ST.MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

FACTORS AFFECTS SALES PERFORMANCE THE CASES OF META ABO BREWERY S.C

BY

NOBEL TESFAYE

MARCH, 2019.

ADDIS ABABA, ETHIOPIA

St. MARY'S UNIVERSITY

SCHOOL OF GRADUATE

FACTORS AFFECTS SALES PERFORMANCE THE CASES OF META ABO BREWERY S.C

BY

BY –NOBEL TESFAYE
ID NO: SGS/0351/2009/A)

ADVISOR:

MOHAMMED. M

(ASSISTANCE PROFESSOR)

A THESIS SUBMITTED TO THE SCHOOL OF GRADUATE STUDIES OF ST. MARY'S UNIVERSITY IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF MARKETING MANAGEMENT

MARCH, 2019

ADDIS ABABA, ETHIOPIA

ENDORSEMENT

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

_____   _____

        Advisor   Signature

DECLARATION

I the undersigned, declare that this thesis is my original work, prepared under the guidance of Mohammed. M (Assistant professor). All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

_____   _____

                Name   Signature

St. MARY'S UNIVERSITY
SCHOOL OF GRADUATE

This is to certify that the thesis prepared by Nobel Tesfaye, entitled: Assessment of Factors Affecting Sales Performance the cases of Meta Abo Brewery S.C. and submitted in partial fulfillment of the requirements for the degree of master of marketing management complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

Approved by the examining committee

Advisor _____ Signature _____Date_____

Examiner _____ Signature _____Date_____

Examiner _____ Signature _____Date_____

ACKNOWLEDGEMENT

Table of Contents

7

List of Figures

List of Table

ACHRONOMY

GDP: Growth Domestic Product

RTM: - Routes of Market

S.C: Share Company

ABSTRACT

The Purpose study is to analyze factors affecting sales performance in cases of Meta Abo brewery S.C. the Sales Performance measurement is always important, especially in highly competitive, dynamic, complex, and global environments where managers are expected to have a strong grasp on dozens of issues in this study. To analyze factors which are affects the sales volume of Meta Abo and it analyze the company sales volume by the dimension of Route to Market of the company, Sales management, Price, Sales force Skill and sales promotion. Pearson's correlation values as well as analysis methodologies were employed to gather descriptive statistics, reliability analysis. Cronbach's alpha value helped determine the reliability of the variables. 50 Questionnaires were distributed for the company sales force, sales manager and sales distributor and the returned questioners from the distributed were 49. Classical linear regression model was used to analyze the returned questioners. The current study contributes to the literature on the company sales volume and its factors which are affects the company sales volume by applying empirical evidence. The results affirmed a positive effect of Route to Market of the company, Sales force Skill and sales promotion on sales volume of Meta Abo brewer. Price of the company has negative effect on the company sales. However, the finding of the result indicates that Sales management has no effect on the company sales volume.

Key word: sales volume, company performance, price, sales force skill, sales management, Route to Market, sales promotion

CHAPTER ONE

1. INTRODUCTION

1.1. Background for the Study

The crucial aim of any business establishment is to remain in business profitably through production and sale of products or services. Without optimal profit, a business firm cannot survive, let alone achieve a sustainable growth. One of the core activities in a business company is the marketing and sales activity. The ultimate success or failure of a company depends on its ability to sell what it produces and continues the production-sales cycle for relatively a longer period of time (Churchill, et al, et al, 2003).

Successful sales performance is critical to any revenue-based organization. Sales performance is a set of business activity like selling a product or service in order to make the company met its mission and gets the appropriate benefit big time. For many organizations, sales estimate is the starting point in budgeting or profit. It is so because it must be determined, in most cases, before production units could be arrived at while production units will in turn affect material purchases. However, taking decision on sales is the most difficult tasks facing many business executives. This is because it is difficult to predict, estimate or determine with accuracy, potential customers' demands as they are uncontrollable factor external to an organization (Davies, 1998).

