

ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES



**FACTORS AFFECTING MARKET SHARE OF PACKED WATER IN
ETHIOPIA: THE CASE OF ORIGIN NATURAL MINERAL WATER**

By: Getachew Meshesha

JANUARY, 2018

ADDIS ABABA, ETHIOPIA

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BY

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ID. SGS/0110/2008B

**A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY SCHOOL OF
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DECLARATION

I declare that this thesis is my original work and prepared under the guidance of **Asst. Proff Mohammed Mohammednur**. All the sources of material used for this thesis have been duly acknowledged. I further confirm that this thesis has not been submitted either in part or in full to any other higher learning institutions for the purpose of awarding any degree.

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ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval of a University advisor.

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DEDICATION

My special tributes go to my family who provide an extraordinary encouragement in this scholastic career and they are the reason why I am here. Let GOD give them an endless pleasure.

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LIST OF ACRONYMS

BA	Bachelor of Art
BSC	Bachelor of Science
ES	Ethiopian Standard
MSC	Master of Science
MA	Master of Art
PHD	Philosophy of Doctor
SPSS	Statistical Package for Social Sciences
VIS	Variance Inflation Factor

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ABSTRACT

The expansion of bottling firms and marketing opportunity of bottled water are clear indicators to represent Ethiopia as a home of suitable investment opportunity for bottled water sector. The objective of this study is to examine the factors affecting market share of Origin Natural Mineral Water. Explanatory research design and mixed research approach is applied. The target population includes consumers of Origin Mineral Water under Addis Ababa City. In this study sample size consisted of 333 customers and three distributors or wholesaler. Sampling is done by convenience techniques. The study was used both questionnaire and interview data collection instruments. Spearman measure of strength of association correlation analysis is applied to measure the strength and association between dependent variable, market share and four independent variables; product strategy, price strategy, promotion strategy and distribution strategy. To measure the factors influencing market share of Origin Natural Mineral Water and examine the effect of the independent variables on market share Binary regression model was used. Hence, the goodness of fit of the model is 66% indicated that the independent variables had a significant power to explain the variance in market share. After confirming the model was valid the regression analysis and hypothesis testing is performed using SPSS software. The result showed that there is a positive and significant relationship between market share of Origin Natural Mineral Water and product strategy, price strategy, promotion strategy and distribution strategy. Finally, the study recommended that appropriate and adequate measures of marketing mix strategies leads to long term business successes, holding remarkable market share.

Key words: *Origin Mineral Water, Marketing mix strategies and Market share*

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Bottled water can be described as any product, including mineral, spring or well water taken from municipal or private utility systems, distilled or other water, to which chemicals may be added and which is put into sealed bottles, packages or other containers to be sold for domestic consumption or culinary use (Department of Health, New York State, 2006). The bottled water market started in Europe and Russia by the early 1900's and extended later to the US and China. From then the market showed a noticeable change in Europe and captured a great part of the beverage market share. In the United States and Asia bottled water become the fastest growing drink choice and spends billions of dollars each year (Beverage Marketing Corporation, 2004). The real boost of bottled water commenced in 1968 when the French company 'Vittel' revolutionarily launched the first plastic bottled water- aimed for general public consumption (Finlayson, 2005).

Zion Research (2012) revealed that Africa is an emerging market for bottled water investment. As one of the fastest growing economies in Africa, home to the continent's second largest population, and the water tower of Africa; Ethiopia represents a compelling investment opportunity particularly in Water Bottling oriented sectors (Ethiopian Business Review, 2013). In less than a decade time, there has been different bottled water producers entering into the business and presently there are more than fifty seven mineral and bottled water producers, majority of them passed through a thorough certification process mandated by Ethiopian Quality and Standards Authority and Ethiopian Conformity Assessment Enterprise (Bottled Drinking Water Specification, ES 597:2001).

Nowadays, the product forms an essential business by its stable and still growing market globally. According to a report by Zion Research, the global bottled water market was valued at approximately \$170 billion in 2014 and is expected to reach approximately

\$280 billion by 2020, growing at a compound annual growth rate of approximately 8.5% between 2015 and 2020. One of the important items that affects market share is marketing mix. The ability of using the successful marketing mix activities is critical for a company's market share performance (Baldauf A. et al 2000; Cooper & Kleinschmidt, 1985; Lages & Lages, 2004; Leonidou L. et al 2002; Mavrogiannis M. et al, 2008).

The expansion of bottling firms as well as the increased production and marketing opportunity of bottled water are clear indicators of high demand for such products. Therefore, effective marketing activities leads to high rates of return usually accompany by high market share. As a real business, bottled water companies are sharply competing against each other amongst others: competitive prices, product quality, reachable outlets and aggressive promotion; it is useful to explore the relationship further. This research investigates to what extent the 4Ps marketing mix elements influence the market share of Origin Natural Mineral Water.

1.2.Statement of the Problem

There are many reasons for this fast marketing growth: economic growth of the country, growing number of conferences and summits in Addis Ababa, increased tourist traffic, and expansion of the hospitality sector have contributed to this market growth. Accordingly, the focuses of marketing become crucial as it is the means of obtaining information about customer needs or wants and taking action in order to satisfy the demand of the market. Satisfying the consumers 'needs mainly rely on the company decisions related to the 4Ps price, product, distribution and promotion.

According to the Gatington (1993), market share influenced by marketing mix activities pursued by the company's. The price of a product has a direct relationship with market share (Kotler and Keller, 2006). The product of a firm has a positive impact on business market and increases demand Almansour (2012). The methods and process distribution affects products availability to customers Martin (2014). Promotion has a positive impact the market share of the firm Matola (2009). As a result, company's marketing aspects towards 4Ps are important for gaining market share. That is setting competitive prices or below competitive levels, providing best product quality, more rapid product supply and

effective promotion are key dimensions to change market share of companies in a given market Best (2005).

In Addis Ababa water market different bottling water brands have been introduced. From this we can observe that the market for bottling water is facing a stiff competition and market positioning become difficult. Currently, the market share of Origin Natural Mineral Water in Addis Ababa has showed a decline tendency though there is a sustainable market demand in the Ethiopian water market. Besides, there is no empirical evidence to insight to understand the reason for the market decline tendency of this product. Accordingly, this study attempts to give a clear indication for the cause of the decline tendency of Origin Natural Mineral Water in Addis Ababa market taking the 4Ps marketing mix element price, product, distribution and promotion as variables.

1.3.Objective of the Study

1.3.1. General Objective of the Study

The main objective of this study is to examine factors affecting Market share of Origin Natural Mineral Water in Addis Ababa.

1.3.2. The specific Objectives of the Study

- To examine the relationship between price strategy and market share of Origin Natural Mineral Water.
- To show the connection between product strategy and market share of Origin Natural Mineral Water.
- To identify the linkage between distribution strategy and market share of Origin Natural Mineral Water.
- To detect the association between promotion strategy and market share of Origin Natural Mineral Water.

1.4. Hypothesis Testing

The hypothesis of this study is to analyze critically;

H₀ 1: There is no positive and significant relationship between price strategy and Market share of Origin Natural Mineral Water.

H₁ 1: There is a positive and significant relationship between price strategy and Market share of Origin Natural Mineral Water.

H₀ 2: There is no significant positive relationship between product strategy and Market share of Origin Natural Mineral Water.

H₁ 2: There is a significant positive relationship between product strategy and Market share of Origin Natural Mineral Water

H₀ 3: There is no significant positive relationship between distribution strategy and Market share of Origin Natural Mineral Water.

H₁ 3: There is a significant positive relationship between distribution strategy and Market share of Origin Natural Mineral Water.

