOR IN NAIROBI CITY COUNTY

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DECLARATION

This research project is my original work and has not been presented for the award of degree in any other university or institution for any other purpose.

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This research project has been submitted for examination with my approval as University supervisor.

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DEDICATION

I dedicate this project to my family for unfailing encouragement and love. To my dear husband and best friend and to my loving son.

ACKNOWLEDGEMENT

I wish to thank most sincerely all those whose contributions have made this project a success. To my supervisor Dr. Raymond Musyoka for his assistance and advice all through making this project a success. To my wonderful family for their support both morally and financially, all other people who in one way or another played a part in my entire MBA process. Most of all I thank God for the gift of wisdom and strength to complete this project.

May the Almighty God bless all of you abundantly .

ABSTRACT

In the present day business environment that is characterized by the increased competition among local and international companies, the emergence of more demanding customers and great technological advances has resulted in a complex market in the retail business. In this complex market environment, the marketing strategy of the company could be a competitive advantage versus other companies provided that they deliver services and values that not only meet the customer demands, but surpass them. Therefore, the firms' strategies should be characterized by a responsive work organization, based on co-operative relations not only within the firm but also in its relations with external partners such as customers, suppliers and competitors. The objective of the study was to determine the effects of marketing strategies on the performance of retail stores in footwear sector in Nairobi. The study adopted a cross sectional descriptive survey design. The population of the study comprised six retail stores in footwear sector. All the six registered firms were selected for the study. A questionnaire was used to collect data. The data was analyzed using descriptive statistics and regression models. The study established that the retail stores in footwear sector have adopted several marketing strategies in order to improve their performance. The strategies used were product strategy, pricing strategy, physical evidence strategy. Product strategy enabled the retail stores to offer broad product line, stock products for different customer clusters, ensures that quality and reliability of the product offerings gain importance, utilize product design and technology in product development and that utilize early adopters for new product ideas and feedback. Pricing strategy was realistic and accurate, use of premium pricing on its products and price promotions and discounts. The use of marketing strategies resulted in increased sales, number of footwear sold, enhance purchase of products and increase market penetration of retail outlet.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Firms need to be competitive to serve chosen segments effectively in a meaningful and sustainable manner through development of appropriate marketing strategies. In the present day business environment, market competitiveness is a function of how well firms can develop and implement strategies, but competiveness also can impact the nature of chosen strategy by the firm (Hugh and Elizabeth, 2006). A strategy is an organization's commitment to particular products, markets, customers, competitive approaches, and method of business operation and that firms that strategically respond to competition improve their business performance and are able to remain competitive than those that do not (Bernard and Koerte, 2010). The firms' strategies should be characterized by a responsive work organization, based on co-operative relations not only within the firm but also in its relations with external partners such as customers, suppliers and competitors. Flexibility and adaptability are also considered as key management concepts to develop a sustainable competitive advantage, and successful firms apply them in new organizational strategies.

In Kenya, retail stores in footwear industry are particularly faced by fierce market forces in the local market originating from both local and foreign entrants to the market that have continuously reduced their profit margins and with this change, there is need to employ appropriate responsive marketing strategies since reliance of the old marketing strategies might not give desired results due to the changing consumer demands (Wilburn, 2011). To enhance performance and to survive from competition, the retail outlets such as Bata and Deacons have had to come up with new marketing concept to maintain their market shares. The large retail outlets has over the years operated with strategies that ensured that they remain successful, however the uncertain business environment have increased the level of competitiveness, which is putting increasingly greater pressure to the retail stores to acquire and to increase their competitive advantages through the adoption of appropriate marketing strategies. Therefore, to survive and thrive, the retail outlets have to make greater efforts to acquire or improve constantly their strategies, and as a result, their level of competitiveness can provide them a higher level of growth and performance.

The current study is based on the socio-technical systems (STS) theory advanced by Das & Jayaram, (2007) because this theory helps explain how these elements can be linked in order to maximise firm outcomes. STS postulates that people and technology within the firm must be viewed as inseparable from the external environment. Linking employees to the customer with the aid of technology has been advocated by in the service marketing as well as in sales by service quality gurus such as Parasuman (2002). For effective marketing strategies socio-technical systems observes that a firm should combine appropriate technology and employees within the marketing strategy planning and execution processes in linking the firm and its environment.

1.1.1 Marketing Strategies

Marketing strategy is a procedure by which companies react to situations of competitive market and forces of market or react to environment forces and internal forces to enable the firms to achieve its objective in the target market (Slater, Hult, and Olson, 2010). The traditional marketing strategy is a plan for pursuing the firm’s objective or how the company is going to obtain its marketing goals within a specific market segment (Walker, 2011). This implies that a firms marketing strategy is a crucial determinant of successful firm performance and it can be considered to be a set of accurate, consistent, complete, realistic, specified, and valid actions designed to attain chosen firm objectives. This position will be consistent with the thinking in the marketing literature, to the extent that a more accurate and more complete data, with respect to the internal and external environments, helps facilitate the development of effective marketing strategy (Taghian, 2010).

Successful marketing depends upon addressing a number of key issues. These include: what a company is going to produce, how much it will charge, how it is going to deliver its products or services to the customer; and how it is going to tell its customers about its products and services (Malshe and Sohi, 2009). Traditionally, they were known as the 4ps. As marketing became more sophisticated discipline, a fifth ‘p’ was added, people. Recently two Ps were added that is, process and physical evidence. This strategy combines product development, promotion, distribution, pricing, relationship management and other elements. It identifies the firm's marketing goals, and explains how they will be achieved, ideally within a stated timeframe. It also determines the choice of target market segments, positioning, marketing mix, and allocation of resources. It is most effective when it is an integral component of overall firm strategy, defining how the organization will successfully engage customers, prospects, and competitors in the market arena (Walker, 2011).

A firms marketing strategy should integrate its capability in a manner designed to make use of corporate knowledge, skills and resources. It enables businesses to better meet their customers' needs through added value services to their products (Elbanna and Child, 2007). Many marketing scholars believe that marketing capability should be considered a part of successful marketing. The capability-based theories indicate that companies are a combination of resources and capabilities, and that they should continuously invest in a unique manner to maintain and expand their marketing capabilities. A company with high marketing capability which encompasses identifying customers ' needs and recognizing the factors affecting their purchasing behaviors is able to put its products in the best position compared to those of its rivals. A differentiation at this level will provide the companies with higher profit (Simsek, 2009).

1.1.2 Organizational Performance

Organizational performance includes multiple activities that help in establishing the goals of the organization, and monitor the progress towards the target (Johnson *et al.*, 2006). It is used to make adjustments to accomplish goals more efficiently and effectively. Organization performance is what business executives and owners are usually frustrated about. This is because even though the employees of the company are hard-working and are busy doing their tasks, their companies are unable to achieve the planned results. Results are achieved more due to unexpected events and good fortune rather than the efforts made by the employees. However, for any business to be successful, functions must be defined and accomplished. It is important for an organization to develop strategies that are designed around the skills that would enhance the performance of the organization. Organizational performance is affected by myriad factors including: the lines of communication and command connecting these individuals (organizational authority structure and the degree of centralization), the resources and information to which the individuals have access, the nature of the task faced by the individuals, and the type and severity of the crisis under which the individuals operate (Richard et al., 2009).