The sales (selling) concept holds that customers, if left alone, will not ordinarily buy enough of the organizations products. The organization must therefore undertake an aggressive selling and promotion effort. This is to mean that under normal circumstance customers show inertia or resistance unless they are pushed to buy. So the company must use effective selling and promotion tools to stimulate more buying thereby increasing sales volume (Kotler & Armstrong, 2010).

The sales forecast might have been tied to a splashy marketing campaign that failed, or consumers simply did not take a new product offering the way management expected. Poor individual performance can also affect sales. Salespeople and sales managers must be held accountable for meeting aggressive yet reasonable goals. A poor sales pipeline can also nega-

tively impact sales performance. Sales organizations pressured to show immediate sales often focus on the back end of the sales pipeline where the deals are closed (Bucklin, 1966).

The major objective any business activities of an organization, company, firm, or an enterprise is making profit by using all the resources available in the market and they should earn sufficient profits to survive and grow over a long period. As a result of this, sales performance analysis of different Business Company is becoming an important.

Literature also shows that most of the studies conducted on sales performance analysis of different Business Company such as Getinet, (2007), the ultimate success or failure of a company depends on its ability to sell what it produces and continues the production-sales cycle for relatively a longer period of time.

And also different literatures analyzing the sales performance of Brewery such as Hortlund and Mihaescu (2013), the performance of the sales department is not equal to the expectation of customers, sales volume would decline. This reduction of sales would inevitably threaten the overall livelihood of the Brewery

Brewery in the Ethiopia is becoming important business and growing rapidly. According to Access capital (2018), Ethiopian beer industries are characterized by dynamic environment where a competition and technological advancements are changing rapidly. In order to respond to this rapid environmental changing and being able to be competent in the face of stiff competition, proper implementation of selling activities. I addition to this, the industry is becoming overwhelming flow of foreign capital in Ethiopia's beer industry. In matter of years, big names like Diageo purchased the Meta Abo Brewery, formerly a state-owned business In January 2012 with Meta, Azemra and Malta Guinness Brands. Diageo, which is engaged in beverage alcohol business and it, has been enjoyed in Ethiopia since 1955, with Johnnie Walker and White Horse whiskies. The company has other international brands, such as Smirnoff Vodka, Baileys and Captain Morgan.

Literature shows that most of the studies conducted on factors which are affecting sales performance in Ethiopia is non-brewer sector. Like a studies have been conducted on manufacturing and soft drink factory by Berhe, (2010) and Bezuneh (2013) respectively. Thus, this paper tries to study to analyze factors affecting sales performance in cases of Meta Abo brewery S.C.

1.2. Background of the Organization

Meta Abo Brewery was founded in 1963 and is based in Sebeta, Ethiopia. As of January 10, 2012, the acquisition is a competitive tender process held by the Privatization and Public Enterprises Supervising Authority on behalf of the Government of Ethiopia on Meta Abo Brewery Share Company (S.C.). Diageo is the world's leading premium drinks business, has completed the acquisition of the Meta Abo Brewery Share Company S.C ('Meta Brewery').

Meta Abo Meta is a strong national brand for over fifty years in Ethiopia. Diageo has invested more than GBP 1 billion in building its businesses in Africa, Meta Brewery is the second largest beer company in Ethiopia. From its brewery near the Ethiopian capital Addis Ababa, produces and distributes its flagship national lager brands of Meta Classic, Malta (nonalcoholic) and Meta Premium Lager from its brewery at Sebeta near Addis Ababa. The acquisition will give Diageo direct access to the rapidly growing Ethiopian beer market, and will complement Diageo's existing premium spirits business in the country. The beer market in Ethiopia is continue to grow, energetic by strong GDP growth and increased disposable incomes.

Diageo currently markets its international premium spirits brands, including Johnnie Walker Scotch whisky, Smirnoff vodka and Gordon's gin, through its representative office in Addis Ababa.

At present time there are seven breweries operating in the country namely, Diageo (Meta), Heineken (owning Harar, Bedele and Waliya), BGI (owning three breweries St. Gorges Zebidar, and Raya which found at Addis Ababa, Hawasa, Kombolcha, Gurage zone and Raya), Dashen (owning two breweries at Gondor and Debre – Birhan Town), and Habesha Brewer.