H₀ 4: There is no significant positive relationship between Promotion strategy and Market share of Origin Natural Mineral Water.

H₁ 4: There is a significant positive relationship between Promotion strategy and Market share of Origin Natural Mineral Water.

1.5. Significance of the Study

The study is provide a practical implication for manager of Origin Natural Mineral Water Factory to recognize the linkage between the factors (4Ps) and market share of Origin Natural Mineral Water in Addis Ababa bottled water market. So that any concerned bodies could take the initiatives in managing these marketing mix elements and to boost the market share considerably. Besides, staff members in the retail outlets recognized how the 4P's influence the market share thereby to facilitate the effectiveness of the marketing goals of their company. Moreover, there is no grounded research on the bottled water market and factors toward Origin bottling company in Ethiopia. As a result, the

study findings were used as a foundation for other researchers who would like to undertake research on similar and/or related area of the study in the future.

1.6. Scope of the Study

Conceptually, the study is mainly concerned on the factors affecting market share of Origin Natural Mineral Water Factory by taking the 4Ps marketing mix strategies as a core variables. Methodologically, the research focused on Origin Natural Mineral Water customers, wholesalers or distributors. It means only those who have strong relation with the factory were considered as a target for this research. Furthermore, geographically this survey is limited Addis Ababa city.

1.7. Organization of the Study

The content of this research consisted of five chapters. The first chapter deals (Introduction) indicates the background of the study, statement of the problem, objectives of the study, hypothesis of the study, the significance of the study and scope of the study. Chapter two shows the existing literature about the subject. Chapter three describes the research methodology. Thereafter Chapter four focuses on the results of analysis and discusses findings. Finally, the researcher portrays the conclusions drawn from the findings and gives relevant recommendations on the basis of the conclusions; this is presented in Chapter five.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Theoretical Review

2.1. 1. Definition of Mineral water, Spring water, Tap water and Bottled water

Water is a natural resource we can hardly live without. A great part of us has access to it against minimal costs. But at the same time many people still do not have access to safe drinking water because of limited or polluted resources. Over the past decade there has been a remarkable increase in the bottled water market. It can be stated that a phenomenon occurred within the water industry. According to Department of Health New York State, 2006; Bottled water can be defined as any product, including mineral, spring or well water taken from municipal or private utility systems, distilled or other water, to which chemicals may be added and which are put into sealed bottles, packages or other containers to be sold for domestic consumption or culinary.

According to food standard agency England (2007) Mineral water can come from a variety of sources including springs and wells. The main distinction between it and regular spring or tap water is that it must contain at least 250 parts per million of trace minerals. These minerals include calcium and magnesium mostly, but also other trace minerals. Spring water is virtually tasteless compared to mineral water or commercially-treated tap water and all the toxic chemicals it contains. The tasteless aspect of the water is what most consumers like about it, thinking it to be pure and free from pollutants of all kinds. Tap water is water which is not purified as spring water.

2.1.2. Market Share and profitability

Market share is one profitability indicator for businesses (Kotler, 2002), and therefore many companies position “market share maximization” as their competition strategy. The more customers there are in the market buying their products, the more they can leverage the power of words of mouth to instill quality standard into consumers, and low purchase risk will attract even more customers. It also used to express competitive position and business performance. An increases market share can be equated with success associated

with higher profits; whereas decreased market share is a manifestation of unfavorable actions by firm and usually equated with failure. In general, market share is one measurement of business performance, market size acquiring and competition positioning.

2.1.3. Marketing mix strategies and performance

The marketing mix is a long term plan on action which is used in order to help a firm to gain its competitive advantage over its competitors. The competitive advantage is sustainable when competitors cannot imitate their source of competitiveness or when no other firm conceives a better offering (Baron, 2010). Effective marketing mix strategies have greatly contributed towards improved business performance in different aspects of a firm such as the growth in sales volume, the level of the return on investment as well as maintenance of the goodwill. This implies that effective marketing mix strategies strengthen the level of competitiveness and the market share.

In another study by Kurtz & Boone (2011), effectiveness of marketing mix strategies affects the level of the application of strategies that influence performance of firms. The study argued that challenges which marketers face are in terms of their inability of showing the level of effectiveness of their marketing mix strategies. This makes it difficult on anticipation on the changes which take place in the marketing situation of a firm and evaluation of the whole of the market. It is clear, that there are no agreed conclusions about the marketing mix strategies and their relationship to the performance of firms.

2.1.4. The 4Ps of Marketing Mix

Grasby et al (2000) argue that marketing is much more than simply selling what the company makes or advertising what the company has. They emphasize that it is rather about deciding what to do and for whom. In practice, marketing should lead the firm's strategy towards making what can be sold, not selling what can be made. The American Marketing Association (AMA) (2008) has provided a clearer definition of marketing as an organizational function and a set of processes for creating, communicating, and

delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.

Again The American Marketing Association (2008) redefined marketing as the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods, services, organizations and events to create and maintain relationships that satisfy individual and organizational objectives. Even though both definitions highlight the importance of the management of relationships in marketing operations, the latest definition, however, places emphasizes on the marketing mix (4Ps – product, price, place and promotion). McCarthy (1964) offered the “marketing mix”, often referred to as the “4Ps”, as a means of translating marketing planning into practice.

Marketing mix is a controllable part of marketing tools that affects the demand and increases the share at target market. Thus, marketing mix meant that “4Ps” (product, price, promotion, and place) should have coordinated in systematic approach in order to have effective influence on persuading the customers. In other words, the right product at affordable prices is accompanied by better distribution and use of appropriate communication techniques and they act together in costumers' views Rad and Akbari (2014).

The marketing mix is mainly grouped under four elements that is: Product, Price, Place, Promotion it offers an optimum combination of all marketing ingredients so that companies can realize goals for example profit, sales volume, market share, and return on investment (Singh, 2012). As per the Kotler et al. (2006) the pillars of marketing strategy are the four marketing mix instruments which are product, price, promotion, and place. Therefore, effective marketing program blends all of the marketing mix elements for product (4p's) and services (7p's) into a coordinated program designed to achieve the company's marketing objectives. The marketing mix constitutes the company's tactical tool kit for establishing strong positioning in target markets.

2.1.3.1. Product

A product can be a good or as service and it is one of the key marketing elements. It is defined as a physical product or service to the consumer for which he/she is willing to

pay. A company must devise strategies to boost demand for its product in order to succeed in the market. For Bottled water factory, the product is uniform (homogeneous) but the quality may differ depending on the process of production, transportation, storage, purify, packaging and tastes in order to increase both market share and profit margins (Singh, 2012).

2.1.3.2. Price of Product

Price is one of the most important marketing mix items and many scientists consider the price as one of the most important elements of the market, which increases not only profits, but also market share. Kotler and Armstrong (2013), the price is defined as the amount of money to pay for a product or service, or the value of the exchange help customers receive a product or service for a certain amount. In general, customers always want a reasonable price in buying a product or services.

Charging price has a profound impact on marketing strategy, price elasticity of the product which then affects demand (sales) and market size. The price should therefore be set to compliment other elements of the marketing mix. However, prior to setting a price, marketers often set objective for the price to facilitate the process of price determination. The objective usually is to remain in the market, to capture a large market share, maximize profit by highlighting product quality. According to Kotler (2002) a suitable price is one that will cover the costs (fixed and variable) and leave the proprietor with a reasonable profit. Consequently, the contribution margin per liter of water sold is critical in determining volume to be sold in order to break even and even to post a profit. The industry is profit making and highly competitive. Therefore, very small changes in price may translate into significant volumes of sales and larger market share also higher profits.