Thus, organizational performance refers to ability of an enterprise to achieve such objectives as high profit, quality product, large market share, good financial results, and survival at pre-determined time using relevant strategy for action (Koontz and Donnell, 2003). Performance provides the basis for an organization to assess how well it is progressing towards predetermined objectives, identify areas of strength and weakness and decide on the future initiatives with the goal of how to initiate performance improvement (Vanweele, 2006). Rowley (2011) used both financial and non financial indicators. The financial indicators were a percentage growth in sales, labeled as sales growth and percentage profit margin labeled as profitability. They used public image and goodwill, quality of services and efficiency of operations as the non financial indicator.

1.1.3 Marketing Strategies and Organizational Performance

Marketing plans help companies and organizations employ marketing strategies that will help them realize both their long-term and short-term objectives (Walker, 2011). Wilburn (2011) noted that marketing strategy is a major contributor in the performance of a company and it helps a company do business in accordance with its objectives and it helps many companies achieve their targets or realign their objectives. Marketing is important in business as it helps convince potential customers buy a company’s product it is more important due to many company’s offering similar products a marketer must take his time to persuade and convince potential buyers buy their products.

Eng and Keh (2007 believe that marketing effectiveness has to be captured by the additional sales of a product over and above those that would have happened in absence of any marketing or promotion. Although marketing managers have long believed that a marketing impact on sales can persist longer than the current period, the tendency to assume that marketing effect on sales is short-term is yet prevalent. They further argue that the longer uses of marketing are better than less and shorter uses of it irrespective of the nature of contribution of advertisement to sales. Korgaonkar et al., (2004) hypothesize that marketing campaigns were successful in increasing sales when they were for nondurable products with unique attributes, were geared to the consumer market and backed by adequate financial resources, and when they featured unique and creative messages. It also found that favorable product attributes could be achieved by marketing campaigns that promoted product uniqueness, had adequate financial resources, and used creative messages and appropriate media.

Elbanna and Child (2007) noted that marketing performance is central to success in today's fast moving competitive markets, and measuring marketing's performance is critical to managing it effectively. The process of communicating the value of a product or service to customers, for the purpose of selling the product or service has become complex in recent times due to globalization. There is also the need to exceed the expectation of customers since satisfied customers are the organization's least expensive customers; buy again and again; talk favorably about the business, which means free advertising; pay less attention to competition and that it tend to buy new products or equipment lines an organization may add later (Kotler,1988). To create an effective marketing strategy, it is necessary to include a communication strategy to support the actions to be taken. This strategy should also include a schedule that contains both traditional and non-traditional media (Lui, Shah, & Schroeder, 2006). The importance of non-traditional media is fast growing and they can be used create the right brand management that will lead into more sales and brand recognition (Lui, Shah, & Schroeder, 2006). It is important to note that none of the strategies is better than the other. However, finding the right mix of both media can create the best communication/marketing strategy for the company and specifically for the product being offered for sale.

1.1.4 Retail Stores in Foot Wear Industry in Nairobi City County

Retail stores businesses are usually dominant in their field of operation. These retail stores operate in a competitive environment in which the level of competition has been intensified from the small and upcoming retail stores as well as foreign retail stores (Okado, 2001). The retail stores try to locate themselves in areas with high population that has enabled purchasing power to maximize on returns. They operate in very competitive environment as seen above and usually lower prices on particular commodities from time to time to attract as many customers as possible to enhance loyalty and market share.

The high penetration of modern retail shops is attributed to the presence of strong brands of local outlets, a broader middle income class relative to other African countries, decent transportation network and good governance allowing for ease in importation of goods. While most large retail outlets tend to cherish competition and encourage growth, it is surprising that two third of these firms drop out of the growth curve of the product lifecycle. A significant fraction of these progress to maturity and stagnate shortly before crashing down. Most of these firms face this trend because retail business is volatile and there is also increasing competition in major markets due to inadequate contingency planning and incompatible growth retail models (Agarwal, &

Audretsch, 2011). Moreover frequent changes in consumer trends and short business cycles are also some of the challenges in the retail supply chain requiring agile models.

Retail stores in Kenya play a significant role in the growth of the Kenyan economy. As the economy continues to grow, there is need to create more business opportunities by creating new retail stores and expanding the existing ones (Ndinda, 2012). Over the past few years, there has been unprecedented growth and expansion of the same in the major towns in Kenya. On the other hand some retail stores have closed shops, yet others have reduced the number of their branch networks all over the country (Mathura, 2010). It is true that large African and international retailers such as Shoprite, Woolworths, and Carrefour are making investments in modern trade formats. But traditional outlets will continue to be a significant channel for reaching consumers for some considerable time to come.

The City Council of Nairobi 2014/15 License granting has categorized the various applicants based on the nature of the businesses they operate and the area they occupy, location of the business. The large and small retail stores have been separated as the annual fee charged is different. The retail stores have been categorized as either small or large based on the area in which they occupy. The large retail stores occupy an area greater than five thousand square feet.

1.2 Research Problem

In the present day business environment that is characterized by the increased competition among local and international companies, the emergence of more demanding customers and great technological advances has resulted in a complex market in the retail business. In this complex market environment, the marketing strategy of the company could be a competitive advantage versus other companies provided that they deliver services and values that not only meet the customer demands, but surpass them (Gattiker, 2007). Therefore, it goes without saying that companies need to investigate and apply a differentiated strategy versus others to stand out in the crowd. Indeed, according to Porter (1985), organizational competitive advantage can be achieved if the firm implements a value-creating strategy that is not simultaneously being implemented by any current or potential competitors. This can be interpreted to mean that sustained competitive advantage results from strategic assets.

The objective of all businesses is to make profits and improve their organization overall performance by increasing its sales at remunerative prices. Marketing strategies plays a vital role in marketing retail stores dealing with footwear in the competitive operating environment. The retail stores have put in place more input on understanding the drivers of success, like better utilization of its resources (technology, infrastructure and employees), process of delivering quality service to its customers, coming up with strategies to manage its customers. 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 structure of the retail store.

Several studies have been undertaken both internationally and nationally on the need of marketing strategies by a firm. Covin, Green and Slevin, (2006) found that marketing strategies are more likely to be emergent and not explicitly intended than deliberate. Elbana and Child (2007) found that uncertainty is a crucial constituent that influences the marketing strategy making process since the uncertainty constituents play a significant role in the strategy making process. In the local scene, Isabwa (2008) focused on application of marketing strategies by political parties in Kenya and found out that marketing budget is important for political parties since it enables the parties to reach as many potential members as possible, door-to-door campaigns and leaflets were the most prevalent means of promotion used by the political parties and no unique features that would distinguish their party from others. Anyika (2010) marketing strategies applied by the major motorcycle marketing firms in Kenya found out that changing macro-environmental factors indeed pose various challenges to these motorcycle marketing firms in Kenya. Masika (2012) did retail marketing strategies adopted by commercial banks in Kenya and found out that commercial banks in Kenya pursue marketing segmentation, product strategies, distribution, pricing, marketing relationship and promotions strategies. By examining market dynamism and complexity as perceptual phenomena, the present research will enhance understanding of how marketing managers perceive and respond to uncertainty in enacted environments. Understanding the influences of market uncertainty constituents is crucial because they potentially have dissimilar and unexpected implications for theory. Consequently, this gap leads to the following research question: what are the effects of marketing strategies on the performance of retail stores in footwear sector in Nairobi?

