MARKETING STRATEGIES AND SALES PERFORMANCE OF MANUFACTURING FIRMS IN UGANDA:

A CASE STUDY OF TEMBO STEELS UGANDA LIMITED

BY

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DECLARATION

I, Jean Claude Ngendahayo, hereby declare that this dissertation titled **"Marketing Strategies and Sales Performance of Manufacturing Firms in Uganda: A Case Study of Tembo Steels Uganda Limited"** is my original work and has never been presented/submitted nor published in any other institution for an award.

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APPROVAL

This is to certify that this dissertation titled **"Marketing Strategies and Sales Performance of Manufacturing Firms in Uganda: A Case Study of Tembo Steels Uganda Limited",** has been done under our supervision and is now ready for submission to the Examination Board of Graduate School in partial fulfillment of the requirements for the award of Master of Business Administration with our approval as University Supervisors.

Signature: ………………………….…….... Date: …………………………..…

ASSOC. PROF. JACOB L. OYUGI

Signature: ………………………….……..... Date: …………………….……....

DR. TEOPISTA NALULE KYAMANYWA

DEDICATION

This dissertation is dedicated to my parents for having sacrificed whatever they could to enable me to achieve my career aspirations.

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This dissertation is a product of various contributions from different people. I am very grateful and indebted to them all, however, I feel obliged to mention some of them because without their prior guidance, assistance, and encouragement I may never have been able to finish this study.

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May the Almighty God bless you all.

TABLE OF CONTENT

LIST OF TABLES

LIST OF FIGURES

ACRONYMS

CEO………………………..Chief Executive Officer

ISO…………………………International Organization for Standardization

Mtpa………………………..Metric tons per annum

SD………………………….Standard Deviation

SQAs………………………Self-Administered Questionnaires

TSUL………………………Tembo Steel Uganda Limited

USA………………………..United States of America

ABSTRACT

The study focused on examining the effect of Marketing Strategies on Sales Performance of Manufacturing Firms in Uganda with specific focus on Tembo steels Uganda Limited as area of study. The study objectives were to establish the relationship between product development strategy and sales performance, evaluate the relationship between price strategy and sales performance, to determine the relationship between place strategy and sales performance and examine the relationship between promotion strategy and sales performance of Tembo Steels Uganda Limited. A case study design was used for this study. A total of 68 respondents participated. Simple Random, Stratified and Purposive sampling techniques were used to select respondents. Questionnaire and interview guide were used to collect data. Descriptive and inferential statistics were used to analyze data and findings presented in tables and figures. Results showed a strong positive impact of sales promotion on sales performance through improving brand awareness, consumer-perceived product quality, enhancing product use, company's brand image, and loyalty. The use of pricing strategy increased sales volume, use of penetration pricing influences customer purchase and value-based pricing has a positive impact on profitability. Findings further that majority of the respondents agreed that advertising is used to present product and ideas, sales promotions influences sales volume, e-marketing has a positive influence on performance, direct marketing increase profit. The study concluded that product quality has a positive impact on sales performance, brand awareness influences organizational performance, the packaging is used to describe the product, brand image, and loyalty influences company's profitability and pricing strategy increases sales volume. Besides, store design and use of attractive stimuli such as music have influence has a positive effect on consumer purchase and sales volume, and geographic location has a significant influence on profitability, advertising, direct marketing, and increases sales volume. The study recommended that Tembo Steels Uganda Limited should improve on their packaging design to increase product visibility and recognition. Improve on their branding strategy. Use price promotion strategy such as uses price discounts, free samples, bonus packs to increase customer's intention to purchase their products hence increase in sales volume. Tembo Steels Uganda Limited should also use attractive stimuli's in their work environment and also during promotion hence influences customer's perception and increase sales.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

The study set out to explore the role and implications of marketing strategies on the sales performance of manufacturing firms in Uganda, taking Tembo Steels Uganda Limited as a case study. In this chapter, the background of the study is presented. This is followed by the statement of the problem, the purpose of the study; research objectives, research questions, the scope of the study, the significance of the study and conceptual framework.

1.1 Background to the Study

The background covers the historical, theoretical, conceptual and contextual perspectives as explained below:

1.1.1 Historical Background

To establish the role of marketing strategies in enhancing sales performance of establishments in the context of manufacturing, one needs to go back in history to understand how the manufacturing sector has evolved and key factor underpinning this process. The revolution in Steel Manufacturing started with Bessemer steel that was extensively used in ship plates (Jiang et al., 2017). Since then, steel has become basic to the global industry's economy. Britain's need for steel and iron, with a composition of enough capital and energetic entrepreneurs, made Britain world leader in manufacturing in the first half of 19[th]century (Jiang et al., 2017)

In the late 1880s, Carnegie Steel was the biggest manufacturer of pig iron, steel rails, and coke in the world, with the ability to make approximately 2,000 tons of pig iron per year (Bardakjian & Murphy, 2013).

Since then, the manufacturing the sector has become the leading sectors in the whole world. This is partly due to the increase in the demand for iron and steel. Currently, demand for steel has grown almost three times over the last two decades (Querol et al., 2007). The demand for steel has grown over a while with increasing industrialization, from 200 metric tons in 1976 to an extra 1000 metric tons in 2015. The iron and steel manufacturing industry has been one of the economic factors behind the growth of most Asian countries like India. Equally, in Africa, manufacturing industries are dependent on steel products to erect infrastructure making it the largest industry on the continent.

The history of the iron and steel manufacturing industry in Uganda can be traced from the activities of blacksmiths of 1800s. These artisans smelted iron combined with other metals such as copper to make household utensils and weapons such as spears and hoes (Bardakjian, 2013). The industry became an organized manufacturing industry in the 1960s. Since then, the Steel industry in Uganda has evolved greatly in scale and scope. Mutambi (2011) argues that as the economy continues to industrialize, steel manufacturing will continue to be a critical component which will grow in demand. The development of many mega- infrastructural projects, the emergence of the oil and gas sector, Standard Gauge Railway, Uganda's high population growth rate, access to regional markets and the rapidly growing urbanization are all opportunities for growth of the iron and steel industrial sector. The history of Steel related manufacturing varies from companies, and this study explored the detail of Tembo Steel (U) limited.

Tembo Steel Uganda limited has installed capacity (Mtpa) of 12,500 but Actual Production (MTpa) is 6000 to the absolute steel demand in Ugandan estimated at a little over 140,000 Mtpa remains well above current actual steel production of 57,200Mtpa (UMA Report, 2006). The sale performance of Tembo steel sales declined from 65% during the period 2013/2016 to 43% between 2017/2019. Tembo Steel Uganda limited has been in this industry for over 10 years, and hence was a core reference for information regarding this study.

1.1.2 Theoretical perspective

This study was guided by the agency theory of marketing (Flynn et al., 2011). Agency theory states that when principals (owners) delegate tasks to agents (e.g., salespeople), agency problems surface because of goal incongruence and risk preference differences between parties (Bergen, Dutta, & Walker., 2010).

Agents are assumed to be risk-averse, and self-interested. In this case, sales representatives (agents) may not have the same level of concern as owners (principals) about the firm's overall profitability because neither profits nor direct inventory costs affect them directly. Because variable pay systems such as sales commission, compensation systems typically link sales representative pay to a sales volume of firm products, salespeople are mostly concerned about how much they sell (Bergen et al., 2010).

Many firms, Tembo inclusive, heavily rely on independent marketer's/facilitating agencies to implement marketing programs. Iron and Steel industries contract facilitating agencies to implement marketing strategies in a bid to achieve optimal sales performance (Bintu, 2017).

This requires conducting promotions, setting pricing strategies, placing products strategically in collaboration with suppliers, or warehouses on face to face. Each of the contractual

relationships involves agency relationships (Bergen et al., 2010). The agency theory uses the metaphor of a contract to describe the relationship in which one party delegates the work to another. The focus of the theory is to determine the most efficient contracts to govern a particular relationship given the character is of the parties involved. Thus, risk-averse sales representatives may increase forecasts to ensure adequate inventory levels (Gronroos, 2010). Because sales representative compensation is tied to sales revenue and not to inventory costs, the commission compensation structure may encourage sales representatives to opportunistically overstate forecasts to ensure product availability. Yet a firm has options to reduce these behaviors.

1.1.3 Conceptual Background

The strategy is viewed as a pattern of resource allocation decisions made throughout an organization (Karam, Hamo, Rashid, Jarjes, Mohammed, & Obaid, 2018). Marketing strategy, therefore, can be referred to as a method by which a firm attempt to reach its target markets. Marketing strategy starts with market research, in which needs and attitudes and competitors' products are assessed and continues through advertising, promotion, distribution and where applicable, customer service, packaging, sales, and distribution. Marketing strategy must focus on delivering greater value to customers and the firm at a lower cost (Chiliya, 2009). Marketing strategy as a way of providing a quality product that satisfies customer needs, offering affordable price and engaging in wider distribution and back it up with effective promotion strategy (Owomoyela et al., 2013).

Wensley (2010) proposes that marketing strategy can be dual-oriented marketing strategy by using rational and emotional product name, easy to remember, and pricing to take into account the cost of service and quality orientation, psychological factors and competitors' prices. More so, it can be rational marketing strategy is the use of functional demands of a rational position;

consider after-sales service, warranties, delivery and installation attached by the product factors.

Firms have continuously experienced challenges related to an ineffective marketing strategy that in return harms the organization's performance, product quality, customer satisfaction, and profitability (Varadarajan, 2010). Therefore, Iron and steel firms' operators need to provide quality products with good packaging that satisfies customer needs, offering the affordable price. This facilitates wider distribution, effective promotion strategy to survive the pressure from the global market competitive environment.

This perception included both the quantitative and qualitative achievements of the organization's business objectives. However, a study by Sije and Oloko (2013) highlighted revenue as an important dimension of sales performance. Sales performance represented best practices for marketing that resulted in the collection of more revenue across a specific period. Subsequently, Saguti (2015) defined sales performance of a firm as the actual money values the firm receives after necessary collections are made from different sales channels of the original total production put on the market- a value known as Sale revenue (Oyewale, 2013). Sale revenue is the product of price and number of products category sold. Magunga (2010) added sales volume as another important aspect of sales performance. Sales performance includes, the total amount of a firm's output sold to the market, profits made after costs and overheads have been deducted, the rate of goods turn over and consequently revenue. Therefore, this study perceived the company's sales performance as a component of its market share, sales volume, and profitability.

1.1.4 Contextual Background

Tembo Steels Uganda Limited, an ISO 9001:2000 certified company, is one of East Africa's largest steel companies with an interest in manufacturing hot and cold rolled profiles. Strategic investments made by the company have resulted in the creation of tangible and intangible assets which are at the heart of the Ugandan economy (Mutambi, 2011).

Currently, Tembo Steels Uganda Limited is the number one quality steel manufacturer in Uganda and supplies over 350,000 metric tons per annum to both local and export market within the region (Tembo sales performance report, 2017). Tembo Steels Uganda Limited is among the few manufacturing companies that have made remarkable growth in Uganda's difficult economic terrain. The company has grown to become the leading steel manufacturing company in Uganda and the East African region.

Tembo Steels Uganda Limited achieved numerous export awards (Gold Medal in steel sector exports (2003-2007), Platinum Award for best overall exporter (2008) and the President's Exporter Gold award for Metal Products (2009). Currently, Tembo Steels Uganda Limited is among the major employers in Uganda, with close to 2000 employees. The company is still a major supplier for all steel building requirements and a wide range of complementary steel products. Tembo Steels Uganda limited steel products still lead the market in terms of demand and quality (Kazooba, 2016).

In February 2011, Tembo Steels Uganda Limited secured funding from the International Finance Corporation, an arm of the World Bank, totaling US$25 million for expansion of production facilities (Mutambi, 2011). The company's products are marketed to the six member countries of the East African Community and to the neighboring Democratic Republic of

Congo. Tembo Steels Uganda Limited is among the major employers, employing close to 2000 people (Mutambi, 2011).

The company has become a one-stop shop for all steel building requirements and complementary steel products. Tembo Steels Uganda Limited is among major employers, employing close to 2000 people (Sifie, 2018) and the single largest manufacturer of both electro-welded tubes and wire products in the region (Deloitte, 2018). Despite these achievements, Tembo Steels Uganda Limited is one of the companies that appeared on 2016 presidential bailout list for ailing businesses, after borrowing heavily from International Finance Group. Tembo Steels Uganda Limited was among companies in whose sales performance levels is too low to settle its creditors such as Shs. 8 billion from Diamond Trust Bank (Obonyo, 2017). Owing to this background, the study focused on assessing Marketing Strategies as used at Tembo Steel (U) limited and how it relates to sales performance.

1.2 Statement of the Problem

Tembo Steels Uganda Limited spends over 800 million shillings per year on implementing; reviewing marketing strategies but its sales performance has continued to decline (Kazooba, 2017). However, profitability, market share, and sales volume have drastically fallen from 69% to 42% (Tembo Report, 2017). Furthermore, Tembo Steels Uganda has installed capacity of 72,000 tonnes annually but currently producing at only about half because of lack of markets (Deloitte, 2018). It remains unclear as to whether Tembo Industries practices ineffective marketing strategies that result in low sales performance. Limited empirical data exists on how marketing strategies can explain the sales performance of Tembo Industries (Kazooba, 2011). This motivated the researcher to investigate the effect of marketing strategies on sales performance at Tembo Steels Uganda to fill this knowledge gap.

1.3 Purpose of the Study

The purpose of the study was to investigate the relationship between marketing strategies and sales performance of Tembo Steels Uganda Limited.