1.3. Statement of the Problem

For all business organizations, profit is a determinant factor for their existence in the ever changing business environment. The primary objective of a business undertaking is to earn profit. A business organization needs profit not only for its existence but also for expansion and diversification. Keeping other things constant, the profitability of an organization depends on its sales volume. Organizations must look for effective and efficient ways of doing business activities to achieve organizational objectives. At present due to environmental dy-

namism and competitiveness, the struggle for survival and succeeding in the business has become more difficult and challenging in the competent global world Bucklin, (1966).

However, this dynamism seems to be continuing in recent years with the biggest names in the industry managing deals to swallow small and new breweries in the industry.

It is an important business function as net sales through the sale of products and services and resulting profit drive most commercial business. These are also typically the goals and performance indicators of sales management. The Key Performance Indicators indicate whether or not the sales process is being operated effectively and achieves the results as set forth in sales planning. It should enable the sales managers to take timely corrective action deviate from projected values. It also allows senior management to evaluate the sales manager (Blattberg & SCott , 1966).

Several researches have been undertaken in the perspectives of factors which affects the company sales volume, such as Hortlund and Oana Mihaescu (2013), provide the evidence that factors which affects the brewer companies sales volume in Sweden. And also Havaldar & Cavale (2007), investigated the factors which are support the strategy relation with to maintain the company sales volume.

However, there are a few empirical studies conducted by different individuals targeted at investigating the factors which are affect the company sales volume of the business firm in Ethiopia. Bezuneh (June, 2013), and Getinet, (2007) are among the researchers who conducted studies the factor which affect the sales volume of the company in manufacturing and soft drink factory respectively.

Therefore, this study designed in such a way that focuses on the areas not addressed by the preceding studies. Accordingly, the study examined the factors influencing the sales performance of Meta Abo Brewery S.C. Since, the Company has worked hard to define the positioning of the brand, invest in marketing activities. However, according to sales data of the company from 2014 to 2018, indicates that there is a fluctuation of sales volume.

1.4. Objective of the Study

1.4.1. General objective

The overall objective of this study is to analyze factors affect sales performance in cases of Meta Abo brewery S.C

1.4.2. Specific Objectives

Bearing the general objective in mind, the paper will attempt to address the following specific objectives:-

- ➢ To determine the effect of price on the sales volume
- ➢ To anaysis effect of Sales force skill on sales volume
- ➢ To evluate the effect of sales management on sales Volume
- ➢ To determine the effec of sales promotion on sales volume and
- ➢ To determine the effect of Route to Market (RTM) on sales Volme.

1.5. Scope of the Study

The researcher believes that there are many issues that need research or investigation regarding sales performance. In particular, the study focuses on the company sales volume. The reason behind this, any business organization needs profit in order to exist and diversify its business and profits indicates the business company performance. Keeping other things constant, the profitability depends on the company sales volume. Thus, Sales volume has a great indicator of the company performance. The study is delimited by the factor which affects the sales volume of Meta Abo brewery S.C.

In order to evaluate the factors which are affecting the sales performance or sales volume of the company, the study focused on the price of the product, Sales force skill, sales management, sales promotion and Route to Market (RTM). Its brewery located at Sebeta near to Addis Ababa, as a result, the study geographically delimited by Addis Ababa. In addition to this, due to time and financial constraints the study was forced to limit the study area within Addis Ababa. Regarding the analyzed data of this study was taken from the sales manager, sales team and sales distributors of the company those who are working with the company

1.6. Significance of the Study

As described in the previous sections, the aim of the study is to evaluate factors affecting sales performance in Meta Abo brewery S.C. This study result has a great importance for the management to identifying the factor affects the company sales volume and they could be takes correct measure on the factor which affects the company sales volume. It may also help regulatory body of the sector to support and to develop brewery industry. On top of this, this study will be new contribution to the existing literatures on Ethiopian brewery. Moreover, the study also will suppose to encourage other researchers to conduct under the research title similar with this study.