1.3 Research Objective

The objective of the study was to establish the effects of marketing strategies on the performance of retail stores in footwear sector in Nairobi City County.

1.4 Value of the Study

This study contributes to the research on the strategies of marketing, in the light of global competitive challenges. In particular, it contributes to the rising body of research on how retail outlets in different regions of the world cope with the increasingly competitive global market and strategies they use to not only maintain and improve their competitive positions, but also acquire new market share regionally and internationally.

The management and staff of the various retail footwear stores in Kenya will find this study an invaluable source of material in developing and harnessing their competitive strategies in the present evolving and dynamic business environment. This study will provide insight on some of the challenges that may be faced in the development and implementation of strategies and how they can avoid them.

The government and regulators of the industry will also find invaluable information in how marketing strategies can be adopted and as a result put in place policies that will guide and encourage other organizations within and without the industry in implementing their strategies in an ethical manner. The policy makers could use the results of the study to identify and bridge up gaps in the existing marketing strategies. This would help in improving the performance of the retail footwear stores in Nairobi and this increases their competitive advantage.

The findings of this study are expected to contribute to research and practice, by elaborating the strategies that are pursued by the companies in order to be competitive in the industry. The study may also add to the existing body of knowledge by stimulating new areas for further research through the findings and subsequent recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

In this chapter literature of relevance to the study will be reviewed. Key areas of literature that took center stage in this section include the theoretical framework. The study further put into context the marketing strategies and the effect of marketing strategies on organizational performance.

2.2 Theoretical Foundation

Socio-technical systems (STS) theory provides a suitable foundation to help identify salient ‘strategy variables’ likely to impact performance. Essentially, the underpinnings of STS theory explain why the specific variables we identify (related to planning, executing, and control) need to connect to the firm’s operational environments. In particular, socio-technical systems dictates that: firm objectives are attainable through joint optimization of its technical and social systems, and a firm’s design should cater to the needs of the external environment (Lui, Shah, & Schroeder, 2006). Furthermore, socio-technical systems theory helps account for the intertwining of social and technical aspects of how people work which is central in the planning and execution phases of marketing strategy.

Homburg *et al.*, (2010) noted that people working together can influence the adoption of customer interface technology and this will subsequently impact how the firm can use available technology to provide customer solutions to problems. This will not only include technology in terms of personal selling but help the firm better understand the customer. Making effective use, then, of the firm's socio-technical system is a critical aspect of understanding the need to coordinate strategy decisions within the firm and thus become more effective in implementing critical control mechanisms (Kotler and Armstrong, 2013).

When viewed from the perspective of socio-technical systems theory, this makes logical sense given technology and people need to interact with the environment to optimize outcomes (Pasmore, Haldeman, & Shani, 2012). Accordingly, the nature (and dynamism) of technology within the market (and firm) will have a bearing upon the capacity of the firm to deliver sustainable competitive offerings. Technological change is conceptualized as the degree of change with product or process technologies in any particular industry. Socio-technical systems theory suggests firms with appropriate firm designs that link the manner people work can maximize outcomes. Whilst this is ultimately firm performance, one of the intrinsic outcomes of such links is managerial commitment (at all levels) towards the firm and its strategies. Manager involvement in strategy planning propagates both their commitment to the strategy as well as ownership of the finalized strategies (Piercy, 2012).

2.3 Marketing Strategies

There are a number of mechanisms which have been employed by marketing teams in raising awareness of products and services offered across the world. Some of the mechanisms are found to be appropriate in one situation or organization as compared to the other. The marketing technique adopted by an organization is dependent on the target population, the product being marketed, the market share of the organization and the budgetary allocation for marketing. Most marketing strategies have elements drawn from the 7P's of marketing which include Promotion, Price, Product, People, Physical environment, Process and Place (Smith and Saker, 2012).

2.3.1 Product Strategy

Product related marketing strategies are fundamental in any organization. These strategies include use of product design and use of technology in product development as well as delivery. The product can be argued to be the most important element of the retailing mix, as only with reasonable products will the effort put into such things as pricing and promotions reap any rewards Rose and Watkins (1997). Product is the principal item offered by a company to satisfy the needs of their consumers. Kotler and Armstrong (2013) noted that some of the strategies adopted in the domain of products are: perceived quality or image, as the market faces competition, quality and reliability of the product offerings gain importance. Quality in this case is viewed as customer's perception of the product. Perceived quality or image has to be created. Features- with many products in the market, what distinguishes them is the features. The 'first with the new feature' has an advantage similar to the 'first product' in the market. In the consumer non-durables, brand extensions have taken the line of added features. New products face difficulties of acceptability in the market. The first product of its kind has an edge over others and sets the standards for subsequent ones (Ramanuj, 2006). Successful product management relies on a well planned and executed product strategy and product range strategy.

The product is the core of the marketing strategy. Strategies that relate to new product success include overall fit with organization's strengths and a defined opportunity in the environment. There are at least six marketing strategy options related to the newness of products (Thorpe and Morgan, 2007). These are innovation, new product lines, product line extensions, improvements or changes in existing products, repositioning and cost reductions. Consumers patronize a particular retail outlet as a result of convenient location, friendly personnel, desirable prices, and pleasant shopping atmosphere (Lewinson and Delozier 2012). The patronage reason common to all consumers for visiting a certain a particular store, however is the expectation of finding a product or a set of products that will fulfill some present or future need.

2.3.2 Pricing Strategy

Price is the value placed on goods and services what customers are willing to pay for a product or service (Rapert, Linch, and Suter, 2008). The role of price in marketing strategy depends on the target market, the product and the distribution strategies that are selected by management (Cravens, 2006). Managers developing a pricing strategy should base their decisions on a careful consideration of several factors such as costs, demand, customer impacts and competitor prices. Pricing strategies provide general and consistent approaches for firms as they come up with prices for their products. Lovelock (2011) suggested that pricing is the only factor of the marketing mix strategy that produces revenues for the organization, whereas all the others are related to expenses. The degree of complexity of pricing strategy amongst the service sector is comparatively significant due to the high degree of homogeneity between most service groups and shared service delivery and operating systems (Kotler, 2011).

Differential pricing involves selling the same product to different buyers under a variety of prices. This strategy works when differences in the reactions to prices exist among consumers and consumers segments. The quality and quantity of one product is sold for different prices to different buyers. One common form of differential pricing is price skimming which involves setting the price of the product relatively high compared to similar goods and then gradually lowering it. A skimming strategy allows the firm to recover its cost rapidly by maximizing the revenue it receives (Bitner, 2003). Competitive pricing strategies are based on the company's position in relation to its competition and include; penetration pricing, price signaling and going rate pricing. Penetration pricing involves pricing the product relatively low compared to similar goods in the hope that it secures wide market acceptance that allows the company to raise its price. Price signaling puts high prices on low quality products. For a company to successfully use price signaling strategy, a segment of the buyers must believe high prices indicate good quality. It must also be difficult for the buyers to ascertain this quality. Going rate approach is used when products compete on the basis of attributes other than price (Yulkur and Herbig, 2007).