1.4 Objectives of the Study

To achieve the study purpose; the research addressed the following specific objectives:

i) To establish the relationship between product development strategy and sales performance at Tembo Steels Uganda Limited.

ii) To evaluate the relationship between price strategy and sales performance at Tembo Steels Uganda Limited.

iii) To determine the relationship between place strategy and sales performance at Tembo Steels Uganda Limited.

iv) To examine the relationship between promotion strategy and sales performance of Tembo Industries.

1.5 Research Questions

The study was guided by the following research questions:

i) What is the relationship between product strategy and sales performance at Tembo Steels Uganda limited?

ii) What is the relationship between price strategy and sales performance at Tembo Steels Uganda limited?

iii) What is the relationship exists between place strategy and sales performance at Tembo Steels Uganda Limited?

iv) What is the relationship between promotion strategy and sales performance of Tembo steels Uganda limited?

1.6 Scope of the Study

The scope of the study covers the content, geographical, and time as explained below:

1.6.1   Content Scope

The study explored how marketing strategies affect sales performance of manufacturing firms. About marketing strategy practices, product development strategy, pricing strategy, promotion strategy, place strategy, packaging strategy, after sales service strategy and Consumer rebate strategy were explored. Three indicators of sales performance market share, sales volume and profitability were measured. The study reviewed this literature to inform the study on the findings of the previous study and from this the study borrowed its concepts for the study.

1.6.2   Geographical Scope

The study was conducted at Tembo Steels Uganda Limited found in central Uganda, located along with 7th and 8th floor, Crane Chambers-in Kampala City Center, Block 74 Najjembe Estate Lugazi –Mukono District Industrial Areas. This study area was chosen because Tembo over years has registered a drop in its sales performance despite all effort put forward to implement marketing strategies.

1.6.3 Time Scope

The study considered reviewing studies on marketing strategies practices and sales performance from 2010 to June 2019. This period was appropriate to capture all the study issues. The study was conducted between January and June 2019.

1.7 Significance of the Study

1.7.1 Organizations

Since this research is conclusive, organizations can use the findings to draw important inferences and information which marketing team can use to improve sales performance. The inferences drawn from the research can be used to conduct the overall analysis of the company's strengths, how to improve them against their competitors and as well improve on their weaknesses. Through this research, the company might be able to identify the best marketing strategies to use.

1.7.2 Policy Makers

The study findings might be of great importance to policymakers and other government agencies that may use the study findings to come up with new policies to stabilize the industrial sector in Uganda.

1.7.3 Marketing Managers

This research may enable marketing managers and entrepreneurs to gain knowledge of marketing strategies and identify the most appropriate one for their businesses and how to use the strategies to gain a competitive edge.

1.7.4 Researchers

Future researchers on a similar topic may benefit from the findings by borrowing a leaf in the form of related literature to add on the existing body of knowledge. The study will also help build on the researcher's knowledge and understanding of the variables and gain more skills for conducting research.

1.8 Conceptual Framework

Figure 1.1, below gives a graphical conceptual underpinning underlying the variables of the study and how they related to one another. Marketing strategies directly affect sales performance. The extraneous variable is industrial policy (Chiliya, 2009).

INDEPENDENT VARIABLE   **DEPENDENT VARIABLE**

MARKETING STRATEGIES
- Product development Strategy
- Pricing strategy
- Place strategy
- Promotion Strategy

SALES PERFORMANCE
- Market share
- Sales volume
- Profitability

EXTRANEOUS VARIABLE
Industrial Policy
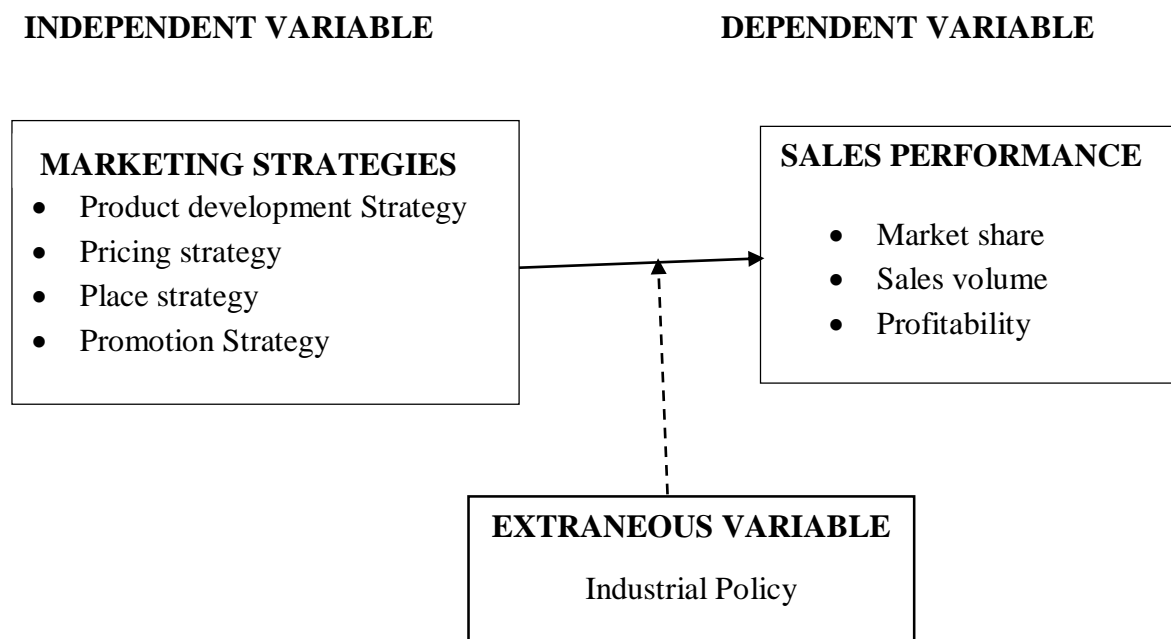
Figure 1: Conceptual framework illustrating the relationship between marketing strategies and sales performance

Source: *Developed from Saguti (2015), Ebitu (2016), Owomoyela et al. (2013) and modified by the researcher.*

11

Figure 1.1 illustrates that the dependent variable is sales performance while the independent variable is marketing strategies. The constructs of sales performance are; market share, sales volume, and profitability while measures of marketing strategies to be considered in this study are; Product development Strategy, Pricing strategy, Place strategy, Packaging strategy, After-sales service strategy, and Consumer Rebate Strategy. Product: Product is anything that can be offered to a market for attention, acquisition, use, or consumption hence satisfying customers want or need. Price is the sum of all the values that customers give up to gain to the benefits of a product or service. Place: Place is the process where organizations decide where to locate their store and how many stores to have at the convenience of the shoppers. The extraneous variable was held constant by re-designing the study tools as accurate as possible and using an appropriate research design.

1.9 Conclusion

In each organization, especially those engaged in sales, marketing and manufacturing, the feasibility, survival, and growth is highly pertinent with its sales performance trends. Sales volume, as well as value and profitability thereof, are indeed fundamental. Acquiring sales as shown in the background is an aspect that has been time immemorial, and has evolved over years in different firms. To the contrary, several firms have sales performance challenges and statement of the problem explores the problem in Tembo Steel (U) limited as regards the practice of marketing strategy and sales performance. The researcher was keen to present study objectives, study questions and to present a conceptual plan under which the study was done.

1.10 Definition of terms

Product development strategy: This is a marketing mix strategy in which organizations offers consumers symbolic and experiential attributes to differentiate products from competitors

Penetration pricing strategy: It is the process of charging a low price to product or services hence penetrate the market (Jim, 2012).

Place strategy: This simply means the location, accessibility, and channel of distribution employed by a company. Jones, (2007)

Direct marketing: This is a direct communication strategy used by organizations to target their customers thus gets an immediate response. It includes a face to face interaction (Rowley, 2012)

<center>**CHAPTER TWO**</center>

<center>**LITERATURE REVIEW**</center>

2.0 Introduction

This chapter presents the literature review as per the study objectives. The first section discusses theoretical framework, followed by conceptual review of earlier scholars and finally the review of literature gaps.

2.1 Theoretical Review

This study was guided by agency theory. The Agency theory argues that shareholder interests require protection by separation of incumbency of roles of board chair and CEO (Jensen & Meckling 2012). In theory, the managers consider that the agents will not act on their own but represent their principals. More so the theory holds that managers will not act to maximize returns to shareholders. By theory, the Agency presupposes that all the stakeholders have a role to play but they may not be readily available for all operations, and hence seek for delegates or agents (Owomoyela et al., 2012). Several studies done and utilizing the agency theory affirm its relevancy on assessing the roles of intermediaries, agents and the third party in business operations (Fama, 2012). Agency theory argues that in the modern corporation, in which share ownership is widely held, managerial actions depart from those required to maximize shareholder returns (Jensen & Meckling, 2012).

In agency theory terms, owners are principals and the managers are agents and there is an agency loss which is the extent to which returns to residual claimants, the owners, fall below what they would be if the principals, the owners, exercised direct control of the corporation (Jensen & Meckling, 1976). Agency theory specifies mechanisms which reduce agency loss

<center>14</center>

(Eisenhardt, 2012). It can be recognized that the Agency theory was therefore based on to examine the effect of marketing strategies on sales performance at Tembo Steels Uganda Limited.

2.2 Marketing strategies and sales performance

From the proceeding sections, the key concepts derived for review were product development, price strategy, place strategy and promotion strategy. In this section, these concepts were explained and their link to sales performance was highlighted

2.2.1   Product Development Strategy and Sales Performance

Various scholars have suggested that product development strategy influences sales performance. Among the major writers include; Kotler and Armstrong (2013), Cavusgil & Zou, 1994; Ataman, Van Heerde and Mela 2010, Kemppainen, Vepsäläinen & Tinnilä, 2008; Ogunmokun & Esther , 2004; Owomoyela et. al, 2013; Gbolagade, Adesol, & Oyewale, 2013).

Ataman, Van Heerde and Mela (2010) product development is a marketing mix strategy in which organizations offers consumers symbolic and experiential attributes to differentiate products from competitors. Kotler and Armstrong (2013) observed the product as anything that can be offered to a market for attention, acquisition, use, or consumption hence satisfying customers want or need. In another similar study by Kotler and Armstrong (2006), a product is anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need. A consumer product is a product bought by the final consumer for personal consumption.

A product is the physical appearance of the product, packaging, and labeling Information, which can also influence whether consumers notice a product in-store, examine it and purchase

15

it Cavusgil and Zou (1994). This study seeks to examine how product development strategy creates an impact on sales performance in term of profitability, market share, return on investment, expansion, etc. This is because customers do look at product attributes such as quality, features, design, and style.

Gbolagade, Adesol, and Oyewale (2013) researched on impact of marketing strategy on sales performance a study of selected small and medium enterprises (SME's) in Oluyole local government, Ibadan, Nigeria. It was established that there was a significant influence between product development strategy and sales performance. Owomoyela, Oyeniyi, and Ola, (2013) researched the impact of marketing mix elements on consumer loyalty findings revealed that product influences customer loyalty hence increase in sales performance. It remained a grey area as to whether Tembo Steels Uganda Limited product development strategy comprehends customer loyalty and hence high sales performance.

2.2.2 Product Development Strategy spurs Perceived Product Quality

Product development strategy has a significant effect on perceived product quality, defined as an assessment that customers have about product excellence (Poh, Ghazali, & Mohayidin, 2011). In line with Flynn et al. (2018) quality is an important element in the design and manufacture of products which are considered superior to those of competitors. According to Zigmond (2010), customers increasingly expect products to be of high quality. Hence, product quality is often considered to contribute to the development of a firm's competitive advantage. Product quality is the extent to which a product succeeds to meet the needs of its customer and hence a product development strategy must be focused on such (Hong & Hai, 2018).

The perceived quality which is the consumer's judgment about the superiority or excellence of a product is determined by a focused product development strategy (Mohmood & Fatimah

2014). Research has shown that product perceived quality directly derived from product development strategy influences purchase intention and hence sales performance (Pourhosseini & Dehdashti, 2013). This study found out whether product development strategy influences the superiority or excellence of Tembo steel product to maximize sales performance.

A study conducted by Feng, Terziovski, and Samson (2007) indicated that product quality, efficiency, and business results affect firm performance measures. Mahmood and Fatimah Hajjat (2014) researched the effect of product quality on sales performance in some Arab Companies. A model was developed to illustrate the product development stages from conception to distribution. The research analyzed data using structural equation modeling techniques. Findings revealed that product extrinsic value influences external performance and product intrinsic value influences internal performance.

Nirusa (2017) researched the mediating role of perceived product quality. The survey was used to 105 firms. It was revealed that was a relationship between organizational capability and perceived product quality. The study sought to establish whether the product development strategy sparks product quality and efficiency to Tembo Steels Uganda limited.

2.2.3 Product Development Strategy Influences Product Packaging to improve Sales Performance

In another study by Ampuero and Vila (2006) product package as part of the constructs of an efficient product development strategy contains visual and sensual attributes which communicate to consume and improve sales performance. A product package is a container that has direct contact with the product, protects, preserves and identifies the product. Good

package design requires knowledge of materials, their properties, manufacturing methods and conversion process (Sehrawet & Kundu, 2007).

Kotler (2015) revealed that product development strategy aimed at improving product packaging is used to attract attention, describe the product and clutter on retailer shelves hence motivate customers to purchase a product. Silayoi and Speece (2007) suggested that packages should be exciting and safe and of high quality. Also, colors used on the package is perceived and associated with quality attributes. Ampuero and Villa (2006) researched the influence of visual packaging design on perceived food product quality, value, and brand preference. It was established that attitudes toward visual packaging directly influence consumer-perceived food product quality and brand preference and hence high sale performance.