2.1.3.3. Placement of Product

Place is very important element of marketing also called the distribution, which is defined as the process and methods by which products or services reach customers Martin (2014). Distribution helps customers and users to find and keep purchase those products from those manufacturers or providers with them at the time of need. It is element of the marketing mix which includes decisions and actions related to the movement of goods

from the producer to the consumer Matola (2009). Kotler and Armstrong (2013) also define place or distribution as a set of interdependent organizations involved in the process of making a product available for use or consumption by consumers. Therefore, in order to control and manage these processes, companies need to develop an appropriate marketing channel, to coincide with the company's goals. Ease of accessibility of products and services ensures customers are flexible and perceives the purchase as easy. This wholesomely affects sales and in turn the market shares of the company.

2.1.3.4. Promotion of Product

Promotion of the marketing mix is a tool that helps disseminate information, encourage the purchase and affects the purchase decision process. It can be explained by advertising, sales promotion, sponsorship, personal selling, public relations, and direct marketing. Sponsorship is an activity that makes the target customers aware of a product or service, their advantages and convincing to buy the product. Advertising is any form of information and the promotion of a set of ideas that helps to inform customers about new products and helps to reduce barriers between customers and organizations (Baker and Rahnama, 2013).

Sales promotion is attributed to the actions and decisions which provide specific short-term measures. This promotional tool used by a consumer or buyer provocation - to buy more and faster. Inducements include coupons, prizes, free samples, discounts, promotional items. Direct marketing refers to direct communication between the client and manufacturer. It encompasses a wide variety of marketing materials such as brochures, catalogues, postcards, newsletters, sales letters, personal selling, mailbox, phone, catalogs, interactive television and internet marketing.

Public relations involve communication between the organization and the management of society and affects behavior. Matola (2009) emphasizes that communication with the public is important for both internal and external communications. Internal communications, spreading further affect the company employees' opinion about their firm and production, because each worker transmits the information for many people

with whom he interacts. And, external public relations, helping to shape public opinion by external means, namely: promotion (primarily various events, actions, charitable activities), relationships with influential people, relations with the press, press conferences, contacts with various organizations, fund establishment (e.g. , fund children's abilities to develop). Thus, public relations activities can help achieve the objectives related to the company's reputation and confidence in the market stay and growth.

2.2. Empirical Review

According to the finding of Phend (2009) convenience and taste affects the use of bottled water. Ang H. (2009) had undertaken an exploratory study to fill an identified gap in the literature on the influence of the individual marketing mix ingredients and its impact on the market share of the multinational pharmaceutical companies in Malaysia. The finding indicted that at firm's level product quality, product distributions, promotional activities, and competitive pricing are the key factors in contributing to a yearly market share incremental.

The price of a product has a direct relationship with market share which affect the demand and this in turn affects the revenue generated by the firm (kotler and keller, 2006). The product of a firm has a positive impact on business market and increasingly demanding Almansour (2012). Likewise, Morgan et al., (2004); Beamish, et al., (1993); Dominguez and Sequeira, (1997) revealed that product qualities are determinant of market share. The methods and process distribution affects products or services availability to customers Martin (2014).

Promotion also encourages positively the purchase and has an impact the market share of the firm (Matola, 2009; Baker and Rahnama, 2013). Best (2005) indicted that market share is directly dependent on promotion, product quality, price and service quality. Buzzell and Wiersema (1981) have found that product quality changes market share. They also pointed out prices below competitive levels; product quality; speed distribution than competitors and promotion can increase the market share.

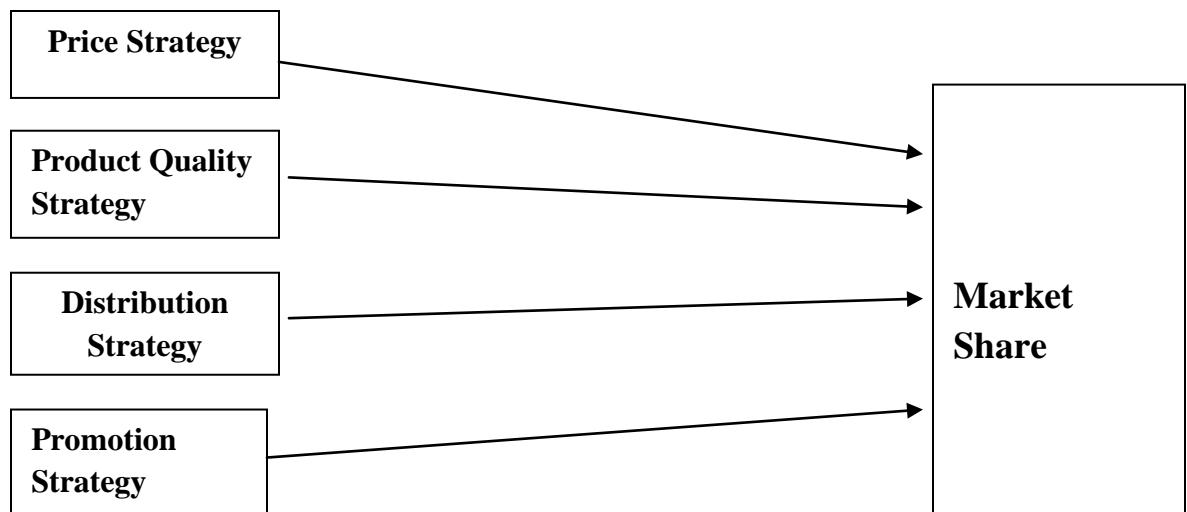
Overall, the reasons for companies vary in terms of market share is due to product qualities, price, distribution, promotional activities which are mentioned as factors that affect the performance market share of the companies. Therefore, these factors are part and parcel of the marketing mix elements called 4Ps: Price, Product, Distribution and Promotion.

2.3. Conceptual Framework

In the detailed part of the literature review, core points with regards to relationship between Price, Product, Distribution and Promotion with market share framework were discussed. Hence, the study will examine how marketing mix (4P's) affects the market share of Origin Natural Mineral Water Factory in Addis Ababa city. The marketing mix has an influence on the market share performance of companies as indicated in the reviewed literature. Therefore, the conceptual framework for the study is depicted by figure 1.1 below. Conceptualization attempts to visualize the causality of the research problem prior to understand this research in detail.

In this research it will plan to investigate the relationship between Marketing mix (4P_s) and Market share.

Figure 1 Conceptual framework of the study



Sources: Researcher formulation based on theories

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Research Design

According to Kothari (2000) research design constitutes the blue print for the collection, measurement and analysis of data. Having the marketing mix (4Ps) strategies with market share frame work as a base for this study, the research framework is intended to test the research hypothesis and shows the effect of the four variables on the market share of Origin water. Taking this into account, the relevant research design for this study is causal research as it shows cause-and-effect relationships.

To achieve the aforementioned objective, the study is applied both quantitative and qualitative approach in analyzing the data surveyed through administered questionnaires. Creswell (2005) indicated that quantitative analysis is the one in which the researcher primarily uses for developing the cause and effect relationship between known variables of interest that yield statistical data. Besides, to supplement the quantitative data the researcher employed a qualitative research which was gathered via structured interview. Accordingly, mixed approach enables the researcher to use all the tools available to him/her and collect more comprehensive data. This provides the results that have a broader perspective of the overall issue or research problem

3.2. Population and Sampling Techniques

The target population of the research was all customers in Addis Ababa who consume Origin Natural Mineral Water.