2.3.3 Distribution Strategy

Distribution of products refers to providing convenience to the customer, that is ensuring the right product, where and when needed. Usually involves some form of vertical system where transaction and logistics responsibilities are transferred through a number of levels (Ian, 2005). Rafiq and Ahmed (2005) argued that distribution is part of merchandising and must be considered in any merchandising system. Distribution management involves; merchandise replenishment, transportation management and distribution center facilities management. The type of distribution system a firm needs is influenced by the buying system the footwear company uses, the number of stores the footwear company has, the geographic dispersion of the stores, and the characteristics of the merchandise carried.

Vachani and Smith‘s (2008) recent work dealing with inclusive distribution has merit as a model for success. The principle of accessibility addresses the key area of goods and service distribution. It is a critical principle for it not only addresses the issue of availing products but also the possibility of partnership between mainstream distribution channels blending with informal channels to create a seamless network for the flow of goods and services to the markets. While many firms are willing to move into this market by modifying their products and services, so that they are accessible to the poor, these firms have faced the challenge of a suitable supply chain system that meets the needs of the urban poor without having an adverse effect on the cost of operation and active participation of the poor in the process of product and service delivery (Homburg, Wieseke and Kuehnl, 2010).

Distribution strategy should be made on the basis of economies of scale. Producers achieve economies of scale through the use of specialization, which breaks down a complex task into smaller, simpler ones and thus creates greater efficiency and lower average production costs. Marketing distribution can also attain economies of scale through specialization, which distribution members can do some things more efficiently than producers because they have built good relationships with their customers (Weingand, 2007).

2.3.4 Promotions Strategy

Promotion involves both providing the consumer information regarding the footwear store and its product or service offering as well as influencing the consumer perceptions, attitudes, and behavior towards the store and what it has to offer. It is both an informative and persuasive communication process. To be effective, the promotional strategy must be guided by the marketing concept such as focusing on consumer needs and integrating all activities of the organization to satisfy those needs (Keegan et al, 2002). Such strategies include advertising and direct customer interaction. Good salesmanship is essential for small businesses because of their limited ability to spend on advertising. Good telephone book advertising is also important. Direct mail is an effective, low-cost medium available to small business. There is no one promotional tool that is able to achieve promotion strategy objectives which, in turn, means that most service organizations use more than one promotional tool in order to avoid the disadvantages of each tool. This implies that each promotional tool has different advantages and disadvantages so most service organizations try to use more than one promotional tool in order to maximize the advantages and minimize the disadvantages of each (Harrison, 2000).

The development of a successful promotional mix demands the careful integration of each of the following elements; situation analysis, developing objectives, designing messages, selecting channels, preparing budget, choosing mix and evaluating. In situation analysis, companies are assessing the current position of customer features, the competitive situation and the environment. While assessing the target audience, companies look at the demographics and lifestyles, life stages, usage levels, understanding and perception of services and the organization and the buying process of the targets. While designing advertising messages, manufacturers use emotional and moral appeal, there is also use of rational messages and humor, one danger is that a wrongly chosen promotional strategy can bring negative reaction. Advertising is another form of promotion strategy. It is a form of communication designed to persuade potential customers to choose your product or service over that of a competitor. Successful advertising involves making your products or services positively known by that section of the public most likely to purchase them. A good advert should elicit attention, interest, desire and action from the target population (Shada, 2008).

Gupta (2007) noted that a strong brand strategy can increase the awareness of a company and its offerings in such a way that it establishes strong feelings and reactions and a favourable view towards the company as a whole. To create this sort of brand awareness in your market, it takes skilful Brand Strategy know-how. The function of branding is one of the most important aspects of any business be it a large or a small business organization. An effective brand strategy enables marketers to sell more and win the market share. Companies around the world have continued to invest heavily in brand management. Kimball (2002), stated that effective sales promotion campaign enables a business organization to successfully out-brand its competitors is a continuous battle for the hearts and minds of the market share and customers. m senior executives to customer service, research and development, business development and even your business partners.

2.3.5 Physical Evidence

This deals with environment where business operates. The physical environment strategies are made up of ambient conditions; spatial layout and functionality; and signs, symbols, and artifacts (Lui, Shah, and Schroeder, 2011). Ambience is one of the attributes of the physical environment. The ambient conditions include temperature, color, smell and sound, music and noise. The ambience is a package of these elements which consciously or subconsciously help a customer to experience the service. Ambience can be diverse. The marketer needs to match the ambience to the service that is being delivered (Jobber and Fahy, 2006). There is also the layout and functionality of an office. The layout is the form in which the furniture is set up or machinery spaced out. Functionality is more about how well suited the environment is to actually accomplish the customers' needs. For example how comfortable the seats at the waiting area are or whether there is adequate customer parking Kotler, (2012 noted that process based marketing strategies are mainly used in industrial organizations. However, most organization has a procedure of service provision to their clientele. Institutions design their processes in a way that they are more appealing to the consumers. Some of the common features that marketers take advantage in process strategies include time taken to complete a service and the location of different service points required to complete a process.

Duncan (1996) maintains that service environment increase customer satisfaction and that within service environment customers can be exposed to numerous stimuli which potentially affect how they act, buy and the level of satisfaction they derive with service experience. Bitner (1992), indicated that the service environment has a significant impact on customer perception of overall service quality. He pointed out that customers make inferences about the service quality on the basis of tangibles that surround the service environment. Lovelock (2011) argued that physical evidence is one of the vital components of the 8Ps of the services management paradigm by which the company can provide tangible objects to customers during the service delivery process and tangible metaphors used in such communications as advertising, symbols, and trademarks (Lovelock, 2011).

2.4 Effect of Marketing Strategies on Performance

The main purpose of marketing is to understand and meet customers' needs and this is achieved when all components of the marketing system, that is, suppliers and distributors, are co-

coordinating efforts and working in harmony (Kuester, Homburg, and Robertson, 2006). He points out those well-conceived and effective marketing activities will facilitate the achievement of typical organizational objectives such as higher sales, market share, profits and competitive advantage. Indeed, a marketing function is an important and integral part of organizational business strategy. Specifically, marketing activity in this study is based on practices associated with product, price, promotions, distribution, and finally, customer-orientation, since the customer is perceived as the focus of all marketing efforts.

Lui, Shah, & Schroeder (2011) noted that sound marketing practice is an important contributor to performance in economic reform economies. Many businesses will adopt a new attitude to marketing in transition environments, formulating strategies which demonstrate a focus on customers. Thus for firms to be competitive in such environments, it is essential to conduct effective product, pricing, promotion and distribution activities, where customers are central to all marketing efforts and to the extent that these strategies are successfully implemented, they are expected to result in improved performance. Businesses that possess the ability to learn rapidly about their markets and to act on that information are best positioned to achieve competitive advantage. To help an organization deal with market events and trends, internal organizational processes develop (Day, 2004). Among the organizational processes that typically develop within an organization, its strategic planning processes and the related processes it uses for analyzing market information are cited as being among the most important (Moller and Anttila, 2007).