Holmes and Paswan (2012) researched consumer reaction to the new package design. Based on previous research, it is suggested that a combination of product quality and price influences customers purchase intention. Packaged goods that are priced low receive less attention than products that are high priced. Studies have also suggested that a product development strategy must aim at inducing positive customer attitude towards product package and quality to influence their purchase decision to buy products that have low prices (Holmes & Paswan, 2012). The researcher was intended to establish how the product development strategy at Tembo Steels Uganda limited.

Additionally, Kamotho (2011) researched the influence of packaging and labeling on consumer perception on products quality as a component of product development strategy. It was concluded that icon, symbols, font size and patterns, usage instructions, country of origin and information are an example of package label attributes that customers look for when buying a product. This study was intended to examine how Tembo Steel Company enhances its product

development strategy to boost consumer perception, products quality and thus sale performance.

2.2.4 Branding

A clear Product development strategy that enhances branding promotes high sales performance. The American Marketing Association (2010) provides that brand is a name, term, sign, symbol or design, or a combination of name, term, sign, symbol or design to differentiate goods and services from competitors. Manufacturing firms use brands to tell who they are, how they want people or market to perceive them and how the organization wants to be (Green et al., 2015).

According to Yi (2015) brand as a product development strategy identity influences band equity thus creating customer appeal and visual image about a particular brand. Additionally, Kim, Hoskisson & Hitt (2003) researched the effect of consumer-based brand equity on the firm's financial performance. This study sought to find out the extent to which product development strategy at Tembo steel Uganda Limited's has influenced sales performance.

Musibau, Choi, and Oluyinka (2014) researched the impact of product branding on sales performance. It was revealed that product branding and sales promotion affect organizational growth. Wed (2016) researched the impact of brand identity on customer loyalty and sales performance in local companies it was revealed that brand identity influences sales performance. Therefore, the researcher sought to establish whether product branding at Tembo steel industry influenced sales performance.

Njawa (2015) established that brand awareness, brand loyalty, and brand equity has a significant influence on sales performance. A corresponding study by Omotayo and Adegbuyi (2015) conducted on strategic roles of branding and organization sales performance. Findings

revealed that branding has a significant influence on sales performance. Similarly, Christian, Martin and Jens (2010) researched brand awareness in business markets: When is it related to firm performance. Findings revealed that brand awareness significantly influences market performance. However, it was not clear as to what extent brand awareness affects market performance at Tembo steel industry.

Another study by Koh, Lee, and Boo (2009) on the impact of brand recognition and brand reputation on firm performance at the U.S.A. revealed that brand reputation had a positive influence on a firm's value performance. However, a study was done by Mei (2013) on brand identity, brand equity, and Performance revealed that brand equity; brand loyalty, perceived quality, and brand awareness does not have a significant effect on firm's performance. Hence the purpose of this study was to ascertain the relationship between brand awareness as a component of product development strategy enhances sales performance at Tembo Steel industries.

2.3 Pricing Strategy and Sales Performance

Various scholars have a document about price strategy and sales performance. A review of some of the main writers covers; Kotler, 2007; Colpan, (2006); Owomoyela et al., (2013); Jones, (2007); Odhiambo (2013); Hinterhuber & Liozu, 2013.; Deonir, Gabriel, Evandro and Fabia (2017); Aila (2013), Sije and Oloko (2013); Perminus and Wilson (2017), Njomo, (2016) and Matan (2016).

Price is a cost of producing, delivering and promoting the product charged by the organization (Kotler, 2007). Yi (2015) also posits that monetary cost is one of the factors that influence the consumer's perception of a product's value. Price can be stated as the actual or rated value of a valuable product which is up for exchange; some define it as the amount of money paid for the

product (Kotler, 2007). In the studies of Colpan, (2006) and Owomoyela et al., (2013) a significant relationship between price and sales performance was observed. This study sought to investigate whether Tembo Steel Industry sets prices for a product to play a large role in its marketability within its pricing strategy.

Pricing for products that are more commonly available in the market is more elastic, meaning that unit sales will go up or down more responsively in response to price changes (Jones, 2007). The study also indicates that price consideration has a significant positive impact on sales performance. This is because many consumers are motivated to buy products at lower prices s advanced by a firm instituting such a pricing strategy (Sehrawet & Kundu, 2007). The customer base in the low price segment market is big for many manufacturing firms. These consumers in the low-cost segment always look for products that offer value for money. It remains unclear as to whether this applies for Tembo Steel Company in Uganda.

According to Kotler (2007), companies use pricing strategies such as; premium pricing, value pricing, penetration pricing, cost-plus pricing, competitive pricing, price skimming, going rate pricing, geographical pricing, segmented pricing, product mix pricing, psychological pricing, and discriminatory pricing. Odhiambo (2013) researched the effect of pricing as a competitive strategy on the sales performance of manufacturing companies. It was established that the pricing strategy and decision has a significant effect on sales performance. There was a need to conduct a study to investigate the extent to which this applies to Tembo steel company in Uganda.

Kotler (2007) reveals that price is a cost of producing, delivering and promoting the product charged determined by a proper pricing strategy hence there was a need to conduct further research to predetermine the level at which the price strategy determines the market place,

competition, market condition and quality of product and hence sales performance at Tembo Steel Industry.

2.3.1 Value-based pricing

According to research done by Piercy, Cravens, and Lane (2010), findings indicated that value-based pricing is the most profitable pricing strategy that influences maximum sales performance. Tembo steel Uganda limited has influenced sales performance. Musibau, Choi, and Oluyinka (2014) state that value pricing is the price of a customer's next best alternative plus the value of differentiating features. Value-based pricing is set by considering the value of a product or service has on its target customers (Hinterhuber & Liozu, 2013). This study sought to evaluate how Tembo steel Uganda Limited firm uses Value-based pricing to maximize sales performance.

Deonir, Gabriel, Evandro and Fabia (2017) researched pricing strategies and levels and their impact on firm's profitability. It was revealed that value-based pricing has a positive effect on profitability of a manufacturing company. Liozu (2013) conducted research on pricing orientation, pricing capabilities, and firm performance. It was established that there was a positive relationship between value-based pricing and firm's sales performance.

Jim (2012) researched customer value-based pricing strategies and why companies resist it by adopting a two-stage empirical approach. It was revealed that deficits in value assessment, deficits in value communication; lack of effective market segmentation; deficits in sales force management; and lack of support from senior management are obstacles that hinder implementation of value-based pricing strategy. This study seeks to examine the modalities under which Tembo Steel Uganda Limited applies value-based pricing to achieve its sales objectives.

2.3.2 Penetration Pricing

Penetration pricing strategy is the process of charging a low price to product or services hence penetrate the market (Jim, 2012). Similarly, Aila (2013) states that penetration pricing is the process of setting a price at a lower price for new products or service hence breaking even the technique can also be used to search for a new market for an existing product. Penetration pricing is used to support the launch of a new product and when a product enters a market with relatively little product differentiation and where demand is price elastic (Jim, 2012).

In addition to the above Poh, Ghazali and Mohayidin (2011) revealed that penetration pricing is a technique of setting a low price on a new product hence attracting customers to try company's products and services. Penetration price is setting a low price for new products hence reaching a wider mass market and acquiring more market share.

Sije and Oloko (2013) researched penetration pricing strategy and performance. It was established that there was a strong positive correlation between penetration pricing and sales performance. Perminus and Wilson (2017) researched the effect of penetration pricing strategy on the profitability of manufacturing firms. It was established that there was a positive relationship between penetration pricing and firm profitability. However, these scholar's findings could or could not be related to what occurs in Tembo Steel Uganda Limited, hence necessitating the need for the study.

Penetration pricing is used by firms to increase their market share or sales volume. Firms also use penetration pricing to speed up product adoption. Njomo and Margaret (2016) researched market penetration strategies and organizational growth. Use of penetration pricing may lead to an increase in sales volume and market share. Also, Penetration pricing strategy is used by organizations to promote complementary products (Njomo, 2016). It was not certain whether

penetration pricing has a negative or positive impact on sale performance of Tembo steel factory, hence the need for further research.

2.3.3 Price Discount

According to Mullin, Walker and Cummins (2012) price promotions include money-off coupons, pence-off flashes, buy one get one free and extra fill packs. Besides, nowadays, price-sensitive customers are more aware of promotional activities and more active in searching for price promotional offers (Cui & Tingjui, 2016).

Hamed and Farideddin (2016) researched the effects of promotion on perceived quality and repurchase intention. It was established that price promotion had a significant impact on perceived product and service quality. Bingqun, Kejia and Tingju (2016) researched analyzing the impact of price promotion strategies on manufacturer sales performance. Findings revealed that price promotion strategies affect sales performance. It was not clear on how the Tembo steel firm uses price promotion strategies to direct higher sales performance.

According to Mohmood and Fatimah (2014), the use of price discount may lead to a significant reduction in sales performance. This is because organizations reduce their regular price purchase to attract customers. Also, an increase in the use of price discount may lead to a reduction of customer repeat purchase rate (Cui & Tingjui, 2016). Ajan (2015) revealed that price discount, free sample, and in-store display influence product trial. The study sought to investigate how Tembo industry uses price discount to a significant reduction or increase in sales performance. It was not clear whether this applies to Tembo steel industry.

2.4 Relationship between Place Strategy and Sales Performance

Place consideration is as another factor having an impact on sales performance. This simply means the location, accessibility, and channel of distribution employed by a company. Jones (2007) defines place as any way that the customer can obtain a product or receive a service. Melo (2014) give distribution as another name for the place. According to Melo, it is the third element of the marketing mix, and it encompasses all decisions and tools which relate to making products and services available to customers.

Kotler and Armstrong (2016) also define place or distribution as a set of interdependent organizations involved in process of making a product available for use or consumption by consumers. Place strategy calls for effective distribution of products among marketing channels such as wholesalers or retailers. Owomoyela *et. al,* (2013); Amine and Cavusgil (2001); and Hamed and Farideddin (2016) agree that place has a significant effect on sales performance.

2.4.1 Distribution Channels

Place strategy encompasses the distribution of company products from the pace of a manufacturer to a place of consumption. Hence distribution Channel is defined as a set of interdependent organizations involved in the process of making a product or service available for consumption or use (Ames, 2016). A distribution channel can also include physical movement, warehousing, ownership of the product, presale transaction, post-sale activities; order processing, credit, and collections; and other different types of support activities (Ames, 2016). Distribution is the process of making a product or service available for use or consumption by a consumer or business user, using direct means, or using indirect means with intermediaries (Wren, 2007). Hence it was believed that Tembo transfers its products from the production point to sales point but it is not well researched.

According to Revino, Silvya, and Christoffel (2015) conducted research on the effect of distribution channel sales volume and findings indicated that distribution channels had a positive and significant impact on sales volume. However, no study has been so far conducted at Tembo steel factor to predict any relationship between marketing distribution channel strategies and a firm's sales performance.

Ferri, Mohd, Radia, and Hamidreza (2012) findings revealed that innovation in the assortment; information sharing and transportation coordination had positive and significant relationships with firm performance. Laswai (2013) researched assessment of the effectiveness of channels of distribution models in the sales performance of an organization. Findings revealed that the distribution channel has a positive influence on sales performance. Hence there was a need to conduct a study to establish the influence of distribution channel on sales performance at Tembo Steel firms.

Chege, Muathe and Thuo (2014) researched the effect of marketing capabilities and distribution strategy on performance. It was established that marketing capabilities and choice of distribution strategy have a significant influence on performance. Vorhies, Morgan, and Autry (2009) researched product-market strategy and marketing capabilities of the firm: impact on market effectiveness and cash flow performance. Afzal (2009) conducted a research on marketing capability, distribution strategy, and sales performance. Findings revealed that distribution strategy affects sales performance. Hence there was a need to investigate the effect of marketing capabilities, distribution strategy and channel management on performance at Tembo Steel Mills.

2.4.2 Geographic Location

According to Nguyen, McCracken, Casavant, and Jessup (2011) findings revealed that ownership and geographic location has a significant influence on the profitability of a firm (Nguyen et al., 2011). Hence the geographical atmosphere of Tembo steel factory was not well-researched on the extent to which it can influence sales performance, hence the need for the study.

Eze, Benedic and Juliet (2015) study on the correlation between the business location and consumer's patronage revealed business location has a significant effect on sales performance. It was not certain to conclude from the above finding that proximity of Tembo steel factory influences customers to repeat purchase. According to Kotler and Armstrong (2016), retailers should be a location near their target customers thus ensuring accessibility. Retail stores located far away from their customers harm their purchase intention. It reduces the frequency of customers visiting a store (Barnard, Kritzinger & Krüger, 2017). There was a need to further conduct a study to assess whether a similar situation about location and sales performance applies at Tembo steel factory.

2.5 Relationship between promotion strategy and sales performance

Promotion as part of a specific effort to encourage customers to tell others about the existing services (Baker & Taylor, 2014). Promotion is the key to the market exchange process that communicates with present and potential stakeholders, and the general public. Every firm or store must cast itself into the role of communicator and promoter.

Previous researches such as Amine and Cavusgil (2001); have established a significant relationship between promotion strategy and sales performance. The relationship between promotion consideration and sales performance is significant, but the relationship is negative.

This may be due to the consumer perception that heavily promoted products could be problematic products – of poor quality, with passed expiry dates, and from clearance stocks. Consumers may also perceive that heavier promotions also mean that the products are sold at higher prices, which will turn-off consumers who are in the low-cost segment of the consumer market (Francis & Collins-Dodd, 2004).