Since the total population of this research is infinite it is difficult to estimate the exact number of the whole population and hence the formula to find out the sample size (n) of infinite population is given as under:

$$n = \frac{z^2 \cdot p \cdot q}{e^2}$$

Sources: (Kothari, 2004)

Where, n= sample size

z= the value of standard value at a given confidence level

p= sample proportion

q= 1-p

e = acceptable error

So in this case we set ME equal to 0.05, z = 1.96 and $\hat{p} = 0.5$, and we get

$$n = \frac{(1.96)^2 (0.5) (0.5)}{(0.05)^2}$$

$$(0.05)^2$$

$$n = \frac{0.9604}{0.0025}$$

$$0.0025$$

$$n=384$$

As a result, based on the formula this study needs a sample of 384 regular consumers of Origin bottled water at 95% confidence interval. Consequently, the researcher distributed 384 sampled regular users of Origin Mineral Water.

To achieve the study purpose, non- probability (convenience) sampling procedure was applied in selecting a sample. This sampling technique was selected because it enables the researcher to draw representative data by selecting samples from the population who are conveniently available and to gather the data quickly. Though there are ten sub cities in Addis Ababa three sub cities namely: Addis Ketema, Bole and Arada were selected based on their consumption pattern in the water market. In order to have a representative sample, the researcher disseminated the questionnaire with different backgrounds and used proportionate allocation of sampling procedure.

$$nh = \frac{Nh}{N} * n$$

Where, ‘**nh**’ is sample size of the stratum h, ‘**Nh**’ is the population size of the stratum h, ‘**N**’ is the total population and ‘**n**’ is the total sample size.

Table 1: Sample Distribution

No.	Sub city	Area (km ²)	Population	% from the total population	Samples consumers
1	Bole Sub city	122.08	328,900.00	0.40	153
2	Addis Ketema	7.41	271,644.00	0.33	127
3	Arada Sub City	9.91	225,999.00	0.27	104
Total			826,543.00	1.00	384

Source: - Taken from Addis Ababa Population 2007 E.C and Own computation

3.3. Sources of Data and Tools/Instruments of Data Collection

Both primary and secondary sources were employed in this study. Primary sources are collected by structured interview and administered questionnaires. The secondary sources were gathered from publications including books, researches, journals and various materials that were relevant to the study. The quantitative data is collected through administered questionnaires while, the qualitative data will be collected through structured interview which was conducted with the Origin Mineral Water distributors or wholesalers.

3.4. Procedures of Data Collection

A pilot survey was conducted on 38 respondents prior to administrating the questionnaire to the selected sample size. The pilot survey had undertaken to check if the questionnaire is clear, easy to understand and straightforward to ensure that the respondents can answer the questions with no difficulty. Both the administered questionnaire and structured

interview were commented by the Advisor so as to refine the questions. After this, the researcher distributed the questionnaire to the selected Addis Ababa sub cities. To supplement the gap that might not be captured by the data that is obtained from questionnaire; structured interview with distributor or wholesalers of Origin Bottled Water were conducted. Finally, the data which was collected using the questionnaires were code and process using the Statistical Package for Social Sciences (SPSS) application.

3.5. Method of Data Analysis

The study employed both quantitative and qualitative analysis. As the data were obtained from structured interview is qualitative in nature and discuss thoroughly. Inferential analysis with the aid of the Statistical Package for Social Sciences (SPSS) had undertaken. As a part of inferential analysis the study undertook mean, standard deviations, Spearman correlation and binary regression analysis as well as Triangulation method to identify the influence of the predictor variables: Price strategy, Product strategy, Distribution strategy and Promotion strategy on the outcome variable- market share. The choice of regression analysis is ideal because Koop (2006) argued that it is the most important tool for applied economists use to understand the relationship among two or more variables particularly in the case where there are many variables and the interactions between them are complex.

3.6. Validity and Reliability Test

3.6.1. Validity

Content validity of a measuring instrument is the extent to which it provides adequate coverage of the investigative questions guiding the study (Mugenda & Mugenda, 2003). In this study, content validity was applied by consulting the Advisor and Bottled water marketing experts of water bottling company. In order to improve the instruments, these experts and the research advisor looked at every question in the questionnaire and do their own analysis to ascertain that the questions answer research objectives.

3.6.2. Reliability

Reliability is a measure of the degree to which a research instrument yields consistent results or data after repeated trials. For this study, internal consistence reliability determined by Cronbach's alpha was used. It is useful in assessing the consistence of the results across items within a test. It represents number between 0 and 1. According to Zikmund et al., (2010) scales with coefficient alpha between 0.6 to 0.7 indicate fair reliability and/ or higher are considered adequate to determine reliability.

3.7. Model Specifications

Binary regression is a statistical method for analyzing a data set in which there are one or more independent variables that determine an outcome. The outcome is measured with a dichotomous variable (in which there are only two possible outcomes). The goal of Binary regression is to find the best fitting model to describe the relationship between the dichotomous dependent variable and set of independent variables.

$$\text{logit}(p) = b_0 + b_1X_1 + b_2X_2 + b_3X_3 + \dots + b_kX_k$$

Where p is the probability of presence of the characteristic of interest, the logit transformation is defined as the logged odds (odd ratio):

$$\text{odds} = \frac{p}{1-p} = \frac{\text{probability of presence of characteristic}}{\text{probability of absence of characteristic}}$$

$$\text{logit}(p) = \ln\left(\frac{p}{1-p}\right)$$

Source:-Hosmer et al (2013)

3.8. Ethical Issues

Participation of respondents was strictly on voluntary basis. Participants were fully informed as to the purpose of the study and consent verbally. Measures were taken to ensure the respect, dignity and freedom of each individual participating in the study. In addition, participants were notifying that the information they provide be kept confidential and not be disclosed to anyone else.

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSIONS

This Chapter focuses on the results of analysis and the findings are presented in two categories as descriptive and inferential statistics of the survey data. Descriptive statistics such as frequency distribution and percentage were employed to assess the demographic characteristics and inferential statistics were employed using correlation matrix and binary regression to examine the factors affecting market share of Origin Mineral Water.

4.1. Response Rate

A total of 384 questionnaires were distributed with the help of four enumerators and the response rate was indicated in the table below.

Table 2- Response rate

Response rate	Items Response Rate	
	No.	percent
Sample size	384	100%
Collected	342	89.06%
Remain uncollected	42	10.94%

Source: own survey

From the above table, out of 384 distributed questionnaires 342 (89.06%) were collected while 42(10.94%) from Addis Ketema sub city of the questionnaire remained uncollected and nine (9) questionnaires were not filled properly and completely. Therefore, analyses were made based on the responses obtained from 333 questionnaires (86.7%).

Hence, this study is aimed to examine the factors affecting market share of Origin Mineral Water taking the 4Ps marketing mix strategies as a core variable.

4.2. Reliability Analysis

Before analyzing the collected data the reliability of the main items of the questionnaire was tested by using Cronbach's alpha. The coefficient of reliability of measures ranges from 0 to 1 and as a general rule; a coefficient greater than or equal to 0.7 is considered an acceptable and a good indication of reliability construct.

Table-3 Reliability Analysis

Market Share Factors	Cronbach's Alpha	No. items
Price Strategy	0.847	8
Product Strategy	0.806	10
Promotion Strategy	0.901	8
Distribution Strategy	0.782	9
Overall Reliability	0.904	35

Source: Own Survey Result, 2017

Thus, the reliability coefficient for all items is 90.4% and this implied that the items were reliable and understandable to the respondents.