Market oriented organization possesses the ability to generate, disseminate, and respond to information about market forces and market conditions better than their less market oriented rivals (Jaworski and Kohli, 2003). This gives a market oriented organization an important basis for improving performance by learning what buyers want, building the processes necessary to deliver the value they desire and adapting those value generating processes as market conditions change. To use these processes as the basis for improving performance, an organization needs to develop the capabilities to generate, disseminate, and respond to market intelligence and the processes to act on this information (Hunt and Morgan, 2005).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methodology that was used to carry out the study. The chapter describe the proposed research design, the target population, data collection instruments and the techniques for data analysis.

3.2 Research Design

The study adopted a cross sectional descriptive survey design. Cross sectional descriptive design aim to describe or define a subject, by creating a profile of retail footwear stores through the collection of data and tabulation of the frequencies on research variables or their interaction (Cooper and Schindler, 2003). A survey was deemed appropriate as it enabled the researcher to make comparisons based on differences in demographics. These require a broad range of data which was possible through a survey. Furthermore, a research design was structured, has investigative questions and part of formal studies.

3.3 Population of the study

Population refers to an entire group of individuals, events or objects having common characteristics that can be observed and measured (Yin, 2003). The population of the study comprised of 6 retail stores in footwear sector which according to the City Council of Nairobi licensing data for 2015 they occupy an area of 1,000 to 5,000 square feet. Since all the retail stores were covered by the study, the study was a census.

3.4 Data Collection

The study used primary data that was collected through self-administered questionnaires containing closed questions. The questionnaire was designed on a five point Likert type scale and administered through a drop and pick method. A questionnaire, as the data collection instrument of choice was, easy to formulate and administer and also provides a relatively simple and straightforward approach to the study of attitudes, values, beliefs and motives. The respondents were marketing managers in all the retail stores in Nairobi since they were in direct communication with the customers and have in-depth knowledge on the stores approach to marketing their products. The questionnaire contained three sections in which section A contained the demographic information, section B contained questions on marketing strategies while section C contained questions on performance indicators.

3.5 Data Analysis

The questionnaires collected were edited for accuracy, consistency and completeness. However, before final analysis was performed, data was cleaned to eliminate discrepancies and thereafter, classified on the basis of similarity and then tabulated. The data collected was analyzed using descriptive statistics (measures of central tendency and measures of variance).

Data was analyzed using statistical package for social sciences based on the questionnaires. In particular mean scores, standard deviations, percentages and frequency distribution was used to summarize the responses and to show the magnitude of similarities and differences. Results were presented in tables and charts.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSIONS

4.1 Introduction

The research objective was to establish the effects of marketing strategies on the performance of retail stores in footwear sector in Nairobi City County. This chapter presents the analysis, findings and the discussion with regard to the objective. The analysis is presented in mean and standard deviations while the findings are presented in frequency distributions and tables. A total of 15 questionnaires were issued out. The completed questionnaires were edited for completeness and consistency. Of the 15 questionnaires distributed, 12 were returned. The returned questionnaires' represented a response rate of 80% and this response rate was deemed to be adequate in the realization of the research objectives (Mugenda and Mugenda, 2003).

4.2 Demographic Characteristics of respondents

The demographic information considered in this study included the period that the organization has been operating in Kenya, number of employees in the retail store and the number of outlets the retail store has in Kenya.

4.2.1 Duration of Retail Store Existence in Kenya

This section of the questionnaire sort to establish from the respondents, the duration of operation that the retail stores have been in Kenya. The results are presented in Table 4.1 below.

Table 4.1: Duration of Retail Store Existence in Kenya

Years	Frequency	Percent	Cumulative Percent
Under 5	5	41.7	41.7
16 – 20	2	16.7	58.3
Over 25	5	41.7	100.0
Total	12	100.0	

The results on the duration of retail store operation indicate that 41.7% of the respondents said that the retail store have been in operation for over 25 years, 41.7% of the respondents further indicated that the retail stores have been in operation for a period of less than 5 years while 16.7% of the respondents indicated that the retail store have been in operation for a period of between 16 and 20 years. The results indicate that majority of the large retail stores have been in operation in Kenya for more than 16 years and therefore they understand the local market trends and the need of marketing strategies in the sector in order to have competitive advantage over competitors.

4.2.2 Number of Employees

This section of the questionnaire sort to establish the number of employees in the retail stores in Kenya as the number of employees in the company indicates the size of the company and market coverage.

Table 4.2 : Number of Employees

Number of employees	Frequency	Percent	Cumulative Percent
100 – 499	7	58.3	58.3
Above 500	5	41.7	100.0
Total	12	100.0	

The results in the number of employees in retail store show that 50% of the respondents indicated that the retail stored had between 100 and 499 employees while 41.7% of the respondents said that the number of employees in the retail stores was above 500. The results show that the number of employees in the companies differs and this can be attributed to the scale of operations of the companies.

4.2.3 Number of Outlet in Kenya

The number of branches the retail stores operates in Kenya was important in order to determine the extent to which the retails have entered the market.

Table 4.3 : Number of Outlets in Kenya

Number of Outlet	Frequency	Percent	Cumulative Percent
Less than 10	7	58.3	58.3
10 – 49	2	16.7	75.0
Above 50	3	25.0	100.0
Total	12	100.0	

The results on the number of outlets show that 58.3% of the retail stores have less than 10 outlets, 25% of the retail stores were indicated as having more than 50 outlets while 16.7% of the respondents said that the retail stores have between 10 and 49 outlets. The results show that the number of outlets the retail stores have differs and this can be attributed to financial outlay the stores have which can support expansion and the store strategy.

4.2.4 Types of footwear stocked

The respondents were requested to indicate the types of footwear retail outlet stocked in Kenya. The results were presented in table 4.4 below.

Table 4.4: Types of footwear stocked

Types of footwear stocked	Frequency	Percent	Cumulative Percent
10 – 49	9	75.0	75.0
Above 50	3	25.0	100.0
Total	12	100.0	

The findings indicate that 75% of the respondents said that the retail outlets stock between 10 and 49 types of footwear while 25% of the respondents indicated that the number of footwear stocked was more than 50 types. The results indicate that the outlets stock several types of footwear and this ensures that the customers have a variety of footwear to choose from when they visit the outlet.

4.3 Marketing strategies

A firms marketing strategy should integrate its capability in a manner designed to make use of corporate knowledge, skills and resources. It enables businesses to better meet their customers' needs through added value services to their products. This section of the questionnaire sought to get from the respondents the marketing strategies that have been used by the retail stores in footwear sector. The range was 'not at all' (1) to 'strongly agree' (5). The scores of disagreeing have been taken to represent a variable which had a mean score of 0 to 2.5 on the continuous Likert scale. The scores of 'moderate extent' have been taken to represent a variable with a mean score of 2.5 to 3.4 on the continuous Likert scale: and the score of both agree and strongly agree have been taken to represent a variable which had a mean score of 3.5 to 5.0 on a continuous Likert scale. A standard deviation of > 0.9 implies a significant difference on the impact of the variable among respondents

4.3.1 Use of Marketing Strategies

The marketing strategies that have been put in place for use by the retail stores enable them to compete effectively in the market and thus the need to understand the extent to which the strategies have been used by the stores.