Promotion strategy is the use of advertising, sales promotion, personal selling, public relations, and direct marketing to promote organizational products (Blattberg & Neslin, 2011). According to Brassington and Pettitt (2005), promotion is a direct way in which companies communicate their products or services to their target customers. Kotler and Armstrong (2016) assert that promotion is all activities undertaken to communicate and promote products or services to the target market. Kamba (2010) in his research on the effectiveness of promotion mix methods on sales in local pharmaceutical manufacturing companies. It was revealed that marketing managers should determine what combination of promotion mix will make effective promotion programs hence increase in sales.

Aliata, Odondo, Aila, Ojera, Abong, and Odera (2012) in their research on the influence of promotional strategies on institutional performance revealed that there was a positive relationship between promotional strategies and the organization's performance. However, research conducted by Oyewale (2013) on the impacts of marketing strategy on sales performance findings revealed that promotion has no positive significant effect on sales performance

According to American Marketing Association (2010) sales promotions as "media and non-media marketing pressures applied for a predetermined time frame to the different target audience, thus consumers, retailers, and wholesalers to stimulate trial, increase consumer demand and improve product viability.

Muchochi (2015) in their research on the impact of sales promotion on organizations' profitability and consumer's perception, it was revealed that sales promotion has a positive effect on brand loyalty hence increase in organizational profitability. Adeniran, Egwuonwu, and Egwuonwu (2016) research on the impact of sales promotions on sales turnover in the airlines' industry established that sales promotions incentives have a significant impact on sales turnover in the airline's industry.

Amusat and Ajiboye (2013) revealed that sales promotion activities such as bonus, coupons, free samples, price promotion, and premiums affect sales volume. Epetimehin (2011) researched an analysis of sales promotion on sales volume in. It was revealed that there was a positive significant relationship between sales promotion dimensions and sales volume of the beverage industry. However, according to a study done by Srinivasan, and Anderson (2000) on the concepts and strategy guidelines for designing value that enhances sales promotions revealed that sales promotion dimensions do not change the structure of sales volume over the long run.

2.5.2 Advertising

According to Abiodium (2011) advertising is a non-personal paid form of communication about an organization or its product to a target audience through amass broadcast medium by an identified sponsor. Adewale, Adesola and Oyewale (2013) state that advertising is a non-personal communication strategy that is directed at a target audience through various media to present and promotes products, services, and ideas. According to Nazish et al., (2012) advertising is a strategy used by organizations to inform, remind and persuade customers to purchase a product. It is also used to present product, ideas and reach targeted customers. They therefore defined advertising as any paid form of non-personal communication about an organization, good, service or idea by an identified sponsor.

29

Ashkan (2016) researched the role of advertisement in sales increase and promotion. It was revealed that advertising has an impact on the sales increase. Akanbi and Adeyeye (2011) researched the association between advertising and sales volume. It was established that there was a significant relationship between advertising and the sales of the company.

Agbeja, Adelakun, and Akinyemi (2015) researched analysis of the effect of advertising on sales and profitability of the company it was revealed that there was a significant effect between advertising and profitability. Njawa (2015) in his research on the effects of advertising on organizational performance revealed that advertising has a significant influence on organizational performance. Dauda (2015) revealed that there was a positive and significant relationship between advertising and firm profitability.

Jebungei (2014) researched the influence of advertising on the organizational performance of cosmetic manufacturing firms. The finding revealed that the use of advertising enables an organization to create awareness and appeal. Besides, the advertisement also influences the performance of products. It enables an organization to increase sales volume and profit.

Another study by Joshi, Prabhu, and Chirputkar (2016) revealed that there exists a significant positive relationship between advertising and sales promotion on sales performance. Muthengi (2015) findings revealed that there was a strong relationship between strong sales promotion, advertising budgets, and total sales.

2.5.3 Direct Marketing

Direct marketing is a direct communication strategy used by organizations to target their customers thus gets an immediate response. It includes a face to face interaction (Rowley, 2012). Direct mail is the process of sending information about a special offer, product, sale announcement, service reminder to target customers. It includes telemarketing, email

marketing, catalog, brochures, newsletters and online marketing (Perminus and Wilson, 2017). Through direct marketing, an organization can collect relevant information about their customers and develop products based on its customers' needs and wants (Lawson et al., 1998).

Hiroki and Ashok (2011) researched the use of direct marketing strategies and their impact on business income. Findings revealed that direct marketing does not have an impact on business income. Chiang, Chhajed, and Hess (2003) revealed that the use of direct marketing increases the flow of profit through retailers and it also helps manufacturers improve their profitability. However, research done by Arnold and Tapp (2001) on research on the effects of direct marketing techniques on performance indicated that direct marketing affects performance.

A study by Aliata et al. (2012) revealed that there was a positive relationship between promotional strategies; direct marketing, sales promotion, personal selling, advertising and viral marketing on expenditure and bank performance. Cheruiyot and Peter (2016) result study discovered that direct marketing advertising, personal selling, sales promotion, and public relations enhance the company's performance by enhancing customer attraction, customer loyalty, sales volumes, branch expansion and reminding customers.

2.6 Literature Summary

This chapter discussed literature review based on the following research objectives; to evaluate the relationship between product and sales performance, to evaluate the relationship between price and sales performance, to evaluate the relationship between place and sales performance and to evaluate the relationship between promotion and sales performance. However, most studies were conducted in western countries and few in Africa while no study had been conducted at Tembo Steel industry. Hence the need for further research.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter presents the methodology of the study. The chapter includes the procedure and processes that will be followed in conducting this research. In the first sections of the chapter, study design, population of the study, sampling techniques, data collection instruments, and procedures are described and justified. In the last sections, the researcher explains data management and analysis techniques as well as ethical considerations.

3.1 Research Design

The study used a case study design, rooted in both quantitative and qualitative paradigms. A mixture of qualitative and quantitative research approaches was adopted in the study. According to Saunders, Lewis and Thornhill (2009) the quantitative approach assumes that facts could be measured through a specific set of objective methods and the paradigm further believes there is a single apprehensive reality that can be known, categorized and measured. In line with these views, the researcher assumed that marketing strategies and sales performance revealed occurrences that were measured using specific methods.

Quantitative approaches are used to measure and analyze causal relationships and differences in phenomena that are consistent across time and context (Lewis, 2015). The study used a survey research strategy because of the need to have factual quantitative information from a representative sample of a study population (Creswell, 2013). Beyond the quantitative approach, the qualitative approach was also used to obtain comprehensive information (Trochim, 2010) and interpret understanding of the variables basing on the experiences and

perspectives of the respondents. The qualitative paradigm was complemented by the quantitative paradigm for purposes of clarification, elaboration, and enhancement of the findings. Using the paradigm enables triangulation, thus making it possible for the researcher to compare the findings from both paradigms (Creswell, 2013).

3.2 Study Population

The target population was made up of 85 respondents at Tembo Steels (U) Ltd. This included; 10 Administrators (members of Management), 60 staff members in production, marketing and sales departments and 15 staff members of finance and Accounts Departments.

3.3 Sample Techniques and Sampling Selection

The Krejcie and Morgan (1970) sample size determination table guide was used to determine a sample of 76 employees from various departments. Both random sampling and non-random sampling were used. According to Trochim (2010) data saturation is when data is collected from the sample until no new information is being collected. The researcher then stops the process of data collection at that point and respondents from which data had been collected to make the sample size (Creswell, 2013). The selection procedure is summarized in table 3.1 below.

Table 1: Sample Determination

Category of respondents	Staff Number	Sample size	Tool	Data sampling technique
Administrators	10	10	Interview guide	Census
Production, marketing, and sales departmental staff	60	51	Questionnaire	Simple random
Finance and accounting staff	15	15	Interview guide	Census
Total	**85**	**76**		

Sources: Human Resource Manual of Tembo (2017)

As indicated in Table 3.1 above, the actual sample for employees was 76 respondents.

3.4 Sampling Techniques and Procedure

The study used both random and non-random sampling techniques to select the respondents. Random sampling strategies give every individual in the population a chance to be part of the sample. This reduces bias and increases the representativeness of the sample. This agrees with Amin (2005) who observed that non- random sampling strategies enable the researcher to select respondents who had the information. Stratified random sampling was used to select staff members. This method was used to give more respondents in the population a chance of being part of the sample. This technique increases representatives that enable the collection of a cross-section of data. Purposive sampling was used to select Administrators. This sampling method was used for this subsample to collect in-depth responses from respondents who are well informed about the research problem.

3.5 Data Collection Methods

Data were collected from primary and secondary sources. A survey was adopted because the study involved a large number of respondents. This involved the use of self-administered questionnaires (SAQs). This method enabled the researcher to cover the respondents quickly and at a reasonable cost (Lewis, 2015). The SAQ-based method was suitable for the sampled respondents because of their high proficiency in the English language.

3.5.1 Survey

As advised by Baruch and Holtom (2008) the questionnaire had items derived from the study objectives and Likert scale responses. The respondents ticked the responses that best describe marketing strategies and their influence on sales performance.

3.5.2 Interviews

In-depth key informant interviews were used to collect data from Heads of Departments. This method was preferred because it enabled the collection of reliable, in-depth information. With the use of the interview guide, the researcher asked key informants individually questions derived from study objectives. The key informants' responses were written down by a Research Assistant (Lewis, 2015). The real opinions of respondents in the research problem were sought. Using appropriate probing, the researcher sought detailed information that was relevant to the research questions (Amin, 2005).

3.6 Data Collection Instruments

Both primary and secondary data were considered for this study and therefore the instruments explained below will be used to collect data.

3.6.1 Structured Questionnaire

The study used a structured questionnaire to collect quantitative data from staff in the marketing sales and production departments. The researcher first gave a briefing to respondents and before issuing the questionnaire to them. As advised by Palinkas et al., (2015) the questionnaire had items derived from the study objectives and the responses were classified into a Likert scale. The respondents ticked the response that best described the type of marketing strategies commonly used and its influence on the sales performance of Tembo. The questionnaire had structured items structured questions were used because they allowed the collection of specific data. Using questionnaires gave respondents some time to reflect on answers to avoid hasty responses (Mugenda & Mugenda, 2005). This contributed to the accuracy of the data collected. The questionnaire divided into sections A, B, and C.

Section A of the questionnaire measured the demographic variables of the respondents. The demographic variables measured included employee category, gender, and organizational tenure. Section B was measured by the independent variable, i.e. marketing strategies. Section C, on the other hand, measured sales performance. For all items in sections B and C, the respondents were provided with a five-point Likert scale on which numeral 1 represents 'strongly disagree' and 5 'strongly agree'.

3.6.2 Interview guide

In-depth key informant interviews were used to collect data from Heads of Departments. This method is preferred because it enabled the collection of reliable in-depth information. With the use of the interview guide, the researcher was able to ask key informants selected from questions derived from the study objectives. The key informants' responses were written down by a Research Assistant (Lewis, 2015). The real opinions of the respondents in the research

problem were sought. Using appropriate probing, the researcher had to seek detailed information that is relevant to the research questions (Amin, 2005). Interviews allowed the researcher to target the respondents' real opinions on the research problem. The interview questions focused on the major themes of the study (Lewis, 2015).

3.7 Data Quality Control

To collect reliable and valid data, the researcher ensured that credible instruments are used. Credible research instruments required were reliable and valid. Besides, they are easy to complete so that the respondents were motivated to provide honest responses. A pilot study was conducted to pre-test the validity and reliability of the instruments. This data was used to test the psychometric properties of the questionnaire. A pretest was carried out on the questionnaire to identify any ambiguities, misunderstanding or inadequacies (Amin, 2005). The psychometric properties of the instruments that were tested as described below:

3.7.1 Validity

For a study to be credible, it must have measurable objectives that can be validated. Validity refers to the extent to which an instrument measures what it claims to measure (Djamba & Neuman, 2002). To guarantee this, the face and content validity of the instrument was measured, the instruments were first pre-tested to ensure their face and content validity. The questions found vague were eliminated or rephrased. Any ambiguities, misunderstanding, and inadequacies were eliminated as advised by (Amin, 2005).

Concerning face validity, the words used in the instruments were made simple, clear and related to the research problem. All the sections of the questionnaires were rephrased to reflect the language used in the sales and marketing operations of the company. About content validity, the researcher ensured that the items on the main variables (independent and dependent

variables) conform to the study's conceptual framework (Figure 1). The opinion of the supervisors on the relevance, wording, and clarity of the items in the instruments was sought and there was a validation of the instruments. The supervisors evaluated the instruments using the scale for which 1 = very relevant, 2 = relevant, 3 = somehow relevant, and 4 = not relevant. A content validity test was used to establish the validity of the instruments. The content validity index was measured using the formula:

$$\text{Content Validity Index} \ = \ \frac{\text{Number of items declared Valid (40)}}{\text{Total number of items(53)}}$$

The average content validity index of **0.75** was determined for the questionnaire and was greater than 0.7 (table 3.1) implying it met the accepted threshold as recommended by (Djamba & Neuman, 2002).

3.7.2 Reliability

Pre-test data was collected on the questionnaires and the procedure of data collection. This ensured that the questionnaire is reliable and that the participants respond following the instructions. The pre-test phase also examined the best way to handle unanticipated problems and gauged how long the respondents took to fill in the questionnaire. The pre-test sample included a total of 5 employees. Data was entered in the Statistical Package for Social Sciences (SPSS) and Cronbach's alpha coefficient test of reliability was calculated as follows;

Table 2: Cronbach's Alpha coefficients and CV for the variables under study

Variable	Anchor	Cronbach Alpha Coefficient	Content Validity Index
Product Development Strategy	5 Point	.794	.755
Price Strategy	5 Point	.789	.768
Place Strategy	5 Point	.775	.737
Promotion Strategy	5 point	.794	.780
Sales Performance	5 Point	.762	.871

Source: Primary data (2019)

In both cases, the Cronbach Alpha and the Content Validity Index were above 0.700, showing that the research instrument was both valid and reliable. As such, it was fit for use to collect data on these study variables to address the research questions (Yaghmaie, 2003) and as recommended by Mugenda and Mugenda (2005).