4.3. Demographic Characteristics of the Respondents

This research was enclosed the main demographic characteristics such as gender, age, education, and income group. Gender was considered to find out whether male or female consumers have been highly involved in bottled water market. Age groups of respondents were considered to find out the age groups that were dominant in bottled water market especially for Origin Mineral Water in Addis Ababa. Educational level was considered to find out the consumers or customers level of professions that were mostly engaged. Finally, income status was considered to see the segment of the population whose income falls within a certain range and the findings were indicated below:

Table-4 Demographic Information

Characteristics		Frequency	Percentage
Gender	Male	190	57%
	Female	143	43%
Total		333	100%
Age	18-25	86	26%
	26-30	151	45%
	31-40	52	16%
	41-45	30	9%
	46- 50	14	4%
	>50		
Total		333	100%
Education	12 grade completion	17	5%
	Diploma	137	41%
	BA/BSC	149	45%
	MSC/MA/PHD	30	9%
Total		333	100%
Income group	< 1,000.00	17	5%
	1,000.00-3,000.00	34	10%
	3,001.00-4,500.00	130	39%
	4,501.00-5,000.00	67	20%
	>5,000.00	85	26%
Total		333	100%

Source: Own survey data, 2017

From the data presented in table above, the majorities (57%) of the respondents were male and the remaining 43% of the respondents were female. This indicated that out of 333 respondents around 190 were male and the remaining 143 were female. Therefore, with insignificant variation both male and female customers consume Origin Mineral water.

From the data presented in table 4 above, the majorities (45%) of the respondents were under age group of 26-30 years old; 26% of the respondents were under age group of 18-25 years and the remaining 16%, 9% and 4% were 31-40 years old, 41-46 years old and greater than 50 years old respectively. This implied that the majorities 71% (18-30 years) of the respondents were youngsters

Regarding educational level of the respondents, the above figure portray that the majority(45%)of the respondents were BA/BSC holders, 41% were Diploma and the remaining0.05% and 0.09% of the respondents were 12 grade completion and below and MA/PHD respectively. Therefore, the educational backgrounds of most respondents were BA/BSC and diploma/e holders.

The study covered the upper and lower level income level. The less than 1,000.00 Birr income group, income group 1,000.00-3,000.00, income group 3,001 – 4,500.00, income group 4,501-5000 Birr and income group greater than 5,000.00 Birr respondents were representing 5%,10%,39%,20,% and 26% respectively. This indicated that the analysis comprising different income section of the population.

4.4. Descriptive statistics

Descriptive statistics recommended for Likert scale items included the mean for central tendency and standard deviation for variability. Based on this, the factors influencing market share of Origin Mineral Water analyzed descriptively using Mean and Standard deviation (SD) as follows.

Table-5 Pricing Related Items

Item	Mean	SD
The price of Origin water product is fair.	3.45	.767
The price of Origin water product is lower than other bottled water.	1.92	.804
I compare price when I purchased bottled water.	3.46	1.452
The pricing system increases the usage of Origin water product.	2.54	1.371
The pricing system of Origin water is Psychologically imposing.	2.34	.913
Not switch to other bottled water products as Origin Water price raise.	1.64	1.125
The price strategy of Origin water supports its brand.	2.71	1.033
The pricing system of Origin water is in line with long-term business goals.	3.02	.926
Average	2.63	

Source: Questionnaire, 2017

As revealed in table-5, the mean value of the respondents concerning price strategy dimensions, except the fairness of the price (Mean=3.45, SD=0.767) for almost for all remaining dimensions scored less than a mean value of 3 (neutral score). Meaning respondents were disagreed to lower product price, existence of psychological price imposing techniques and supporting of its brand. Also the respondents were price sensitive because they are comparing the price of the product before (Mean=3.46, SD=1.45), standing to switch for any increment of the price (Mean=1.64, SD=1.12) and the usage behaviour against price system (Mean=2.54, SD=1.37). Likewise the respondents replied that the pricing strategy dimensions indicated in this study do not support its brands and long term business goals with mean score of 2.63(52.6%) and 3.02 (60.4%) respectively.

This is similar to the interview feedbacks of Origin water distributors claim that the price imposed on the product is fair comparing to the prevailing market price. In line with this, they strictly mentioned that customers are always relating the prices with the value the product delivered. Hence, customers and representative of the channel outlets have to understand the value of the product because there is a strong likelihood that they will push back on prices. In addition to this, they suggested that Origin water factory better to adopt very closely but different “offering menu” across different segments. Because, the company serve different customers who have varying value requirements.

Generally, from the research findings above, the mean result in the respondent’s reflection on pricing dimensions showed that the current price of origin water slightly fair but respondents have price elastic behaviour that means any change in price dimensions particular this case influence their buying decision and attitudes.

Table-6 Product Related Items

Item	Mean	SD
The taste of Origin water is fine.	1.85	1.372
The appearance of Origin water is attractive.	3.73	1.577
The clour of Origin water is well.	4.07	1.110
The packaging of Origin water is good.	4.23	.972
The labeling of Origin water is attractive.	3.93	1.185
The Origin water product is suited with my lifestyle.	3.75	1.239
The quality of Origin water is better than other bottled water.	2.66	1.517
There is a consistence in the quality of Origin bottled water.	2.96	1.018
The Origin water factory responds to changes in demand.	2.71	1.061
The Origin water product is satisfied my need.	3.33	.884
Average	3.32	

Source: Questionnaire, 2017

As one of the four elements in the marketing mix framework, respondents were asked questions in related with product strategy dimension issues. As can be inferred from the table-5 there is a fairly high agreement for items of appearance, clour, packaging, labeling and suitability of lifestyle of Origin Mineral Water with mean value ranging from 3.73(74.6%) to 4.23(84.6%). However, the respondents also disclosed that the quality and test of the Origin Mineral Water is found to be the major factors that limit them to consume. For instance, considerable portion of the respondents rated the consistency of quality of Origin Mineral Water is poor (Mean=2.96, SD=1.018). In addition, when they asked about the quality of Origin Mineral Water as compared to other bottling water, significant number of respondents replied against origin Mineral Water with mean score of 2.66 and standard deviation of 1.517.

With regard to this, the interviewees answered that the buying behavior of customers of Origin Mineral Water mainly affected by the quality of the product because customers perceived that bottled water is seen as safer, healthier and has better taste. Despite of this, Origin mineral water had faced with complains on the test and quality of the product due to this the customers were reluctant to buy the product. According to them marketers at

the company need build specific marketing strategy to remove the influences and attract more customers to drink Origin mineral water without doubt.

To sum up, all these show that the issue has to be seriously investigated and appropriate measures have to be taken to improve the quality and test of the product. Unless the problem is properly addressed, offering the product in the market would be very difficult and hence it directly affects the market share of the product.

Table-7 Promotion Related Items

Item	Mean	SD
Promotional strategy is motivating a new use of the product.	2.43	.740
Promotional strategy is encouraging more frequent use of the product.	2.35	.854
Promotional strategy is improving my purchase decision.	2.38	.741
Use of traditional media keeps me informed about Origin water product.	2.52	.862
Use of social media keeps me informed about Origin water product.	2.38	.582
Promotional messages are clear and understandable.	3.11	.956
Promotional activities are frequently updated.	2.41	.588
Promotional activities of Origin water are ethical.	3.12	.909
Average	2.58	

Source: Questionnaire, 2017

Obviously, promotion is one of the backbones of any business because it generates the required awareness about the products or services among customers. A good promotional strategy should correlate well with the long-term marketing plans and goals of the business. Kotler (2006) confirmed that promotions have become a critical factor in the product marketing mix because it is marketing campaign to recognize the importance, message, knowledge and best tool to attract potential and prospective customers and in general to pursue its marketing objective.