1.7.   Limitation of the Study

To accomplish this study requires spending much time in the study area collecting data. Due to the fact that the researcher was also accomplishing employer's tasks availability of enough time for research work was questionable. Similarly, the researcher utilized public holidays and week end days for research work. Lack of seriousness on research response by many participants in the study, because despite of being aware of the research topic respondents did not provide detailed opinions/views to some question and also Resistance from other respondents due to lack of trust on the subject matter on the study, resistance was common among few individuals fearing that the results might have negative impact on their jobs. Financial constrain, as the researcher is self-sponsored and in this case has few sources of funds and that affected the possibility of doing extensive research. To solve this constrain researcher decided to cut and unnecessary cost

1.8.   Organization of The Study

This study organized into five chapters. Chapter 1 provides a brief background of the study and the organization, discusses the research problem, the study objective, Scope and significance of the study. Chapter 2 reviews theoretical and empirical evidence research on the factors affecting the sales performance in the beer industry more focus on price of the product, Sales force skill, sales management, sales promotion and Route to Market (RTM) and the chapter presented the study conceptual frame work. Chapter 3 of the study provides the information on the methodology which were adopted in the study. Chapter 4 is presented the results and discussions of the study. The final chapter of the study is Chapter 5 and it draws conclusions and provided recommendation.

CHAPTER TWO

2. LITERATURE REVIEW

This chapter provides an insight to readers about the theoretical view of the topic under study. The chapter covers topic related to price, sales management, Sales force effectivennes, promotional effect and Route to market related with Sales performance. In addition to this it includes different issues regarding Sales performance and the conceptual frame work the study is presented.

2.1. Theoretical Literature Review

In line with the objective of the study the researcher reviewed the related literature the earlier that related with the factors affecting the sales performance in the beer industry.

Different theories of the firm try to explain why firms exist. What forms firm and market boundaries and why there are differences in their organization and performance. This research is viewed the sales performance of the business firm from three categories of theories namely principal strategic theories, agent theory, and institutional theory explained below.

According to Bucklin, (1966), there are three generic strategies that a business firms can use to attain their sales performance. Firms can attempt to attain overall cost leadership, product differentiation, or focus-based domination. When using product differentiation strategy (also referred to as benefit leadership), the firm's products are capable of commanding price premium relative to competitors, due to the perceived extra benefits of the products. The strategic logic is either to match the price of the rival firms and sell more than they do or to charge a price premium and attain higher price-cost margin than they are able to. When pursuing focus or niche strategy, the company configures its value chain so as to create superior economic value within a narrow set of industry segments. Within these segments, the firm may have lower cost per unit than the broader-scope rivals or it may be capable of commanding a price premium relative to them or both. In order to pursue an overall cost leadership strategy, the firm must be able to produce its products at lower per unit cost than the rivals and either undercut their prices and sell more or attain their sales performance. (Getinet , 2007)

According to Baltagi and Griffin (1995), Agency theory is concerned with the conflicting interests of principals and agents. Modeled that there is a conflict of interest between the managers and the owners of companies the theory suggests that the separation of corporate ownership and control potentially leads to self-interested actions by managers. The owners contract the managers to perform the controlling tasks of a firm, and as both seek to maximize

their own utility and are self-interested a conflict of interest arises. As the managers have the effective control of the firm, they have the incentive and the ability to consume benefits at the expense of the owners. The management may direct firm resources for their own selfish interest instead of using the resources to acquire assets or increase the firm sales performance. Institutional theory suggests that organizations seek to achieve their sales performance in ways that will not cause them to be noticed as different and consequently singled out for criticism, As a business organizations compete for resources, customers, political power, and economic and social fitness, institutional theories speculate that organizations face pressures to conform to these shared notions of appropriate forms and behaviors, since violating them may affect ability to secure resources and social support, The organization will ultimately become more similar in behavior over time and adopt approaches to businesses that have been legitimized (Churchill, et al, 2003).