3.8 Procedure of Data Collection

The research was carried out basing on the laws or regulations governing research. Permission to conduct the research was obtained from the relevant authorities, i.e., an introductory letter from the Dean Graduate School- Kyambogo University. The letter was addressed by manager Operations, Tembo Steels (U) Ltd. The researcher explained the purpose of the study and its benefits and permission to sample the respondents was granted. After getting permission, the researcher meets respondents. With the help of Administrators, the researcher assured respondents of utmost confidentiality; that only data was used to conclude the study for academic purposes. Then data was collected from respondents. Interviews were conducted for two days while questionnaires were collected after one week.

3. 9 Data Analysis

3.9.1   Quantitative Data Analysis

Given that statistical procedures were used to answer the research questions. Quantitative data analysis was done at different levels, namely univariate and bivariate. Data analysis at the univariate level was based on percentages from the frequency tables and descriptive statistics, specifically the mean. The percentage of frequency of responses and the mean response rates for marketing strategies and sales performance were calculated. At the bivariate level, correlation coefficients were used; the researcher examined the overall relationship between the independent variables on the dependent variable.

3.9.2 Qualitative Data Analysis

Qualitative responses were analyzed using thematic content analysis. Following the advice of Mugenda and Mugenda (2005), data were first coded into sub-themes and categorized into themes and used to give credence to qualitative findings. Using the procedure recommended by Trochim (2010), data were examined and classified under themes derived from the objectives. Clusters of text with similar meanings were presented together and analyzed concerning the study. The intensity and frequency with which certain ideas were mentioned and ascertained. The reasoning and meaning behind the ideas were established. This led to understanding the respondents' perceptions and beliefs regarding the research questions. The frequency of concepts showed the measure of direction or bias in data interpretation (Trochim, 2010).

3.10 Measurement of Variables

A five-point Likert scale was used to measure marketing strategies and sales performance. Marketing strategies were measured as (Product, price, place and promotion strategies). Each of the four independent variables was measured using 8 items. Each sub-variable was measured as a level of use of the method in marketing strategies the company's steel products. Sales Performance was measured using 8 items. It was measured as increased wholesale orders, increased sales volume, profitability, and market share. For all the variables, responses were made on the five-point scale on which digit 1 represented 'strongly disagree' and 5 'strongly agree'.

3.11 Ethical Considerations

The issue of ethics is an important consideration in research that involves human subjects (Cooper & Schindler, 2014). Research ethics is the appropriate behavior of a researcher relative to the norms of society (Zikmund, 2010). This research considered ethical factors in several ways.

Participation in the research was voluntary and research participants had the right to withdraw at any time of their choice. Therefore, before the study is carried out, the researcher sought the consent of respondents by explaining the purpose of the study to them and assuring them of confidentiality. In addition to this, the researcher discussed the data collection period with the respondents before they were given questionnaires to complete as explained above. The respondents were adequately informed before the research commenced regarding how they could be treated throughout the research, how risks could be managed and the benefits of participating in this study. The researcher allowed respondents adequate time to

reflect on the information provided and minimize coercion and undue affect. Information given was treated with confidentiality and was used for this research purposes only.

3.12 Limitations of the Study

Although the research results are expected to make a great contribution to the body of knowledge in the area of marketing, there are some limitations to their application. As the limitation of questionnaires and interviews, they were restricted by time and respondents' attitudes. Some respondents tended to hide information to make them feel safer. This could be more evident during the interview sessions.

However, the researcher assured them that data could only be used for research purposes and be treated with the utmost confidentially. This motivated respondent to provide more detailed information. Some respondents could miss the objectivity of the questions and tended to provide wrong answers which made it more difficult to gain more useful information. However, respondents were encouraged to carefully respond to all items as the information could be used to improve their company's sales performance and probably their remuneration.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION, INTERPRETATION AND RESULTS

4.0 Introduction

This chapter presents interprets and analyses findings obtained from the field. It starts by presenting the response rate and results on the demographic characteristics of respondents. The chapter further outlines the effects of marketing mix on sales performance following the objectives spelled out in chapter one.

4.1 Response Rate

The response rate regarding the administration of tools is presented as follows:

Table 3: Response Rate

Category of respondents	Target sample	Sample size	Response rate
Questionnaire	51	48	94.1%
Interview	25	20	80%
Overall response rate	**76**	**68**	**89.5%**

Source: Primary Data (2019)

From a total of 51 questionnaires administered infield, only 48 were filled and returned giving a response rate of 94.1%. The researcher planned to interview 25 respondents and only 20 representing 80% response rate participated in the study. Hence the overall response rate was 68 out of 76 participants giving rise to 89.5%. This was sufficient for study as indicated in

43

Table 4.1 above. This finding concurs with Mugenda and Mugenda (2005), a response rate above 70% is very good for study to be accurate, reliable and be depended on.

4.2 Demographic Characteristics of the Respondents

To elicit data about demographic information of respondents which constituted gender, age, education level, length of service at Tembo Steel Industry as well as department worked in at Tembo Steels Uganda Limited. Questions 1-5 were administered and the following was revealed.

4.2.1 Gender of Respondents

The researcher sought to investigate the distribution of respondents by gender. this was presented as in figure 2 below.
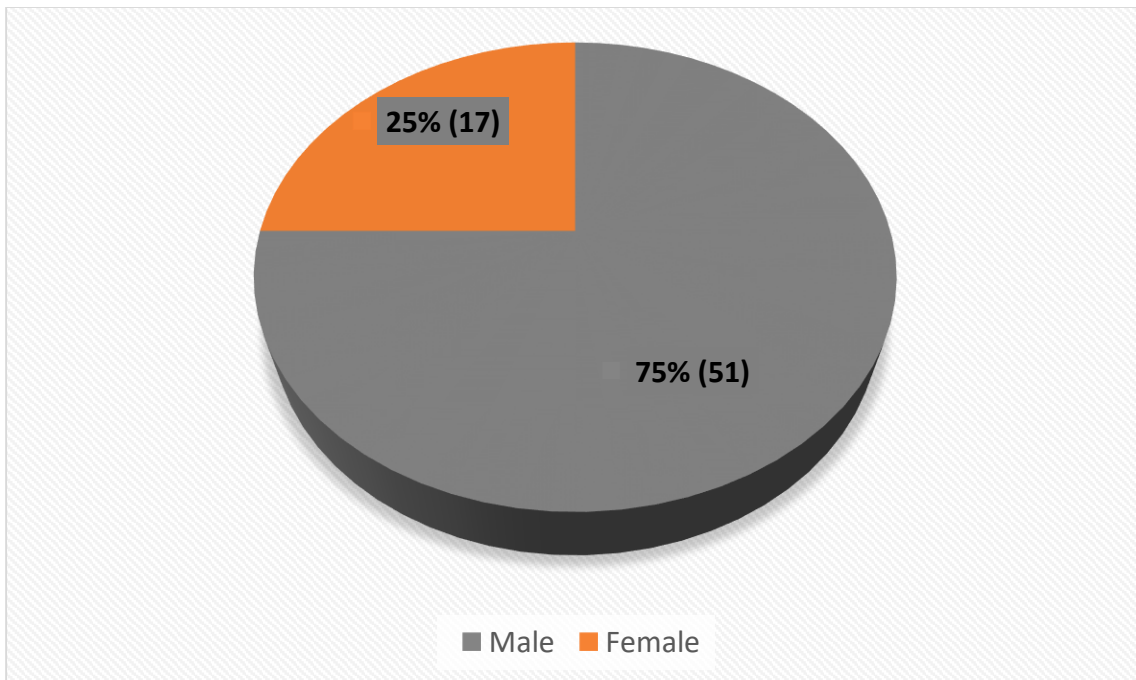
Source: *Primary Data (2019)*

Figure 2*: Pie chart showing gender distribution*

Findings revealed that 75% (51) of respondents were male while 25% (17) were female answered questions as shown in Figure 2 above. The above finding implies that data was obtained from both genders which helped to avoid biases.

4.2.2 Age of Respondents

The researcher sought to investigate the age of the respondents. Results on the age of respondents were established as presented below.

	25 and below	26-30yrs	31-35yrs	36-40yrs	40yrs and above
F	6	15	21	17	9
%	9	22	31	25	13
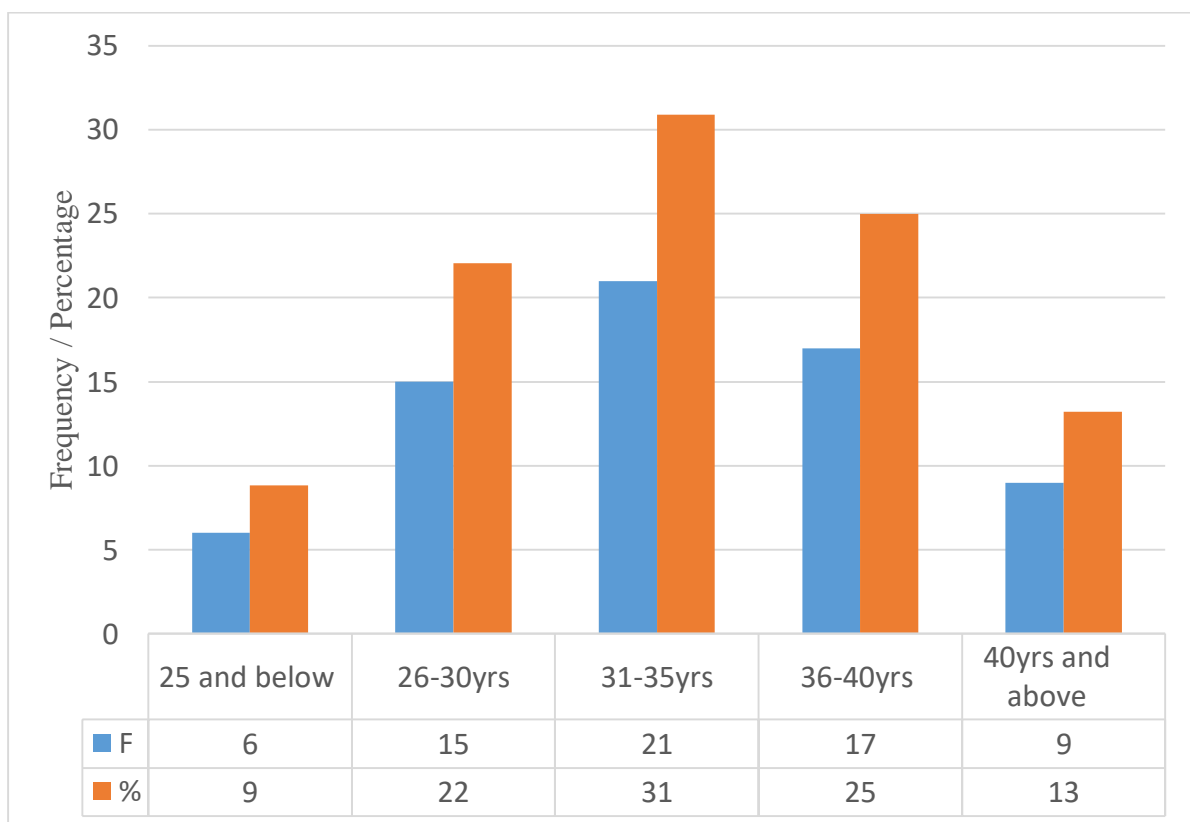
Source: Primary Data (2019)

Figure 3*: Age of Respondents*

Findings in figure 3 above revealed that 6(9%) of respondents were below the age of 25years, 15(22%) were between 26-30 years, 21(31%) of the respondents were between 31-35 years, 17(25%) were between 36-40 years, 9(13%) of respondents were over 40 years as shown in

Figure 3 above. This implies that Tembo steels (U)limited employed adults who were knowledgeable about marketing activities.