Table 4.5: Marketing strategies

Marketing strategies	Mean	Std. Deviation
Product strategy	3.9167	.9003
Pricing strategy	3.8333	1.0298
Physical evidence strategy	3.5000	1.0000
Promotion strategy	3.1667	.8348
Distribution strategy	3.0000	.9534

The results on the marketing strategies used by the retail stores indicate that the product strategy was the best strategy according to the respondent with mean of 3.9167, followed by pricing strategy with mean of 3.8333 then physical evidence strategy with a mean of 3.5000. The respondents further noted that promotion strategy with mean of 3.1667 and distribution strategy with a of 3.0000 were used by the retail stores though to a moderate extent. The results indicate that the retail stores use several marketing strategies though to a varying extent and this enables the stores to compete effectively in the sector.

4.3.2 Product strategy

Product strategy is the foundation of a product life-cycle and the execution plan for further development. Product is the principal item offered by a company to satisfy the needs of their consumers**.** The strategy that was used by the retail stores in marketing strategies was important to the study in order to understand the various strategies to be adopted by the retail stores.

Table 4.6: Product strategy

Product strategy	Mean	Std. Deviation
Our store offer a broad product line	4.2500	.6215
The retail store has products for different customer clusters(based on need)	4.1667	.9374
The retail store product strategy is realistic and accurate	3.8333	.7177
Our store has innovative new products	3.8333	.9374
Our store have products that have a broad market appeal	3.7500	.7537
The retail store ensures that quality and reliability of the product offerings gain importance	3.6667	.4923
The retail store uses product design and technology in product development as well as delivery	3.5833	1.0836
Our store utilize early adopters for new product ideas and feedback	3.0833	1.1645

The results on the product strategies shows that retail store offered a broad product line (M=4.2500) and that the stock products for different customer clusters (based on need) with a mean of M=4.1667). Because of the uniqueness of the products, the respondents noted that the retail stores utilize early adoption of new product ideas and feedback from customers to a moderate. From the results, product strategy enables the retail stores to offer broad product line, stock products for different customer clusters, ensures that quality and reliability of the product offerings gain importance, utilize product design and technology in product development and that utilize early adopters for new product ideas and feedback.

4.3.3 Pricing strategy

One of the important factors that determine the demand of a product is its price. This is because, ceteris paribus, the higher the price the lower the demand. Price is the value that is put to a product or service and is the result of a complex set of calculations, research and understanding and risk taking ability.

Table 4.7: Pricing strategy

Pricing strategy	Mean	Std. Deviation
The retail store pricing strategy is realistic and accurate	4.0833	.6685
Our store use premium pricing on its products	3.9167	.6030
The store uses price promotions and discounts	3.5833	.9962
The retail store uses pricing skills and systems to respond quickly to market changes	3.4167	1.2401
The retail store monitor competitors' prices and price changes	2.8333	1.1146
The retail store prices are below industry average	2.5833	1.3113

From the findings above, the retail store ensures that the price they set for their products was realistic and accurate (M=4.0833), uses premium pricing on its products (M=3.9167) and that the store uses price promotions and discounts (M=3.5833). The respondents noted to a moderate extent that the retail stores monitor competitors' prices and price changes (M=2.8333) and that retail store prices were below industry average (M=2.5833). The results indicate that the retail stores uses pricing strategy to market their products as it ensures that the customers are charged favourable price in comparison with its competitors.

4.3.4 Distribution strategy

Distribution of the retail stores ensures that the products are available to the customers easily thus enabling the company to compete with other firms.

Table 4.8: Distribution strategy

Distribution strategy	Mean	Std. Deviation
The retail outlet has incorporated technology in provision of its services	4.08	.668
The retail outlet has convenient operating hours	4.00	.953
The store is efficient in meeting customer wants	3.91	.668
The store uses selective distribution through the best available distributors	3.83	.834

The findings indicate that the retail outlets has incorporated technology in provision of its services (M=4.08); operate convenient hours (m=4.00) and that they are efficient in meeting customer wants (M=3.91). The results show that distribution strategy enables the footwear stores to avail the products to the customers through flexible operating hours and use of selective distributors. The low standard deviation variation indicates that the respondents were in agreement on the use of distribution strategy as a marketing strategy.

4.3.5 Promotion strategy

Promotion consists of the various alternatives that retail stores firms adopt to inform the customer about their product and to persuade customers to buy their product. This means that it is important to inform customers about a new product or service, its value, the producer and other benefits for customers, in order to stimulate their purchasing and consumption.

Table 4.9: Promotion strategy

Promotion strategy	Mean	Std. Deviation
The retail store focus on consumer needs and integrating all activities of the organization to satisfy those needs	3.8333	.3892
The outlet promotional strategy elicit attention, interest, desire and action	3.8333	.5773
The store uses integrated marketing communications programmes	3.4167	1.0836
The store has loyalty programs with its customers	3.0000	1.3484
The retail store provide a lot of discounts (such as cash, sale, or trade discounts) for our customers	2.9167	1.2401

The findings presented above show that the retail stores were using promotional strategy to focus on consumer needs and integrate all activities of the organization to satisfy those needs (M=3.8333) and that the outlet promotional strategy elicit attention, interest, desire and action (M=3.8333). These two strategies were found to be popular among the firms because of the low standard deviation. The provision of discounts (M=2.9167) and use of loyalty programs to entice customers (M=3.000) was moderately used by the retail stores. The results indicate that promotional strategy enabled the retail stores to focus on customer needs thus work towards fulfilling those needs.

4.3.6 Physical evidence

The physical location of the retail stores has an effect on its accessibility by the customers. The results are presented in table 4.10 below.

Table 4.10 : Physical evidence

Physical evidence	Mean	Std. Deviation
The retail store is located in convenient location	4.3333	.77850
The retail store uses comfortable environment with good directional signs	4.1667	.83485
The retail store has maintained cleanliness and appearance of its facilities	4.1667	.83485
Our retail store has up-to-date and well-maintained facilities and equipment	4.0833	.66856
The outlet has designed facilities to achieve specific marketing image objectives	3.9167	.66856
The outlet has enough parking for our customers	3.1667	1.19342

From the findings, the retail stores have been located in a convenient location (M=4.3333) and that the stores have adopted directional signs to guide customers the location of the store (M=4.1667). The respondents were in agreement to a great extent that the stores have maintained cleanliness and appearance of its facilities (M=4.1667). The low standard deviation variation indicates that the respondents were in agreement with the influence of the factors on the retail store marketing strategy. The respondents moderately agreed that the retail stores avail enough parking for their customers (M=3.1667).

4.4 Performance Indicators

A firm's foregoing objective is to maximize shareholder wealth. However it has come out that the same cannot be realized if the firm does not develop appropriate marketing strategy that will enhance its competitiveness. This was important for the study in order to determine whether adoption of various marketing strategies by the retail outlet affected the following performance indicators. The results are presented in table 4.11 below.