2.1.1. price of the product

Price is the amount of money customers must pay to obtain the product. Ford calculates suggested retail prices that its dealers might charge for each escape. But Ford dealers rarely charge the full sticker price. Instead, they negotiate the price with each customer, offering discounts, trade-in allowances, and credit terms. These actions adjust prices for the current competitive and economic situations and bring them into line with the buyer's perception of the car's value. (Kotler and Armstrong, 2010)

Price is one of the key factors of the marketing mix as it represents what a company earns in return for its efforts. Its setting is to be regarded with care as both undercharging (lost margin) and overcharging (lost sales) can have dramatic effects on the profitability. When setting price a producer has to be aware about the elasticity of its product. An elastic product would react to a small change of price with a large change in demand. An inelastic product is not as price sensitive and a change in price would only lead to a small change in demand. Looking at the industry, especially in the low price and small vehicle mass market, price is a very decisive factor for sales. (BERHE , 2010)

In the center of every business organization appears the issue of product prices. Businesses are established to achieve, among other things, a certain level of profit to ensure the survival and growth of the company as well as providing the owners with a return on their investment. Profit can be obtained only if the revenue, which is determined by the price and quantity of products sold, is greater than the cost of producing and supplying the product. In the contem-

porary business environment, individual companies have no control over the level of prices of their products. This is especially true when the product in question is abundant and supplied in the market by many companies (Getinet, 2007).

The firm facing a competitor's price change must try to understand the competitor's intent and the likely duration of the change. The firm's strategy often depends on whether it is producing homogenous or non-homogenous products. Market leaders who are attacked by lower priced competitors can choose to maintain price, raise the perceived quality of their product, reduce price, increase price and improve quality, or a low-price fighter line (Kotler and Armstrong, 2010).

2.1.2. Sales Management

According to Lee, (2017), sales management meant management of all marketing activities, including advertising, sales promotion, marketing research, physical distribution, pricing and product merchandising. In time, business, adopting academic Practice, came to use the term "marketing management rather than "sales management" to describe the broader concept.

Sales managers are responsible for organizing the sales effort, both within and outside their companies. Within the company, the sales manager builds formal and informal organizational structures that ensure effective communication not only inside the sales department but in its relations with other organizational units. Outside the company, the sales manager serves as a key contact with customers and other external publics and is responsible for building and maintaining an effective distribution network (Havaldar & Cavale 2007).

According to Davies, (1998), defines sales management as the planning, direction, and control of personal selling, including recruiting, selecting, equipping, assigning, routing, supervising, paying, and motivating as these tasks apply to the personal sales force. Sales management is an effort put forth to attain a company's objectives. It involves formulation of sales strategy through development of account management policies, sales force compensation policies, sales revenue forecasts, and sales plan. It involves also implementation of sales strategy through selecting, training, motivating, and supporting the sales force, setting sales revenue targets and sales force management through development and implementation of sales performance, monitoring, and evaluation methods, and analysis of associated behavioral patterns and costs.

2.1.3. Sales Force

The people that work for those companies selling the company's products and they are highly motivated dependable, ethical knowledgeable, good communicators, flexible and emotional intelligence. Each person on the sales force should have definitions of the performance aspects being measured and the measurement units. These definitions help sales personnel make their activities more purposeful. Sales personnel with well-defined objectives waste little time or effort in pursuing activities that was not contribute to reaching those objectives. A single quantitative standard, such as one for sales volume attainment, provides an inadequate basis for appraising an individual's total performance. In the past the performances of individual sales personnel were measured solely in terms of sales volume.

2.1.4. Promotion

Promotion is the final aspect of the marketing mix, dealing with the customer awareness and relation to the product and the brand. It involves marketing strategy, is also meant to have an influence on a brand's image. The image of a product and especially its make is one of the main drivers that affect the decision of a customer.