According to the above table-7, the result revealed that majority of the respondents disagrees for all promotion items with mean score ranging from 2.38 to 3.12. As a result,

the promotional strategy of Origin Mineral Water factory powerless to motivate, encourage, and improve the purchasing decision of the customers as well as it failed to create the required awareness in the minds of customers. Besides, the promotional channels both the traditional and social media were unable to create the required awareness among the customers. The finding of the interview indicated that regarding to promotional activities like flyer, sticker and free gifts are the main promotional aspect of Origin Mineral Water however the concerned managements are reluctant in aspect of creating awareness and providing appropriate information via various channels. Moreover, they insisted that the marketing team management to consolidate their efforts to undertake the necessary promotions so as to create understanding and connecting the clients with the product.

Table-8 Distribution Related Items

Item	Mean	SD
Origin water is convenient to consume.	3.37	1.379
Origin water is good available in Addis Ababa.	3.25	1.407
I am willing to go to extra mile to purchase Origin water.	1.58	1.059
I obtained all sizes Origin water when I need.	3.61	1.109
I have strong trust on the retailers/distributors/wholesalers of Origin water	4.12	.643
I am satisfied with the service quality provided by retailers/distributors/wholesalers	4.23	.609
I bought the Origin water with less waiting time.	4.23	.609
I have a low level of conflict with Origin water retailers/distributors/wholesalers partner.	4.23	.609
I feel committed towards Origin water distribution partner.	3.80	.902
Average	3.60	

Source: Questionnaire, 2017

As depicted in the table-8, for three statements; ‘I bought the Origin water with less waiting time’, ‘I have a low level of conflict with Origin water retailers or distributors or wholesalers partner’ and ‘I am satisfied with the service quality provided by retailers or

distributors or wholesalers' had registered the highest score (Mean=4.238, SD=0.609). On the other hand, the statements 'I am willing to go to extra mile to purchase Origin water' had got the least mean score values of 1.58 and standard deviations of 1.059. Similar feedbacks were obtained from the distributors regarding the availability and distribution aspect of the origin water is fine.

Grossly, from the result table-8 can deduced that the mean values 3.60(72%) with the respect to all distribution strategy dimensions showed an agreed result. This indicated that distribution strategy dimensions have contributed the current market share of Origin Mineral water.

4. 5. Correlation and Regression Analysis

4.5.1. Correlation Analysis

Correlation is the measure of strength of association between two variables. In social sciences, based on Cohen's criterion, correlation values of more than 0.3 are considered as sizable level of association. The Spearman correlation coefficient, can take a range of values from +1 to -1. A value of 0 indicates that there is no association between the two variables. A value greater than 0 indicates a positive association; that is, as the value of one variable increases, so does the value of the other variable. Hence, in this research Spearman correlation was computed to check whether the Market shares of Origin Mineral Water has any association with the 4Ps marketing mix strategies or not

Table -9: Correlations between Independent Variables and Market Share

Variable	Correlation Coefficient	Sig (2-tailed) *	N	Types of Correlation
Price strategy	0.449	0.000	333	Spearman Correlation
Product strategy	0.576	0.000	333	Spearman Correlation
Promotion strategy	0.345	0.000	333	Spearman Correlation
Distribution strategy	0.458	0.000	333	Spearman Correlation

Source: Own Survey Result, 2017

As depicted in the table above a correlation between dependent variable with independent variables. According to the result market share is positively correlated with price strategy at a coefficient value of 0.449 and the linear relationship between them is statistically significant at the acceptable level of significant $p < 0.05$. Market share is positively correlated with product strategy with coefficient value of 0.576 and the linear relationship between is statistically significant at $p < 0.05$.

Concomitantly, market share is positively correlated with promotional strategy with the coefficient values 0.345 and the linear relationship between them is statistically significant at the acceptable significant value of $p < 0.05$. Likewise, market share is positively correlated with distribution strategy variable with coefficient value of 0.458 and the linear relationship is statistically significant at the acceptable 5% level of significance. In general, the finding indicated that an increases or decreases in 4Ps marketing mix Strategies are significantly leads to increases or decreases the market share of Origin Mineral Water.

4.5.2. Important Assumptions of Binary Regression Model

Before directly dealing with the regression model the researcher check some important assumptions in relating to the Binary regression model. If the assumptions are violated and hence interpreting results from running binomial regression become spurious. First, let's take a look at of these assumptions:

First, in binary regression, the dependent variable should be measured in dichotomous scale. In this study, the outcome variable (market share) is measured with a dichotomous variable in which there are only two possible outcomes, 1 satisfied and 0 otherwise. Secondly, the regression model has to contain one or more independent variables, which can be either continuous or categorical. The third assumption is an independence of observations.

The last assumption is to check the problem of multicollinearity. The presence of multicollinearity in the model is detected by using Variance Inflation Factor (VIF). As noted by Gujarati (2004), the rule of thumb suggested that if variance inflation factor exactly or exceeds 10 then there is a problem of multicollinearity. As shown in the

appendix the output of VIF showed that a value of less than 10 for all the independent variables. Thus, knowing that there is no serious multicollinearity problem among the variables, they can be considered in the model estimation.

Accordingly, the model passes the entire assumptions of binary regression obtaining and interpreting the results are valid and correct.

4.5.3 Binary Regression Results

In this study the binary regression model is used to predict market share of Origin Mineral Water (using dichotomy scale of 1-satisfied and 0-disatisfied) of with a set of 4Ps marketing mix strategiesvariables. Some of the output of the regression includes the constant term, variables, coefficients, standard error; model fit (NR^2) and p-value. The independent variables with their respective coefficients are mentioned in the regression table-10.

Table-10: Regression Result of Market Share Factors

Dependent Variable: Market Share		
Method: Binary Regression		
Sampled Respondents: 333		
Variable	Exp(B)	Sig. value
Price Strategy	13.207	0.000
Product Strategy	11.058	0.000
Promotion Strategy	8.079	0.000
Distribution Strategy	5.487	0.000
Constant	0.006	0.000
Nagelkerke R Square: 0.660		

Sources: SPSS Version 20 Output

As indicated in the table-10, all explanatory variables are positive and statistically significant at 5% critical point. The Pseudo Nagelkerke R Square (NR^2) is a measure of how well the regression equation fits the data. According to the above, the NR^2 is 0.66% and hence it can be predicted that 66% of the variance in dependent variable has been significantly explained by the four independent variables. This gives the regression a good fit while the remaining 34% of the total variation of market share of Origin Mineral Water is accounted by the factors included in the error term. Besides, the $p = 0.000 < 0.05$ and so the model is significant and model exists.

In light of the summarized model results above the promising explanations for each significant independent variable are given consecutively as follows.

Price Strategy: The study sought to establish the linkage of marketing mix strategies and market share of Origin Mineral Water and the finding indicated that price strategy dimensions increased market share performance of Origin Mineral Water. That is market share is positively and significantly affected by price strategy dimensions at 5% critical value. A one percentage raises in price strategy dimensions like setting affordable product price, fair prices and lowering the product prices than other competing firms leads to 13.207 percentage increases in market share.

Product Strategy: As it was expected that the coefficient of the product strategy is positive and statistically significant at $p < 0.05$ level. The coefficient of the product strategy items suggested that one percent increase in product strategy aspects such as improving the test and quality of the product, responding to customer demand, designing an appropriate labeling, packaging and appearance of the product; enhance the market share of Origin Mineral Water by 11.058 percent.

Promotion Strategy: the regression result displayed that promotional strategy is statistically significant and positive relationship with market share at 5% level of critical value. Also the finding showed that the value of the odds ratio; other things at constant one can deduced that the promotional strategy dimensions of Origin Mineral water improved (i.e. using an appropriate media and updating the messages frequently enable to attract, motivate, aware and create a sound linkage with clients) by one percent then the

market share of Origin Mineral Water enlarged by 8.08 because the customers will internalized the messages and positively influence their buying decisions.