Table 4.11 : Performance indicators

Performance indicators	Mean	Std. Deviation
Increased company sales volume	4.0769	.7537
Increase in number of footwear sold in a year	4.0769	1.1381
Enhances the purchase of organizational products by the consumer	3.9167	.7785
It increases penetration level of retail outlet	3.9167	.7785
Increase the profits of the outlet	3.5000	1.0871
It helps in increasing market share of the retail outlet	3.5000	.79772
Increase in the type of footwear stocked in the retail outlets	3.5000	.9045
Marketing strategies increases customer satisfaction	3.1667	1.1146
Efficiency in serving customers	3.0000	1.0444

The findings indicate that marketing strategies result in increased company sales volume (M=4.0769); increased number of footwear sold in a year (M=4.0769). The respondents further noted that marketing strategies enhances the purchase of organizational products by the consumers (M=3.9167) and increase penetration level of retail outlet (M=3.9167). The use of marketing strategies by the retail stores result in moderate customer satisfaction (M=3.1667) and efficiency in serving customers (M=3.0000). The results show that marketing strategies pursued by the retail stores enabled them to increase sales, number of footwear sold, enhance purchase of products and increase market penetration of retail outlet.

4.5 Relationship between Marketing Strategies and Performance

The relationship between marketing strategies (product, pricing, distribution, promotion and physical evidence strategies) and performance of retail stores in footwear sector was tested by using linear regression analysis. The following show the model summary, ANOVA and coefficients of regression.

Table 4.12: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.68[a]	.478	.536	.64593

a. Predictors: (Constant), product, pricing, distribution, promotion and physical evidence strategies

The independent variables that were studied, explain only 47.8% of the performance of retail stores in footwear as represented by the R squared. This therefore means that other factors not studied in this research contribute 42.2% of the performance of retail stores in footwear sector in Kenya.

Table 4.13: ANOVA Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.16	5	.790	4.010	.002[b]
	Residual	4.531	7	.197		
	Total	7.691	12			

From the ANOVA statics, the study established the regression model had a significance level of 0.3% which is an indication that the data was ideal for making a conclusion on the population parameters as the value of significance (p-value) was less than 5%. The calculated value was greater than the critical value (4.010>1.658) an indication that product, pricing, distribution, promotion and physical evidence significantly influence the performance of retail stores in footwear sector. The significance value was less than 0.05 indicating that the model was significant.

Table 4.14: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.356	.426		5.531	.000
	Product	.257	.071	.362	3.617	.002
	Pricing	.360	.081	.378	4.446	.020
	Distribution	.256	.056	.261	4.572	.001
	Promotion	.301	.080	.325	3.763	.003
	Physical evidence	.396	.097	.298	3.454	.010

From the data, the established regression equation was

$Y = 2.356 + 0.257X_1 + 0.360\ X_2 + 0.256\ X_3 + 0.301\ X_4 + 0.396X_5$

At 5% level of significance, product strategy had a 0.002 level of significance; pricing strategy showed a 0.020 level of significance, distribution strategy showed a 0.001 level of significance, promotion strategy showed a 0.003 level of significance while physical evidence showed a 0.010 level of significance. Hence the most significant factor is distribution strategy. Distribution strategy had the greatest influence on footwear retail stores performance, followed by product, then promotion, then physical evidence and lastly pricing had the least influence on retail stores performance. All the variables were significant ($p<0.05$).

4.6 Discussion of the Findings

Marketing strategies has a bigger effect on the organization performance which the managerial must be able to adjust in order to maintain competition in the environment. The findings showed that the organization should be in position to adopt the product strategy to enable the retail store firm to have competitive advantage in the market. The study found out that the retail stores in footwear industry uses product strategy, pricing strategy and physical evidence strategy to a great extent. Malshe and Sohi, (2009) noted that successful marketing depends upon addressing a number of key issues. These include: what a company is going to produce, how much it will charge, how it is going to deliver its products or services to the customer; and how it is going to tell its customers about its products and services.

The product is the core of the marketing strategy. Strategies that relate to new product success include overall fit with organization's strengths and a defined opportunity in the environment. Lewinson and Delozier (2012) noted that successful product management relies on a well planned and executed product strategy and product range strategy that includes convenient location, friendly personnel, desirable prices, and pleasant shopping atmosphere. These was consistent with the findings of the study which established that product strategy in the retail stores ensured that the stores offer broad product line, stock products for different customer clusters, ensures that quality and reliability of the product offerings gain importance, utilize product design and technology in product development and that utilize early adopters for new product ideas and feedback.

Cravens (2006) found out that managers developing a pricing strategy should base their decisions on a careful consideration of several factors such as costs, demand, impact to the customer, implications on the quality and competitor prices. These is consistent with the findings of the study which established that pricing strategy adopted was realistic and accurate, use of premium pricing on its products and price promotions and discounts. Rafiq and Ahmed (2005) argued that distribution is part of merchandising and must be considered in any merchandising system. Marketing distribution can also attain economies of scale through specialization, which distribution members can do some things more efficiently than producers because they have built good relationships with their customers. The findings were found to be consistent with the results of the study which established that distribution strategy enables the footwear stores to avail the products to the customers through flexible operating hours and use of selective distributors

A business organization must sell products in order to survive and grow. This happens if the awareness of the product is created among the potential buyers through advertisement and promotion activities. Promotion serves to create a psychological effect to customers, which encourages the decision to purchase the product. A firm should develop a promotion process that will remain ongoing communication between the company on one side and existing and potential customers on the other side. The study found out that the promotion strategy of the retail stores focus on consumer needs and integrate all activities of the organization to satisfy those needs and that the outlet promotional strategy elicit attention, interest, desire and action. This was found to be consistent with Kimball (2002) findings that effective sales promotion campaign enables a business organization to successfully out-brand its competitors is a continuous battle for the hearts and minds of the market share and customers. Lewinson and Delozier (2012) suggest that it is important for institutions to build up channels of communication with potential customers, and use marketing intelligence to gather any information that an institution would find useful in a competitive environment.

The study found that it is necessary for organizations to continually review marketing strategies with an aim of reviewing and aligning them with the overall business environment. This process was necessary because the business environment is dynamic and it requires constant re-evaluation and re-alignment of business strategies to remain relevant in the market and ahead of the competition. Jobber and Fahy, (2006) noted that marketing strategies are significant in an organization in increasing the sales, market share and improving customer loyalty. This makes the products and services of an organization more popular with the market. Further, marketing 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. The findings were found to be consistent with the findings of the study which established that marketing strategies used by the retail stores had resulted in increased sales, number of footwear sold, enhance purchase of products and increase market penetration of retail outlet.

CHAPTER FIVE

SUMMARY, CONCLUSION, LIMITATIONS AND RECOMMENDATIONS

5.1 Introduction

The chapter is outlined into summary of the findings, conclusions, recommendations, limitations of the study and suggestions for further research.

5.2 Summary of Findings

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. The study found that the common marketing strategies adopted by the firms, in order of precedence, are product strategy, pricing strategy, physical evidence strategy, distribution and promotion. Product strategy was found to have been used by the retail stores as it ensured that the stores offer broad product line, stock products for different customer clusters, ensures that quality and reliability of the product offerings gain importance, utilize product design and technology in product development and that utilize early adopters for new product ideas and feedback.

The study found out that pricing of the retail stores was a critical factor as the competitiveness of the companies is as a result of the pricing strategy adopted by the firms. Pricing strategy adopted was realistic and accurate, use of premium pricing on its products and price promotions and discounts. The firms distribution strategy was found to have a greater effect on the performance of entities because with a distribution system that is efficient in meeting customer wants and being able to operate in convenient hours and using a selective process in identify the outlets that meet set criteria, the footwear retail stores have been able to improve their performance.