4.2.3 Level of Education

The research sought to investigate the respondent's education level of the respondents. In response, the following were established
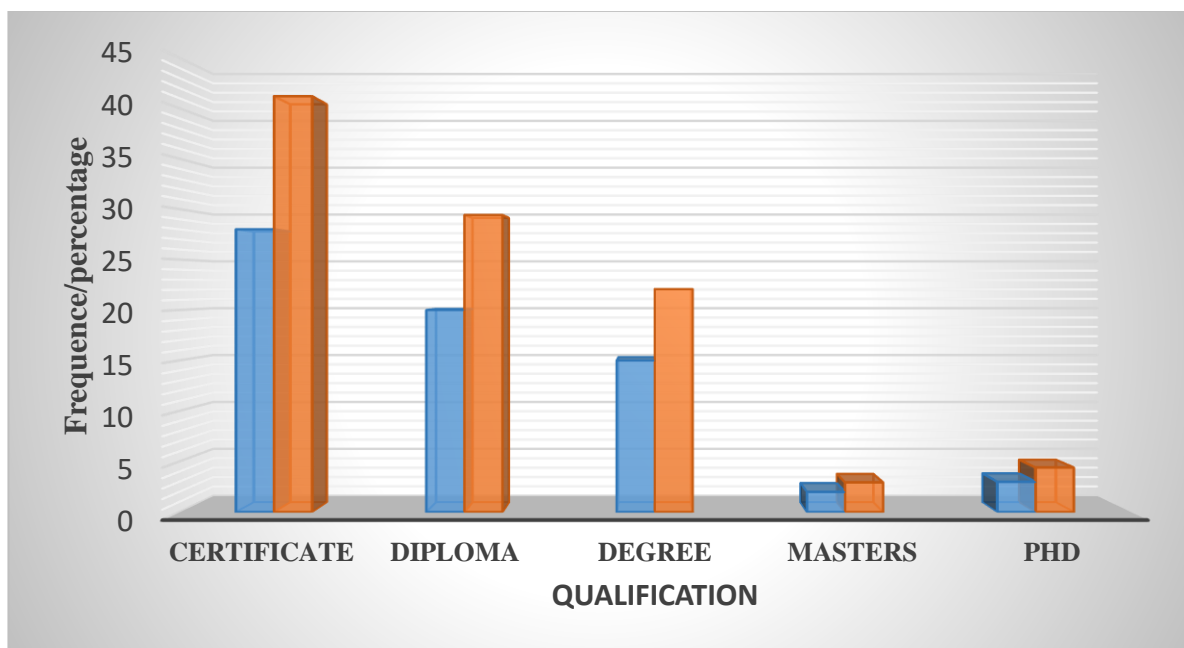
Figure 4: *Level of Education*

The findings in figure 4 above illustrate that 28 respondents had certificates this represents 41%, 20 respondents have diplomas representing 29% of the sample, 15 respondents had their first degree (22%). More so, 3% and 4% had a Ph.D. and Master's degrees. This implied that majority of the respondents had ample knowledge about the study topic.

4.2.4 Length of service at Tembo steel industry

The researcher sought to investigate the duration respondents had worked in Tembo steels (U)Limited. The results are as presented below.
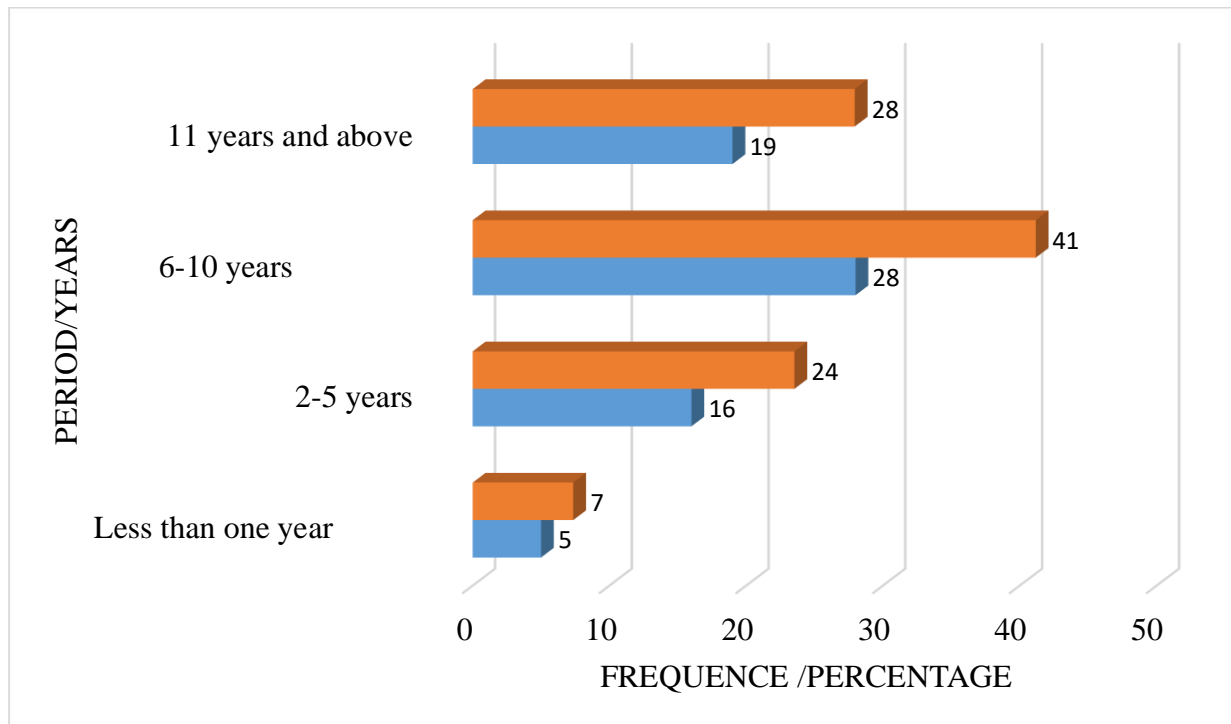
Figure 5*: Length of service at Tembo steel industry*

Results in figure 5 above indicate that 28 (41%) had been in the organization for 6-10 years, 19 (28%) had spent 11-14 years and 16 (24%) said they were at Tembo Steel Uganda limited for the last 2-5 years. Only 5 (7%) had spent a few years (less than 1 year) at the company. This meant that respondents were experienced (having spent at least 2 years at the company) to link marketing strategies used by Tembo and its sales performance over time.

4.2.5 Department work in at Tembo Steel Industry

The researcher sought to investigate the departments of the respondent's work at Tembo Steels (U)Limited. The findings are presented as follows;
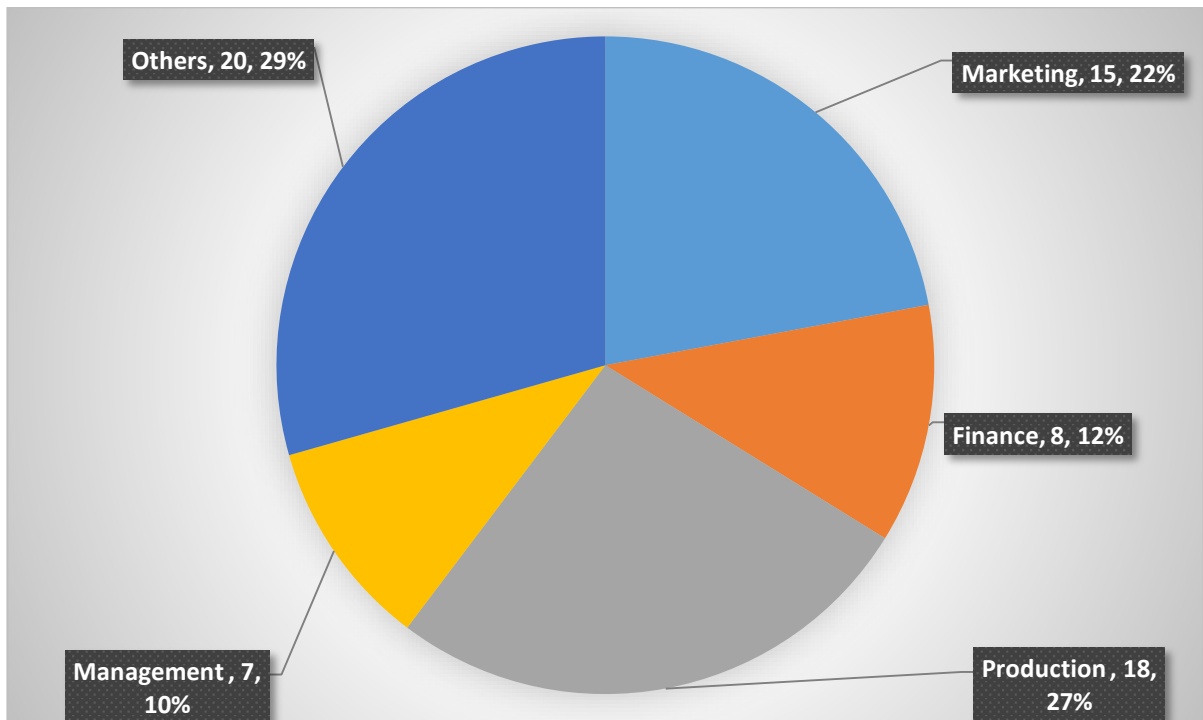
Figure 6: Departments where respondents belonged at Tembo Steel Limited

Results in figure 6 above indicate that 22% of respondents are in the marketing department, 12% in the finance department, 10% in management/administration, 27% production and 29% in other departments. The above finding implies that all respondents worked in different departments but performing activities that could enhance sales performance. More so, all departments were engaged which helped to provide relevant information for the study.

4.3 Descriptive statistics

4.3.1 The level of adoption of product development strategy

Respondents were asked to rate their level of agreement regarding some of the issues considered in the study as indicated in the table below.

Table 4: Descriptive statistics on Product development strategy

Items	Mean	SD
The product development strategy aims at producing quality.	4.06	.790
product development strategy grants customer loyalty.	4.06	.751
At Tembo steels(U) limited, product development strategy aims at enhancing the product's physical appearance.	3.93	.935
Tembo Steels (U)limited's product development strategy provides packaging.	2.91	1.324
Tembo steel factory products possess perceived quality.	4.04	.818
Tembo's product development strategy builds product branding.	4.18	.690
Does Tembo steels (U) limited product development strategy have a strong positive influence on its profitability	4.13	.621
Tembo Steels (U) Limited product development strategy provides for product visibility.	4.10	.775
Grand totals	**3.93**	**0.838**

Source: Primary data (2019)

On analysis findings in Table 4 above, the majority of the respondents disagreed that Tembo steels (U) Limited product development strategy provides packaging which influences consumer-perceived product quality (mean = 2.91; SD =1.324). This implies that Tembo did not put much effort into providing free packaging to its customers.

Further, findings show that opinions from respondents revealed that the Product development strategy of Tembo aimed at producing quality output that would enhance performance (Mean=4.06 and SD=0.790). At Tembo steels (U) Limited it was also revealed that product development strategy grants customer loyalty (mean = 4.06; SD =0.751).

Tembo steel company, product development strategy aimed at enhancing products' physical appearance. This was revealed in the mean score of 3.93 with SD of 0.935. it was also revealed

that customers always perceived Tembo,s products as quality products (mean=4.04, SD=0.818). Furthermore, Tembo's product development strategy aimed to build product brands that enhance sales (mean =4.18 and SD=0690). This implied that Tembo Steels (U) ltd was applying product development strategies.

4.3.2 The level of adoption of price strategy in Tembo Steel (U) Limited

In a bid to establish the findings on this, respondents were asked several questions to rate on the Likert scale. The highest score was strongly agreeing (5) and the least being strongly disagree (1) to the various test statements on price and sales performance. Results were tabulated, interpreted and analyzed as below.

Table 5: The level of adoption of price strategy in Tembo Steel (U) Limited

Items	Mean	SD
Tembo Steels (U)Limited uses a penetration pricing strategy to increase customer purchasing abilities	3.93	.997
Tembo Steels (U) Limited's price penetration strategy to attain high sales growth	4.06	.896
Tembo steels' low price strategy increases sales volume consistently	4.43	.581
Product value-based pricing strategy is used by Tembo	4.46	.609
Tembo Steels (U) limited conducts price promotion strategies to improve sales performance	4.10	.933
My company uses a price discount strategy to increase sales performance	4.47	.503
Tembo Steels (U) limited price promotion has a significant impact on perceived product quality	4.18	.992
Tembo Steels (U) limited uses price discounts and free samples to spur sales performance	4.13	.571
Grand total	**4.22**	**0.76**

Source: Primary Data (2019)

Findings indicate that Tembo adopted penetration pricing, Product Value-based pricing strategy, price promotion strategies, price discount strategy with the grand mean being above the average. However, results indicate that there is a notable variation on the respondent's perception of the issues studied. For instance, results reveal that Tembo Steel uses a penetration pricing strategy to increase customer purchasing abilities (Mean=3.93 and SD=0.997) which represented the least mean score. The results also indicated that Tembo's pricing strategy enabled it to attain high sales which registered a mean score of 4.06 and SD of 0.896.

Besides, there was an agreement to as whether the pricing strategy adopted increased sales consistently which had a mean score of 4.43 and SD of 0.581. This was also complemented by an agreement that the product value-based pricing used by Tembo increased sales volume (mean=4.46 and SD=0.609).

Furthermore, the findings revealed that utilized the pricing strategy as a promotional strategy (mean=4.10, SD=0.933). Besides product value pricing, it was also revealed that price discounts were also offered by Tembo (mean=4.47 and SD=0.503). This implied that the respondents were informed about the pricing strategy of the organization and it had been applied.

4.3.3 The level of adoption of place strategy in Tembo Steel (U) Limited

In a bid to establish the perception of the respondents on place strategy, Respondents were asked some questions and were supposed to rate them with the highest being strongly agreed (5) and the least being strongly disagreed (1). The interpretation of the results is based on mean and S.D whose responses were computed and summarized in Table 6

Table 6: Descriptive statistics on Place Strategy

Items	Mean	SD
Tembo Steels (U) limited has warehouses.	3.97	1.022
Tembo Steels (U) limited has competitors in similar localities providing similar products which retard sales performance	4.31	.851
Some geographic locations where Tembo steel (U)limited supplies its products, increase profitability margin	4.38	.670
Tembo Steels (U) limited distributes its products to channel with high sales volumes	4.18	.668
Tembo Steels (U) limited use distribution channels which influence product availability	4.28	.666
Tembo Steels (U) limited uses attractive stimuli such as music to influence customers buying decisions	4.12	.820
Tembo Steels (U) limited used distribution channel located in urban areas to generate higher returns	4.32	.633
Tembo Steels (U) limited retail stores are far from customers which affect their purchase intention	4.25	.655
Grand totals	**4.23**	**0.75**

Source: primary data

Results in table 6 above indicate the respondents that agreed with the assertion that Tembo Steels (U) Ltd has warehouses where it stocks sufficient products to permit repetitive and continuous consumer purchase as registered (Mean = 3.97, SD= 1.022). Additionally, there was an agreement regarding opinions on the view that Tembo Steels (U) Ltd has competitors in similar localities providing similar products that retard sales performance (mean=4.31 and SD=0.851). Further findings show that the majority of respondents supported the assertion that Tembo Steels (U) Ltd uses distribution channels that influence product availability (Mean= 4.28, SD= 0.666).