The promotional component of marketing involves four basic tools: Advertising, sales promotion, personal selling and publicity.

i. Advertising

According to Kotler and Armstrong, (2010), advertising is any paid form of non personal presentational and promotion of ideas, goods or services by an identified sponsor. Advertising your business increases sales volume because people like buying a name they feel they know. The product is often just as good, if not better than the "name-brand" counterpart is, but the customer will not touch it. If your goal is to simply reach more people in your area that can be done on a smaller SCale. Advertising is one of the main tasks of marketing departments and aims to make the target audience to be aware of the existence of a product. Advertising can be on billboards, in magazines, on TV and sales brochures and others.

ii. Sales Promotion

Sales promotion defined as an activity designed to boost the sales of a product or service. It may include an advertising campaign, increased public relation activity, a free-sample campaign, offering free gifts or trading stamps, arranging demonstrations or exhibitions, setting up competitions with attractive prizes, temporary price reductions, door-to-door calling, telemarketing, and personal letters on other methods. Sales promotion is attract

consumer attention, of strong incentives to purchase, and can used to dramatize product offers and to boost sagging sales.

iv. Personal Selling

Personal selling is a powerful two-way communication. It allows an interactive relationship to be developed between buyer and seller in which the later can modify the information presented in response to the needs of the audience. Now a days, the sales force is becoming the center of the marketing universe for many organizations because personal selling is to provide the specific inputs which advertising, or nonpersonal, can not offer at the individual level. It should be remembered that advertising and personal selling are complementary activities, and that their relative importance will vary depending up on the nature of the product and the buying behavior associated with it Davies, (1998).

iii. Publicity

According to Kotler and Armstrong (2010), company's various publics by obtaining favorable publicity, building up a good corporate image, and handing or heading off unfavorable rumors, stories and events. Public relation is used to promote products, people, ideas, and activities, organizations and even nations. Public relation can have a strong impact on public awareness at a much lower cost than advertising can. The company does not pay for the space and time in the media.

2.1.5. Route to Market(RTM)

Route to market:- a strategy that route to Consumer is how you sell your product and how you plan your sales. It is an approach to sales transformations encompasses how and to whom companies sell their products and services, the channels they use, and the back-office operations that support these efforts. Where necessary and appropriate, we also help clients address specific challenges in their go-to-market strategy, sales-force effectiveness, key-account management, and other relevant areas. The exchange has found that if the process extends much further, something inevitably changes (e.g. the environment), and organizations can get caught is a semi-permanent analysis state, resulting in delayed strategic decisions.

2.1.6. Sales Performance

Sales performance also refers to the total amount of firms output sold to the market especially on monthly or annually basis, this affected by many factors including customer relationship, marketing management of the firm and sales force skills and motivation and even the pricing of the goods and services Bucklin, (1996). Sales performance is an integrated frame work that enables organizations to plan and model sales strategies and ensure timely execution of

sales initiatives while ensuring both front line sales people and decisions-markers have visibility into performance.

2.2.   Organizational Sales Performance and its Measurements

Sales Performance measurement is like a speedometer, compass or mirror of a vehicle describing information about past, current and expected positions of the business organization. Sales Performance measurement is always important, especially in highly competitive, dynamic, complex, and global environments where managers are expected to have a strong grasp on dozens of issues (Havaldar & Cavale, 2007)

Recently to Measuring the sales performance of beverage industry has attracted Scholarly attention. According to Bamiduro (2001), there are different ways to measure the sales performance of beverage industry such as: Sales Volume, Sales Cycle Duration, Customer Satisfaction, Turnover, and Win/Loss Ratio. There are considerable numbers of studies are Sales Volume being used as a proxy of sales performance; Getinet. (2007); Baltagi, and Griffin, (1995); Bamiduro JA (2001)); Havaldar & Cavale (2007): Mesekir Kassa (2013). Therefore, this study has attempted to measure sales performance by using Sales Volume similar to other researchers.