Promotion serves to create a psychological effect to customers of the footwear stores, which encourages the decision to purchase the product. The study found out that the popular promotion strategy employed by the firms is the coming up with a promotional strategy that focuses on consumer needs and elicits attention, interest, desire and action. The study found out that marketing strategies adopted by the retail stores influence performance through increased sales, number of footwear sold, enhanced purchase of products and increased market penetration of retail outlet.

5.3 Conclusion

In any organization, marketing always strives to position their clients at the center 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 marketplace needs become important for the success of an institution. This is achieved through implementation of marketing activities designed to satisfy customer needs better than competitors are able to satisfy customer needs. It can be concluded that the retail stores in footwear sector have adopted the marketing mix to help them improve their performance and gain market share. In order to improve sales and market share, firms should consider selling of footwear products in a right manner and also sell relevant products to the public.

A firms marketing strategy should be tailored towards realizing the customer satisfaction goal. In order to achieve an effective marketing strategy, there is need to make it an integral component of overall firm strategy, defining how the organization will successfully engage customers, prospects, and competitors in the market arena. On the basis of the study findings, it is concluded that the factors are responsible for improving the firms' performance among the retail stores in footwear sector include: product strategy, pricing strategy, distribution, promotion and physical evidence strategy.

5.4 Limitations of the Study

The current study targeted marketing managers as the key informants. Consideration should also be given to targeting senior management and/or other stakeholders engaged in the interactive approach to all phases of marketing strategy planning. 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.

This study was conducted with a strong presence of firms that are in the footwear sector. It is possible that this exposure contributed significantly to their perceptions on the role of the identified marketing strategies on firm performance. There is need therefore to also get the views of non-players in the sector, such as the customers

5.5 Recommendations for Policy and Practice

Managers should realize that the appropriateness of a particular marketing strategy, whether adapted, standardized, or somewhere in between, hinges on its fit with external environmental factors that the firm operates in. Hence managers should concentrate their limited attention and resources on finding the right marketing mix that will improve the firm's performance. In addition, marketing managers need to comprehend the fact that although some elements (e.g., product, price, promotion, physical ambience and distribution) still exert a positive and significant effect on the firm performance among retail stores in footwear and therefore the firms should also endeavor to examine the potential value creation of marketing strategies and align this value to their overall strategy.

The study established that the retail stores undertake promotional strategy to market its products and it is recommended that there is the need for the retail stores to adopt a more modern technological marketing tool in their businesses. The retail stores can use social media to create a viral market for their products and services. The retail stores must also create links on social media to drive traffic to their corporate websites.

Marketing managers need to integrate all facets of strategy; they need adequate analytical capabilities to perform this essential boundary-spanning 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.

5.6 Suggestion for further research

The study centered on ways of improving a firm's performance through pursuing of appropriate marketing strategy. The research suggests that further investigation on the role of marketing strategy on the level of customer loyalty and satisfaction be undertaken. In addition, other researchers can test other moderators to an effective implementation marketing strategy and identifying which of the variables have the most significant effect on the performance of a firm.

In order to assess the impact of the macro-environment on the marketing strategies and double bottom line of footwear retail stores, 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 seed companies' clients over a period of time as well as those strategies which drive client acquisition rates and the profitability of seed companies.

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APPENDIX I: QUESTIONNAIRE

Please give your answers in the spaces provided that matches your response to the questions.

Section A: Demographic Characteristics of Respondents

1. Name of the retail store (Optional)…………………………………….

2. How long has your retail store been in operation in Kenya?

a) Under 5 years ( ) b) 6 – 10 years ( )

c) 11 – 15 years ( ) d) 16 – 20 years ( )

e) Over 25 years ( )

3. How many employees are there in your retail store?

a) Less than 100 ( )

b) 100 – 499 ( )

c) Above 500 ( )

4. How many outlets does your retail store have in Kenya?

a) Less than 10 ( )

b) 10 – 49 ( )

c) Above 50 ( )

5. How many types of footwear does your retail outlet stock?

a) Less than 10 ( )

b) 100 – 49 ( )

c) Above 50 ( )

Section B: Marketing Strategies

6. To what extent does your retail store use the following marketing strategies? Use 1-Not at all, 2-Small extent, 3-Moderate extent, 4-Great extent and 5-Very great extent.

Marketing Strategies	**1**	**2**	**3**	**4**	**5**
Product strategy					
Pricing strategy					
Distribution strategy					
Promotion strategy					
Physical evidence strategy					

7. To what extent do you agree with the following on the use of marketing strategies? Use 1-Strongly disagrees, 2-Disgree, 3-Moderate extent, 4-Agree and 5-Strongly agree.

Product strategy	**1**	**2**	**3**	**4**	**5**
The retail store product strategy is realistic and accurate					
Our store offer a broad product line					
Our store have products that have a broad market appeal					
Our store has innovative new products					

Our store utilize early adopters for new product ideas and feedback					
The retail store uses product design and technology in product development as well as delivery					
The retail store ensures that quality and reliability of the product offerings gain importance					
The retail store has products for different customer clusters(based on need)					
Pricing strategy					
The retail store monitor competitors' prices and price changes					
Our store use premium pricing on its products					
The store uses price promotions and discounts					
The retail store uses pricing skills and systems to respond quickly to market changes					
The retail store prices are below industry average					
The retail store pricing strategy is realistic and accurate					

Distribution strategy					
Our store uses selective distribution through the best available distributors					
The store is efficient in meeting customer wants					
The retail outlet has convenient operating hours					
The retail outlet has incorporated technology in provision of its services					
Promotion strategy					
The store uses integrated marketing communications programmes					
The retail store provide a lot of discounts (such as cash, sale, or trade discounts) for our customers					
The store has loyalty programs with its customers					
The retail store focus on consumer needs and integrating all activities of the organization to satisfy those needs					
The outlet promotional strategy elicit attention, interest, desire and action					
Physical evidence					
The retail store is located in convenient location					
The retail store uses comfortable environment with good directional signs					

Our retail store has up-to-date and well-maintained facilities and equipment					
The retail store has maintained cleanliness and appearance of its facilities					
The outlet has enough parking for our customers					
The outlet has designed facilities to achieve specific marketing image objectives					

8. To what extent has the adoption of various marketing strategies by the retail outlet affected the following performance indicators. Use 1- Very low extent, 2-Low extent, 3-Moderate extent, 4- Great extent, 5- Very great extent.

Performance indicators	**1**	**2**	**3**	**4**	**5**
Increase the profits of the outlet					
Increased company sales volume					
Enhances the purchase of organizational products by the consumer					
It helps in increasing market share of the retail outlet					
Marketing strategies increases customer satisfaction					
It increases penetration level of retail outlet					
Efficiency in serving customers					

Increase in number of footwear sold in a year					
Increase in the type of footwear stocked in the retail outlets					

APPENDIX II: LIST OF FOOTWEAR STORES

1. Bata
2. Mr. Price
3. City Walk
4. Angelo
5. African Leather
6. Clerk and Sketchers