Besides, it also shows that a mean response of 4.25 was obtained regarding the assertion statement that Tembo Steels (U) Ltd' retail stores are far from customers which affect their purchase intention, and this was consistently revealed by respondents (SD=0.655). There was also an agreement to whether TSUL used distribution channels in urban areas to generate high turnover (mean=4.32, SD=0.633)

4.3.4 The level of adoption of promotion strategy in Tembo Steels (U) Limited

Respondents were asked many questions and were supposed to rate them with the highest being strongly agreed (5) and the least being strongly disagreed (1).

Table 7: Descriptive statistics on Promotion strategy

Items	Mean	S D
Tembo Steels (U) limited conducts regular promotion to create interest and brand awareness	4.21	.821
Tembo Steels (U) limited uses online promotional strategies to positively influence sales performance	4.03	.791
Tembo Steels (U) limited promotion strategy markets its products thereby increasing sales performance	4.01	.611
Tembo Steels (U) limited conducts sales promotions strategy such as advertisement which influences sales volume	3.84	.840
Tembo Steels (U) limited promotion strategy increases brand loyalty	3.76	.916
Tembo (U) limited promotes its product in a bid to increase its profits	3.94	.620
Promotion strategies via media give Tembo steels (U)limited a competitive edge in the steel industries	3.85	.580
Tembo Steels (U) limited promotes its products by offering price discounts and coupons	4.49	.560
Grand totals	**4.02**	**0.72**

Source: primary data

The findings in table 7 indicated that TSUL had good promotional strategies among which involved offering discounts and coupons. This registered the highest mean score of 4.49 with a standard deviation of 0.56. Besides that, the findings generally indicated that there was a high perception of the issues that were considered in the study concerning the adoption of promotional strategies as all mean scores were above the average.

Furthermore, the findings revealed that TSUL conducted regular promotions (Mean=4.21 and SD=0.821). It was also revealed that online promotional strategies were also adopted by TSUL as one of the mechanisms to promote the products (Mean=4.03 and SD=0.791). The findings also indicated that advertising was one of the promotion strategies that were used by TSUL. The findings also revealed that TSUL perceived promotion as one of the elements that promoted customer loyalty (mean=3.76 and SD=0.916). It can, therefore, be observed that the findings in realty indicated that promotion strategy was the majority applied in TSUL limited as one of the strategies to create awareness, build customer loyalty and increase market share.

4.4 Sales Performance

The sales performance level of Tembo Steels (U) Limited in this study was examined as the dependent variable. In a bid to determine the sales performance level, respondents were asked some questions to rate based on the Likert scale. The highest response rating was strongly agreed (5) and the least strongly disagreed (1). The findings were established as presented in Table 4.6 below.

Table 8: Descriptive of Sales Performance

Items	Mean	SD
Tembo industry's market share is increasing per annum	4.34	.704
The market share is above the industrial average	4.44	.583
Tembo's sales volume increase gradually per annum	4.47	.634
Tembo industry does not struggle to increase its market share	4.29	.714
Tembo sales force works hard to maximize its sales performance	4.29	.548
Our company earns high profitability margins every year	4.35	.540
Customer loyalty has enhanced consistent profitability	4.44	.500
Our industry has the highest market share in the industry	4.15	.885
Grand totals	**4.35**	**0.64**

Source: Primary Data (2019)

According to the table, findings indicate that generally, TSUL was faring well concerning the issues that were considered in the study with the mean scores being above the average as per the Likert scale of 1-5. The results indicate that the majority of the respondents the sales of TSUL were increasing gradually per anum (Mean score=4.47 and SD=6.34). It was also observed that TSUL market share was increasing per annum (mean=4.34 and SD=0.704).

It can also be seen in the findings that TSUL's marketing capabilities were high with the market share being above the industries average indicated by the mean score of 4.44 with a standard deviation of 0.583. According to the results, findings indicated that the market share of TSUL was increasing without much struggle by TSUL to see how it would be expanded (mean=4.29 and SD=0.714).

Furthermore, the result also indicated that TSUL had a strong sales force that tirelessly worked towards expanding the sales volume (mean=4.29 and SD=0.548). Also, it was revealed that TSUL often registered profitability annually which was represented by a mean score of 4.35

and SD of 5.40, besides that customer loyalty was also enhanced consistently (mean=4.44 and SD=0.5)

4.5 Correlation results

The study thought to examine the relationship between marketing strategies and the sales performance of manufacturing firms. Specifically, the focus was on establishing the relationship between product development strategy and sales performance, the relationship between price strategy and sales performance, the relationship between place strategy and sales performance and the relationship between promotion strategy and sales performance. In a bid to address these objectives, Pearson's correlation was used and the findings are indicated in the table below.

Table 9: The relationship between variables

Correlations						
Variables		(1)	(2)	(3)	(4)	(5)
Product development (1)	Pearson	1				
Price strategy (2)	Pearson	.270*	1			
Place strategy (3)	Pearson	.382**	.122	1		
Promotion strategy (4)	Pearson	.259*	-.009	.395**	1	
Sales performance (5)	Pearson	.156	.297*	.430**	.268*	1

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

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

Source; Primary data

4.5.1 The relationship between product development strategy and sales performance

According to table 9 above, the findings indicated that product development strategy had a positive relationship with sales performance, however, the relationship was insignificant (r=0.156 and P-value>0.05). This implied that there was no evidence to explain that product development results in an increase in sales performance

4.5.2 The relationship between price strategy and sales performance

The findings in table 9 also revealed that price strategy had a positive significant relationship with performance (r=0.297 and P-value<0.05). This indicated that there was statistical evidence to explain that an increase in the adoption of price strategy would increase sales performance.

4.5.3 The relationship between place strategy and sales performance

Furthermore, the findings indicate that there is a significant positive relationship between place strategy and sales performance (r=0.430 and P-value<0.01). These findings indicated that place strategy contributes more to sales performance as compared to other strategies considered in the study.

4.5.4 The relationship between promotional strategy and sales performance

It was also revealed in the findings that the promotion strategy also had a positive relationship with performance and the relationship being significant at P-Value<0.05 and r=0.268. This implied an increase in the adoption of a promotional strategy by the firm would also increase sales performance.

4.6 Regression Results

The researcher analyzed the effect of marketing strategies on sales performance basing on multiple simple regression analysis. The analysis results are shown in Table 10 below.

Table 10: Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.089	.714		1.526	.132
Product development strategy	-.078	.094	-.101	-.831	.409
Price strategy	.285	.114	.280	2.489	.015
Place strategy	.396	.130	.376	3.035	.003
Promotion strategy	.161	.129	.149	1.250	.216

Dependent Variable: Sales Performance

R	0.518
R Square	0.269
Adjusted R Square	.222
F Statistic	5.785
Sig.	.000

Source: Primary data (2019)

a. *Predictors: (Constant),* Marketing Strategies [product, price promotion, and place]

b. *Dependent variable:* Sales Performance

The results showed that the R^2 value was 0.269 hence 26.9% of the variation in sales performances was explained by the variations in product, price, promotion, and place. More so, results indicated a significant model (F=5.785, sig=0.000) to explain a multi regression equation of sales performance:

$$(Y) = 1.089 - 0.78(product) + 0.285(price) + 0.396(place) + 0.161(promotion)$$

The three predictors cause 26.9% variations in sales performance at a coefficient of multiple determination (R square = 0.269). Thus, the regression output (R=0.518) suggests if marketing strategies are well managed, it would significantly improve the sales performance of TSUL. It was also established that place strategy was the most likely contributor to sales performance levels represented by the highest coefficient of (B=0.396) as compared to others. In addition, it was observed that product development negatively contributes to sales performance (B=-0.78). This implied that percentage change in product development strategy will result into -0.78 reduction in sales performance.

CHAPTER FIVE

DISCUSSION OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

5.0 Introduction

This chapter discusses findings regarding research objectives about the relationship between product, price, place, and promotion against sales performance at Tembo Steels Uganda Limited. The chapter also gives a conclusion and recommendation for improvements and further research.

5.1 Discussion of the major findings

5.1.1   Relationship between Product and Sales Performance

The findings revealed that the product development strategy has a positive but insignificant relationship with sales performance (r=0.156, P-value>0.05). This implied that there was no statistical evidence to conclude that any effort taken to adopt a product development strategy would lead to an increase in sales performance. Although perception has it that product quality improves sales performance, it was not the case with TSUL. Findings revealed that product perceived quality does not influence purchase intention. This is, in contrast, Poh, Ghazali and Mohayidin (2011) who established that product perceived quality directly influences purchase intention.   Additionally, and in relation is the perception held in an interview with one of the managers, who said:

> *Marketing strategies especially product-oriented approached were used in Iganga and Kampala as given market areas where the proper allocation of resources to support the company win competitive advantage by establishing,*

building, defending and maintaining our sales performance above the industrial average.

From the findings above, it can be noted that product development strategy has been tried in several areas for Tembo Steel Uganda Limited, and provided varying outcomes. In some areas, it has been successful and in others, it still lags in achieving the desired goal of attaining high levels of sales over time.

Related to the above findings as well is Feng et al. (2007) who stated that customers increasingly expect products to be of high quality. Hence, product quality is often considered to contribute to the development of a firm's competitive advantage. On the contrary, the findings also disagreed with the perception held by Nirusa (2017) that the mediating role of perceived product quality significantly and positively influenced sales performance among manufacturing firms. Hence failure to develop quality products hinders externals performance and product intrinsic value attributing to low sales performance.

Findings also revealed that at Tembo steels (U) Limited, product development strategy aims at enhancing products' physical appearance (mean=3.39). This finding concurs with previous scholars' findings such as Musibau et al. (2014), and Omotayo and Adegbuyi (2015) which revealed that institutionalizing proper product development strategy improves brand awareness and creates a significant positive effect on sales performance. During the interview with the CEO, he said,

The above opinions give a reflection on how the company focused on its products is as a core marketing strategy. In an interview, it was established that Tembo Steel Uganda limited, is still product-oriented in its marketing activities, despite weak outcomes and challenges. In the interview with the marketing manager, he revealed;

"Our products including Angles, hollow sections, flat bar, TMT gold, wire rods, binding wires, BRC and weld mesh, nails and sponge iron are highly useful for construction. So when we base on that, I think we can market more of these products. You know marketing is the art of looking where you have a better advantage and where your goods fast move. Both our semi-finished goods and finished products are delivered in a wide range of carbon steel and alloy steel grades with ultra-low gas & sulfur contents assuring high internal soundness and dimensional uniformity whereas Sponge Iron is efficient backward integration with the world's largest coal-based sponge iron manufacturing facility.

Regarding the above opinions, and findings it can be appreciated that product marketing strategy like any other strategy is key for marketing and its effects on sales performance may not be underrated. Wed (2016) concedes that it is highly used where preferences of customers are closely linked with the product brands and types, that the user-value of the product.

5.1.2 Relationship between Price and Sales Performance

The study results indicated that Tembo' Steel Uganda Limited adopted penetration pricing, Product Value-based pricing strategy, price promotion strategies, price discount strategy, lower prices market segments, bonus packs and providing free samples to spur sales performance. The findings also revealed that there is a positive relationship between price strategy and sales performance (r=29.7 and P-value <0.05)

This finding is in disagreement with Jones (2007) who asserted that pricing for products that are more commonly available in the market is more elastic, meaning that unit sales will go up or down more responsively in response to price changes. Similar to this statement disregards

the findings for a study conducted by Bingqun et al. (2016) which revealed that price promotion strategies positively affect sales performance. However, findings are in agreement with Odhiambo (2013) who revealed that pricing strategy and decision has a significant effect on sales performance as an independent factor.

The study findings revealed that TSUL sets its product price using the following measures: Cost-plus, Value basis, the competition, Input Size, offering discount Unprofitable guide and Psychological approaches. Further, still, Hamed and Farideddin (2016) in their study on the effects of promotion on perceived quality and repurchase intention found out those price strategies had a significant impact on perceived product and service quality.

According to Kotler (2007) companies use pricing strategies such as; premium pricing, value pricing, penetration pricing, cost-plus pricing, competitive pricing, price skimming, going rate pricing, geographical pricing, segmented pricing, product mix pricing, psychological pricing, and discriminatory pricing which some applied to TSUL.

From the interview with management concerning the relationship between price strategy and sales performance at Tembo Steel (U) Ltd, they had this to say;

> *Prices for TSUL which set products in marketability are first of all determined by the cost of; production, delivery, and promotion. The products are charged fair prices that influence consumer's perception of a product's value. They establish a significant relationship between price and sales performance. The price charged at TSUL aids the company to generate whether high or low profits revenue and the most important customer satisfaction and loyalty factor depending on the interplay of the marketing mix by our marketing department.*

The findings are also in line with, a study was done by Sije and Oloko (2013) on penetration pricing strategy and performance of small and medium enterprises in Kenya revealed that there was a strong positive correlation between penetration pricing and performance. These opinions tend to agree with opinions raised in the interview with the head of the production had this to say;

Our customers meet the price for the chosen product of value for a specific purpose to receive a product or service for a certain amount. This is the direct cost of the amount of money the buyer has to pay for the product bought. Thus, price is one of the factors affecting the consumer, because it helps him to understand the value of the product. So there is always an inverse relationship: the higher the price, the sales decline.