2.3.   Empirical Literature Review

The considerable numbers of studies that investigate a factors affecting sales performance on brewery. Based on these previous empirical studies, the study is select or focuses on Price, sales management, Sales force, promotion and Route to market(RTM). Discussed on each variable as follows;

2.3.1. Effect of Price on Sales Volume

The considerable numbers of studies that investigate a factors affecting sales volume and majority studies have common conclusions; price has negative and statistically significant effect on sales volume. Hortlund and Oana Mihaescu (2013), provide the evidence that price influence on sales volume performance in Sweden. Bamiduro JA (2001) and Getinet. (2007) investigated on factors affecting sales performance also revealed that has negative and statistically significant effect on sales volume. Regarding to Loss ratio it also finds negative but significant relationship with profitability. As a result of this and other the previse evidence the study designed the following research hypothesis;

H1: product price will have a negative and statistically significant effect on sales volume of Meta Abo brewery S.C

2.3.2. Effect of Sales Management on Salese Volume

Several studies have been conducted to examine the effect of sales management on firm sales volume. However, the results are inconsistence. Such that Bezuneh (June, 2013), examines the effectiveness of sales management in case of MOHA soft drinks industry S.C. and the result of the study indicate that sales management has a positive effect on sales volume. In contrast of this, Havaldar & Cavale (2007) sales management has a negative effect on sales volume. As a result of this and other the previse evidence the study designed the following research hypothesis;

H2: sales management will have has a positive and statistical significant effect on the sales volume of Meta Abo brewery S.C.

2.3.3. Effect of Sales Force Skill on Sales Volume

The considerable numbers of studies indicate that sales force has a positive and statistical significant effect on the sales volume, Davis, (2008) conduct a study under the title the influence of salesperson leadership as a customer interaction behavior on sales performance and its result show sales force has statistically significant and positively effect on sales volume. And also Hortlund and Mihaescu (2013) find out that the sales force has effects on the sales volume of the company. As a result of this and other the previse evidence the study designed the following research hypothesis;

H3: sales force skill will have a positive and statistical significant effect on the sales volume of Meta Abo brewery S.C.

2.3.4. Effect of Sales Promotion on sales volume

Empirical evidences with regard to promotion revealed almost common results. For instance, Getinet , (2007) provide the evidence that sales promotion is a positive effect on sales volume by his study under the title Factors Affecting Sales Performance. Baltagi & Griffin, (1995) examined the sales promotion effect on the firm performance and the result indicates that, promotion has positive and statistically significant effect on sales volume. As a result of this and other the previse evidence the study designed the following research hypothesis;

H4: sales promotion will have has a positive and statistical significant effect on the sales volume of Meta Abo brewery S.C.

2.3.5. Effect of Route to Market(RTM) on sales volume

According to Getinet, (2007) to identify Factors Affecting Sales Performance Route to market is one of the important factors that affect sales volume Result shows that Route to market has statistical significant and it has a positive effect on sales volume. And also Hortlund and Mihaescu (2013), route to market used as an explanatory variable to maser the company sales volume. As a result of this and other the previse evidence the study designed the following research hypothesis;

H5: Route to market will have a positive and statistically significant effect on sales volume of Meta Abo brewery S.C.

2.4. Conceptual Framework

Based on the reviewed literatures, this study is develop the conceptual framework that indicates that the sales performances and its determinant factors as follow