Distribution Strategy: The results captured on the table-10 confirmed that the explanatory variable; distribution strategy has a significant and positive relationship with market share at 5% critical value. Hence, the value of the odds ratio; other things at constant one can assumed that when distribution strategy dimensions such as forming convenient outlet, assigning truthful and committed distributors and availing the product at a desirable quantity to the market are improved by one percent then market share of Origin Mineral Water market will expand by 5.487.

4.6. Hypotheses Testing

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

Table -11 Hypotheses Testing

Variables	Hypothesis	P - Value	$\alpha = 5\%$	HO	H1
Price Strategy	H0, H1	.000	0.05	Reject	Accept
Product Strategy	H0, H2	.000	0.05	Reject	Accept
Promotion Strategy	H0, H3	.000	0.05	Reject	Accept
Distribution Strategy	H0, H4	.000	0.05	Reject	Accept

Sources: Research Hypothesis

According to the above table, p-values of price strategy, product strategy, promotion strategy and distribution strategy are lower than the value 0.05, hence the null hypotheses were rejected and alternative hypotheses were accepted. Therefore, the null hypotheses were rejected and alternative hypotheses were accepted because the 4Ps marketing mix strategies considered as an explanatory variables were positive and statistically significant with market share which is in line with the research hypothesis.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter consists of three sections which include summary of the findings, conclusion and recommendations.

5.1. Summary of Research Findings

The research on the title of: Factors Affecting Market Share of Origin Mineral Water taking Addis Ababa Bottled water market as area of the study. As a result of the analysis and interpretation, the following are the summary of the findings.

- Largely the mean values 2.63(52.6%) of the respondents confirmed that the product price is poor and have price elastic behaviour.
- By and large, the respondents showed overall mean score of 3.32 (66%) on product strategy dimensions. In line with this, the respondents also disclosed that the quality and test of the product are found to be the major factors the choice of the Origin Mineral water.
- The overall mean value for promotional items indicated that (Mean=2.58 and SD=1.26) which confirm that significant number of respondents disagree with the promotional strategy dimensions.
- The sample respondents representing mean of 3.6(72%) agreed with distribution strategy.
- The result of the interview suggested that Origin Mineral Water distribution is at sufficient level however they were unsatisfied on the promotional, pricing and product strategy of Origin Mineral Water.
- The finding revealed that market share of Origin Mineral Water is responsive to product strategy, price strategy, promotion strategy and distribution strategy with all positive sign and significance at 5% critical point. The expected sign with their respective significance which mentioned in the hypothesis test also coincides to the finding of the results.

+5.2. Conclusion

Marketing strategy is one of the functional strategies of the companies, which collectively make up an overall business strategy. The importance of marketing strategy in overall business strategy is very high because it controls the key marketing relationships with companies outside the support function. Market share becomes a crucial indicator for business performance, and for companies bigger market share implies more control power over the market. It is influenced by all four marketing mix strategies price, product, promotion and distribution. In dynamic business environment specifically bottled water market a constant analysis, evaluation and examination of marketing mix elements are relevant. Because, once it systematically developed showing exactly what goods are wanted by the people, what price they are willing to pay, what distribution channels are the most optimal and what promotion measures can give them better results.

This research focused on the factors affecting market share of Origin Mineral Water in Addis Ababa bottled water market. Statistical analysis of data collected from the surveys using binary regression and the finding disclosed that marketing mix strategies were positive significant and joint predictors of market share Origin Mineral Water at 5% level of significance. That means price strategy is positive and significantly related with market share which is similar to the expectation of the research hypothesis. Likewise, Product strategy has positive and significant linkage with market share which is similar to the research hypothesis. Moreover, promotion and Distribution variables have a positive and significant association with market share which is also similar with research hypothesis. The study also showed that promotional aspects, pricing behavior of the consumers, quality and test of the product were the major factors that shirking the market share of Origin Mineral Water while distribution activities of contributes for market share Origin Mineral Water. Therefore, it can conclude that the finding implied the importance of the 4Ps marketing mix strategies in expanding or shrinking the market share of the companies no matter how companies is small or big in general and Origin Mineral Water in particular.

5.3 Recommendations

Some major recommendations for policy can be drawn from the analysis above. These include:

- Pricing is one of the important decisions that need to be made by a firm which would affect its revenue and profitability. With respect to pricing decisions, the customers do not solely want cheaper prices but also at least as the value of the product or service equal to their expectations. Hence, the management of Origin Mineral Water Factory should not only consider the price but also reconsider the customer's perception on value of the product because meeting of this condition would benefit the Origin Mineral Water Factory to increase the demand of the product and to hold a remarkable market share both in the short and long run.
- An important factor to expand the market share of Origin Mineral through product strategy is determined the efforts made by management's to making frantic efforts to check there should not be any risky ingredients in the product before market test and distribute to the end users. Because it affects the test and preference of consumers as well as the society negatively. Therefore, the concerned management should gear its efforts to improve the quality and the test of Origin Mineral Water based on the customer needs then customers can get the privilege of choosing from the many options and hence the market share of the product upright.
- The findings revealed that promotional strategy is a tool to influence the performance the organization and quest to achieve marketing objectives, market share. Therefore, the study suggest that Origin Mineral Water Factory in its promotional strategy plan should identify which of the promotional tools like below and above the line the customers responds to favorably and to further strengthen the outcome of the adopted promotional tools on market share.

- The finding of the study revealed that distribution strategy is positive and significant with market share because it affects the way of transporting the product to the customer and the vehicle for the other elements of marketing mix (product, price, and promotion). The top managements have to pay close attention to maintain the required availability of the product for all bottled sizes of Origin Mineral Water so that the desired market share than other competitive bottled water in the industry toughly established.
- In short, the top management of Origin Mineral Water Factory must look at a wider range of issues than those highlighted here. Nevertheless, the importance of this benchmark analyses should not be minimized. It provides useful way to focus on policy work by indicating marketing mix variables and their effect on the market share. Moreover, it is useful for the domestic survey who may be interested to undertake the research on the relationship between market share and marketing mix strategies.

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Appendix

Appendix: Questionnaire

ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATES STUDIES
Department Marketing Management

Research Questionnaire

Dear respondents:

I am currently attending a Master's degree in Marketing Management at St. Mary's University. I am conducting a thesis on the factors affecting Market share of Origin Mineral Water in Addis Ababa. This questionnaire is designed to collect data on factors affecting market share of Origin Natural Mineral Water. I kindly ask you to give me few minutes of your time to answer the questions. Your answers will be handled strictly confidential and will exclusively be used for the purpose of this research. Therefore I request you to answer the questions as honest as possible, in order to contribute to the success of this research.

If you would like further information about this study, or have problem in completing this questionnaire please contact me via +251-9 11-931-280

Thank you for your cooperation!

Instruction: Please mark your answer with a tick mark (✓) in the space provided.

PART 1: General information of Respondents'

1. Gender Male Female
2. Age 18to 25 26-30 31-40
- 41-45 46-50 > 50

3. Your education background

< 12th Grade 2 Grade complete Diploma
 Bachelors Degree Masters Degree PHD

4. Income group

< 1,000 Birr 1,000-3,000 Birr 3,001-4,500 Birr
 4,600-5,000 Birr >5,000 Birr

5. How often do you consume Origin Water?

Less than once a week 1-3 times a week
 4-6 times a week almost everyday
 So far I used but currently I stopped

6. Which factor mainly influences to consume Origin Water?

Product quality product price
 Product promotion product Availability

PART 3: To what extent you agree or disagree with the following statements.