5.1.3 Relationship between Place and Sales Performance

The study results in chapter four indicated place strategy had a major contribution to the sales performance of a firm. This was indicated in the r=0.43 and P-Value<0.01 which implied that if a firm increases its effort to adopt place strategy, it would have increased in sales performance. Although Tembo had poor distribution strategy channels located in both urban and rural areas still it indicated that the little effort it had invested in improving the place strategy always boosted its sales performance.

This is in disagreement with Wren (2007) who found out that distribution is the process of making a product or service available for use or consumption by a consumer or business user, using direct means, or using indirect means with intermediaries would reduce on sales performance.

Findings revealed Tembo steels Uganda limited uses store design and it has a positive effect on consumer purchase and sales volume and the use of attractive stimuli such as music has an influence on customers. This is in line with Mowen and Minor (2004) who ascertained that store design has a positive effect on consumer purchase decisions hence increase in sales. Findings are in line with studies done by Egle, and Maciejewska (2012), Parsons (2010), Chang (2011), Kariuki (2012) and Morrison (2011) which revealed that use of attractive stimuli's such as medium volume music with well-spaced sound sources lighting, noise, colors, signs, and symbols has an influence on customers purchase decision.

Related to these findings is the interview responses who pointed out those customers have a lot they gain when the company has a clear place of storage, distribution, and marketing. In an interview with one of the managers, she said;

> *Our Products are made available to customers through making special orders and the company directly distributes or delivers. However, we also allow them to come to our outlets, warehouses, and also distribution agents. The distribution of products helps take our products to places where consumers can have direct access to them. There is a need to maximize sales because it helps customers and users to find and keep purchasing those products from the same manufacturer who provides them at the time of need.*

This shows that placing goods in the right place makes it easier for customers to reach out to their desired brands and products. In a related opinion, Head of Marketing had to say:

> *We focus on the distribution function is twofold:* d*istribution perceived as a marketing channel, whose purpose - to make the service become not only more accessible but also easier accessible to a friendly user; and Physical*

distribution, which is attributed to local conditions, technical feasibility, transportation, and other conditions, depending on the nature of the service.

Further findings, further show that proper placing of the products as done by the Marketing department helps to establish and enrich the distribution channel control to manage sales maximization through proper distribution processes. The creation of the distribution chain was necessarily created to: analyze consumer needs, determine the distribution chain objectives and possible obstacles to achieve them and identify the key distribution chain alternatives and assess these alternatives (Rowley, 1998).

Results portrayed that consumers obtain TSUL products from three main places that are Company warehouse, Wholesale and retail shops across the country. The location of retail stores far from customers has a negative effect on their purchase intention, the geographic location has a significant influence on profitability and the close location of organizations selling similar products affects performance. These statements are similar to studies Hansen and Solgaard (2004) retail stores located far away from their customers harm their purchase intention.

5.1.4 Relationship between Promotion strategy and Sales Performance

The study revealed that the promotion strategy has a positive significant relationship with sales performance (r=0.268, P-value<0.05). It was revealed that Tembo Steels (U) limited product information to increase sales performance. This is in line with Rowley (1998) advertising is a promotion strategy used by organizations to inform, remind and persuade customers to purchase a product. It is also used to present products, ideas and reach targeted customers. In line with these findings, is opinions expressed during interviews with management of Tembo steels (U) limited? In the interaction, one of the respondents said:

TSUL uses promotion strategy to help disseminate product information, increase product purchase as well as the purchase decision process. Promotion attributed to an increment in the consumption of Metallic products at least by 1.2% in 2018 as compared to 2017.

The study results in chapter four indicated that sales promotions influence sales volume, the use of sales promotion creates interest, brand awareness; use of sales promotion creates interest, and brand awareness, sales promotion have increased brand loyalty. This is similar to a study done by Mullin (2010) which revealed that sales promotion is used by organizations to increase volume, induce trial, increase repeat purchase, increase customer loyalty, increase product usage, create interest, create awareness and create brand awareness.

Findings revealed that the use of e-marketing has a positive influence on performance and the use of direct marketing has led to an increase in profit at TSUL. Muchochi (2015) in their research on the impact of sales promotion on organizations' profitability and consumer's perception, it was revealed that sales performance has a positive effect on brand loyalty hence an increase in organizational profitability. Additional, interview findings complemented these findings. While undertaking an interview with head marketing revealed that:

TSUL conducts a customer survey known as "the people's choice survey) which revealed that the promotion strategy was conducted under UMA gala night awards. He added that having experienced an increment in the consumption of Metallic Producers and not only from one brand, but the capacity from other brands to gain consumer attention is also felt through some brands still showcases a decrease in consumers.

67

Competition is becoming tighter and still the consumer ship is Expanding from the non-decided individuals, from 15.8% to 14.6%. the ability to acquire a more dominant market mix for each region is needed if brands are to maintain their positions in the market and segment itself to maintain Consumer ship. More new brands in given regions are gaining a countrywide distribution and therefore Tembo Steel is more stable as compared to any other brand in the market today.

These findings hence show that when the promotion is properly done, for instance through advertising it sets ideas that help to inform customers about new products and helps to reduce barriers between customers and TSUL thus improving its sales performance. Thus, sales promotion /practices at TSUL is directed to the user (samples, coupons, bonuses, prizes, guarantees); traders (including price reductions, promotional allowances, and free products); corporate sales personnel (sales exhibitions, sales representative's contests, and special promotion). These findings are in agreement with Amusat and Ajiboye (2013), who in their research revealed that sales promotion activities such as bonuses, coupons, free samples, price promotion, and premiums affect sales volume.

5.2 Conclusions

Based on the findings it can be concluded that product development strategy does not have a significant positive impact on sales performance however brand awareness influences organizational performance, packaging influence consumer-perceived product quality, the packaging is used to describe the product, its use, product visibility, and recognition and attract attention, brand image, and loyalty influences the company's profitability.

It was concluded that price strategy has a significant relationship with sales performance. Therefore, the use of pricing strategy increases sales volume, price promotion influences

customer's perception towards product quality, penetration pricing influences purchase intention and value-based pricing has a positive impact on profitability.

It was concluded that place strategy plays a major contribution to sales performance. It is observed that distribution channels located in urban areas generate more returns than those in rural areas, store design and use of attractive stimuli such as music has an influence has a positive effect on consumer purchase and sales volume, geographic location has a significant influence on profitability and physical surrounding such as finishing, good working environment, and aroma affects sales.

TSUL uses advertising to present products and ideas hence increase sales, e-marketing has a positive influence on performance and direct marketing increases profit. Also, TSUL uses sales promotion is used to create interest, brand awareness and increase brand loyal, advertising has increased sales and TSUL does not use personal selling and publicity and price discounts and coupons.

5.3 Recommendations

It is recommended that due to high competition in the market, TSUL should improve on its packaging design hence increase product visibility and recognition. Improve on their branding strategy. Through this, the company will be able to increase firm performance.

TSUL Ltd should use price promotional strategies such as uses price discounts, free samples, bonus packs to increase customer's intention to purchase their products hence increase in sales volume. Price penetration strategy should also be used to increase product adoption.

The study recommends that TSUL should use attractive stimuli in their work environment and also during promotion hence influences customer's perception and increase sales. Increase their distribution channels in urban areas thus influence product availability.

TSUL should use personal selling and publicity to promote their products. Through this, they will be able to have direct interaction with their customers hence know what their customers need and want. Price discounts should also be used to encourage customers to buy products and services.

5.4 Areas for further research

The study found out that product development strategy had no significant relationship with sales performance, therefore future studies should carry out an in-depth study on the effect of product strategy on sales performance.

There is a need for a similar study to be conducted in other organizations to determine other factors that affect sales performance other than the marketing mix.

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Dear Respondent,

I am a student pursuing a Master's Degree in Business Administration at Kyambogo University. I am carrying out a study on *"Marketing Strategies and Sales Performance of Manufacturing Firms in Uganda: A Case Study of Tembo Steels (U) Ltd"*. I am requesting you to read the given questionnaire and answer the questions that follow. The information you give will be treated confidentially and be used for academic purposes only.

Your cooperation will be highly appreciated.

Please answer every question by using either a cross(x) or tick (√) in the option that applies.

Section I: Respondent's Demographic Information

Please tick the most appropriate answer (√/)

1.　　Gender:　A) Male ☐　　　　B) Female ☐

2.　　Age

　　　A) 25 and below ☐　　B) 26-30yrs ☐　C) 31-35yrs ☐

　　　D)　36-40yrs ☐　　　E) 40yrs and above ☐

3.　　Education level

　　　A) Certificate ☐　　　B) Diploma ☐

　　　C) Degree ☐　　　C) Masters ☐　D) PhD ☐

4. Length of service at Tembo steels (U)limited

    A) Less than one-year ☐   B) 2-5 years   ☐

    C) 6-10 years   ☐   D)11 years and above ☐

5. Department you work in at Tembo Steels (U) limited

    A) Marketing ☐   B) Finance ☐   C) Management ☐

    D) Production ☐   E) Others ☐

D) Any other please specify…………………………………...

For sections II to IV; Please indicate your opinion as per the level of disagreement or agreement with the outline statement using 1 to 5 scale guidelines. 5= Strongly Agree 4- Agree, 3= Neutral, 2 =Disagree, 1= Strongly Disagree

Section II: Relationship between Product Strategy and Sales Performance at Tembo Steels (U) Ltd

	Product development strategy and Sales Performance	1	2	3	4	5
1	The product development strategy aims at producing quality.					
2	product development strategy grants customer loyalty.					
3	At Tembo steels(U) limited, product development strategy aims at enhancing the product's physical appearance.					
4	Tembo Steels (U)limited's product development strategy provides packaging.					
5	Tembo steel factory products possess perceived quality.					
6	Tembo's product development strategy builds product branding.					

7	Does Tembo steels (U) limited product development strategy have a strong positive influence on its profitability					
8	Tembo Steels (U) Limited product development strategy provides for product visibility.					

Section III: Price Strategy and Sales Performance at Tembo Steels (U) Ltd

	Price Strategy and Sales Performance	1	2	3	4	5
1	Tembo Steels (U)Limited uses a penetration pricing strategy to increase customer purchasing abilities					
2	Tembo Steels (U) Limited's price penetration strategy to attain high sales growth					
3	Tembo steels' low price strategy increases sales volume consistently					
4	Product value-based pricing strategy is used by Tembo					
5	Tembo Steels (U) limited conducts price promotion strategies to improve sales performance					
6	My company uses a price discount strategy to increase sales performance					
7	Tembo Steels (U) limited price promotion has a significant impact on perceived product quality					
8	Tembo Steels (U) limited uses price discounts and free samples to spur sales performance					

Section IV: Place Strategy and Sales Performance at Tembo Steels (U) Ltd

	Place strategy and sales performance at Tembo Steels (U) Ltd	1	2	3	4	5
1	Tembo Steels (U) limited has warehouses.					
2	Tembo Steels (U) limited has competitors in similar localities providing similar products which retard sales performance					
3	Some geographic locations where Tembo steel (U)limited supplies its products, increase profitability margin					
4	Tembo Steels (U) limited distributes its products to channel with high sales volumes					

		1	2	3	4	5
5	Tembo Steels (U) limited use distribution channels which influence product availability					
6	Tembo Steels (U) limited uses attractive stimuli such as music to influence customers buying decisions					
7	Tembo Steels (U) limited used distribution channel located in urban areas to generate higher returns					
8	Tembo Steels (U) limited retail stores are far from customers which affect their purchase intention					

Section V: Promotion Strategy and Sales Performance

	Promotion Strategy and Sales Performance	1	2	3	4	5
1	Tembo Steels (U) limited conducts regular promotion to create interest and brand awareness					
2	Tembo Steels (U) limited uses online promotional strategies to positively influence sales performance					
3	Tembo Steels (U) limited promotion strategy markets its products thereby increasing sales performance					
4	Tembo Steels (U) limited conducts sales promotions strategy such as advertisement which influences sales volume					
5	Tembo Steels (U) limited promotion strategy increases brand loyalty					
6	Tembo (U) limited promotes its product in a bid to increase its profits					
7	Promotion strategies via media give Tembo steels (U)limited a competitive edge in the steel industries					
8	Tembo Steels (U) limited promotes its products by offering price discounts and coupons					

Section VI: Sales Performance

	Sales Performance	1	2	3	4	5
1	Tembo industry's market share is increasing per annum					
2	The market share is above the industrial average					
3	Tembo's sales volume increase gradually per annum					
4	Tembo industry does not struggle to increase its market share					
5	Tembo sales force works hard to maximize its sales performance					
6	Our company earns high profitability margins every year					
7	Customer loyalty has enhanced consistent profitability					
8	Our industry has the highest market share in the industry					

"THANK YOU"

APPENDIX B: INTERVIEW GUIDE FOR MANAGEMENT

1)   What marketing strategies are applied by Tembo Steels Uganda limited?

2)   What relationship exists between product strategy and sales performance at Tembo Steels Uganda limited?

3)   What is the relationship between price strategy and sales performance at Tembo Steels (U) Ltd?

4)   What is the relationship between place strategy and sales performance at Tembo Steels (U) Ltd?

5)   What is the relationship between promotion strategy and sales performance of Tembo steels (U) limited?

6)   What can be done to improve the sales performance of Tembo steels (U) limited?

"THANKS FOR YOUR COOPERATION"

APPENDIX C: INTRODUCTION LETTER