1= Strongly disagree, 2 = Disagree, 3 = Neutral (N) , 4 = Agree 5= Strongly agree

Please use tick (√) mark in the table under the options given the brand you selected to reflect your rating

Price Strategy	1	2	3	4	5
I realize that the price of Origin water product is fair.					
I realize that the price of Origin water product is lower than other bottled water.					
I compare the price when I purchased bottled water.					
I realize that the pricing system increases the usage of Origin water product.					

I realize that the pricing system of Origin water product is Psychologically imposing.					
I would not switch to other bottled water products whatever the price of Origin Water raise.					
I realize that the price strategy of Origin water support its brand.					
I realize that the pricing system of Origin water is in line with long-term business goals.					
Product Strategy					
I feel that the flavor of Origin water is fine.					
I feel that the appearance of Origin water is attractive.					
I feel that the clour of Origin water is well.					
I feel that the packaging of Origin water is good.					
I feel that the labeling of Origin water is attractive.					
I feel that the Origin water product is suited with my lifestyle.					
I feel that the quality of Origin water is better than other bottled water.					
I feel that there is a consistence in the quality of Origin bottled water.					
I feel that Origin water factory respond to changes in customer perceptions and demand.					
I feel that Origin water product is satisfied my need.					
Promotion Strategy					
I believe that the promotional strategy is motivating a new use of the product.					
I believe that the promotional strategy is encouraging more frequent use of the product.					
I believe that the promotional strategy is improving my purchase decision.					
I believe that use of traditional media like radio, television, newspapers, magazines and notifications will keep me to informed about Origin water product.					
I believe that use of social media like face book, Twitter, website, etc will keep me to informed about Origin water product.					
I believe that the promotional messages are clear and understandable.					

I believe that the promotional activities are frequently updated.					
I believe that the promotional activities of Origin water are ethical.					
Distribution Strategy					
Origin water is convenient to consume.					
Origin water is good available in Addis Ababa.					
I am willing to go to extra mile to purchase Origin water.					
I obtained all sizes Origin water when I need.					
I have strong trust on the retailers/distributors/wholesalers of Origin water					
I am satisfied with the service quality level provided by retailers/distributors/wholesalers					
I bought the Origin water with less waiting time.					
I have a low level of conflict with Origin water retailers/distributors/wholesalers partner.					
I feel committed towards Origin water distribution partner.					

Thank You

Appendix B: Interview Questions for Distributors/Wholesalers Manager of Origin Natural Mineral Water

1. Do you think that the presence of Origin Natural Mineral Water in Addis Ababa market is at desirable level?
2. How do you see the pricing strategies of Origin Natural Mineral Water than other bottled water companies?
3. How do you evaluate the product quality of Origin Natural Mineral Water?
4. How do you see the promotional activities of Origin Natural Mineral Water?

AppendixC: Regression Result Outputs

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
The price of Origin water product is fair.	333	2.00	5.00	4.39	.767
The price of Origin water product is lower than other bottled water.	333	1.00	3.00	1.92	.804
I compare price when I purchased bottled water.	333	1.00	5.00	3.46	1.452
The pricing system increases the usage of Origin water product.	333	1.00	5.00	2.54	1.371
The pricing system of Origin water is Psychologically imposing.	333	1.00	5.00	2.34	.913
Not switch to other bottled water products as Origin Water price raise.	333	1.00	5.00	1.64	1.125
The price strategy of Origin water supports its brand.	333	1.00	5.00	2.71	1.033
The pricing system of Origin water is in line with long-term business goals.	333	1.00	5.00	3.02	.926
The flavor of Origin water is fine.	333	1.00	5.00	1.85	1.372
The appearance of Origin water is attractive.	333	1.00	6.00	3.73	1.577
The clour of Origin water is well.	333	1.00	6.00	4.07	1.110
The packaging of Origin water is good.	333	2.00	6.00	4.23	.972

The labeling of Origin water is attractive.	333	2.00	6.00	3.93	1.185
The Origin water product is suited with my lifestyle.	333	2.00	6.00	3.75	1.239
The quality of Origin water is better than other bottled water.	333	1.00	6.00	2.66	1.517
There is a consistence in the quality of Origin bottled water.	333	2.00	5.00	2.96	1.018
The Origin water factory responds to changes in demand.	333	1.00	5.00	2.71	1.061
The Origin water product is satisfied my need.	333	2.00	5.00	3.33	.884
Promotional strategy is motivating a new use of the product.	333	1.00	4.00	2.43	.740
Promotional strategy is encouraging more frequent use of the product.	333	1.00	4.00	2.35	.854
Promotional strategy is improving my purchase decision.	333	1.00	4.00	2.38	.741
Use of traditional media keeps me to informed about Origin water product.	333	1.00	5.00	2.52	.862
Use of social media keeps me to informed about Origin water product.	333	1.00	3.00	2.38	.582
Promotional messages are clear and understandable.	333	1.00	5.00	3.11	.956
Promotional activities are frequently updated.	333	1.00	3.00	2.41	.588
Promotional activities of Origin water are ethical.	333	1.00	5.00	3.12	.909
Origin water is convent to consume.	333	1.00	5.00	3.37	1.379
Origin water is good available in Addis Ababa.	333	1.00	5.00	3.25	1.407
I am willing to go to extra mile to purchase Origin water.	333	1.00	5.00	1.58	1.059
I obtained all sizes Origin water when I need.	333	1.00	5.00	3.61	1.109
I have strong trust on the retailers/distributers/wholesalers of Origin water	333	3.00	5.00	4.12	.643
I am satisfied with the service quality provided by retailers/distributers/wholesalers	333	3.00	5.00	4.23	.609
I bought the Origin water with less waiting time.	333	3.00	5.00	4.23	.609
I have a low level of conflict with Origin water retailers/distributers/wholesalers partner.	333	3.00	5.00	4.23	.609
I feel committed towards Origin water distribution partner.	333	3.00	5.00	3.80	.902
Valid N (listwise)	333				

Multicollinearity Test			
Model		Collinearity Statistics	
		Tolerance	VIF
1	price strategy	.922	1.084
	product strategy	.804	1.244
	promotion strategy	.840	1.191
	distribution strategy	.921	1.085
a. Dependent Variable: market share			

Correlations

			market share	price strategy	product strategy	promotion strategy	distribution strategy
market share	Correlation		1.000	.449**	.576**	.345**	.458**
	Coefficient						
	Sig. (2-tailed)		.	.000	.000	.000	.000
	N		333	333	333	333	333
price strategy	Correlation		.449**	1.000	.278**	.082	.059
	Coefficient						
	Sig. (2-tailed)		.000	.	.000	.136	.279
	N		333	333	333	333	333
product strategy	Correlation		.576**	.278**	1.000	.351**	.196**
	Coefficient						
	Sig. (2-tailed)		.000	.000	.	.000	.000
	N		333	333	333	333	333
promotion strategy	Correlation		.345**	.082	.351**	1.000	.256**
	Coefficient						
	Sig. (2-tailed)		.000	.136	.000	.	.000
	N		333	333	333	333	333
distribution strategy	Correlation		.458**	.059	.196**	.256**	1.000
	Coefficient						
	Sig. (2-tailed)		.000	.279	.000	.000	.
	N		333	333	333	333	333

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

Variables in the Equation

	B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I. for EXP(B)	
							Lower	Upper
price	2.581	.393	43.204	1	.000	13.207	6.118	28.512
product	2.403	.361	44.419	1	.000	11.058	5.454	22.418
promotion	2.089	.388	28.988	1	.000	8.079	3.776	17.286
distributio n	1.702	.375	20.568	1	.000	5.487	2.629	11.450
Constant	-5.048	.608	69.015	1	.000	.006		

a. Variable(s) entered on step 1: price, product, promotion, distribution.