Figure 1 - Conceptual Framework
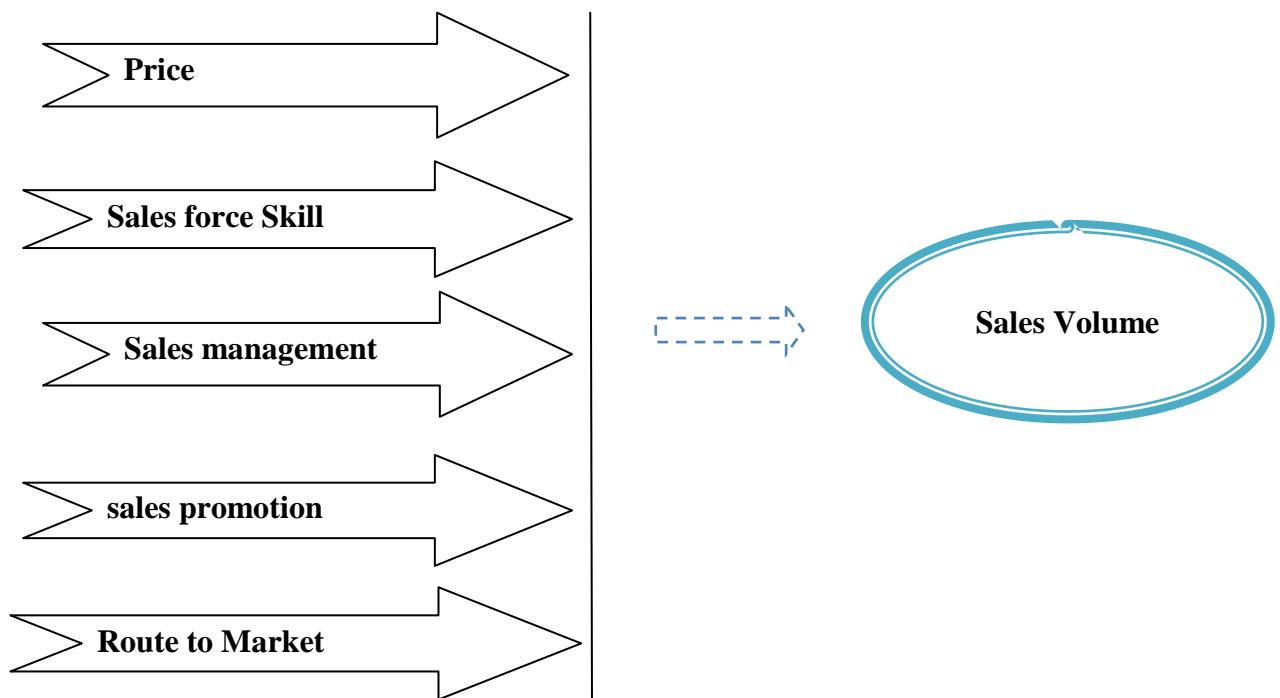
Source: Own Design, 2018

CHAPTER THREE

3. RESEARCH METHODOLOGY

This chapter presents the methodology applied to conduct the proposed research approach and design, study population, sample size and sampling techniques and source of data and the research instrument used for data analysis. Moreover, description of the tests employed to establish reliability and validity of the collected data for further analysis and ethical issues are discussed in this chapter.

3.1. Research Design

Research design is a blueprint and it helps to the researcher to plan and specifying the methods and procedures for collecting and analyzing the needed information to obtain proposed results or increasing the chances of obtaining information that could be associated with the real situation (Sekaran, 2003).

According to Bryman, (1988), the researcher may adopted descriptive and explanatory research design when the aim of the researcher is to identify and provide explanation about extent and nature of cause-and effects relationship between one or more variables.

The major objective of this study is to obtain the evidence regarding analyze the factors affecting sales performance the cases of Meta Abo brewery S.C. in order to identify the extent and nature of cause-and-effect relationships between the factors which are affecting sales performance and the company sales performance, this research was adopted descriptive and explanatory research method analysis. This research was adopted explanatory research method because the major objective of this study is to obtain the evidence regarding analyze the factors affect sales performance the cases of Meta Abo brewery S.C.

3.2. Research Approach

According to Bryman, (1988), there are two type research approaches these are quantitative and qualitative, Quantitative approach refers to the type of data being collected quantitative data involve numeric scores, metrics, and so on, while qualitative data includes interviews and observations. The main advantage of quantitative research is ability to count gathered data and using techniques such as regression and some statistical models. The researcher fulfills the research objectives and make possible to draw lessons, conclusions and recommendations. Quantitative research is characterized by deductive relationship between theory and research that means a researcher should have understanding of a researched issue before starting the measurements.

A quantitative approach is one in which the investigator primarily uses postpositive claims for developing knowledge, i.e., cause and effect relationship between known variables of interest or it employs strategies of review, and collect data on fixed instruments that yield statistics data Cochran, (1977). The major objective of this study is to investigate the factors affecting sales performance the cases of Meta Abo brewery S.C. hence, the researcher will apply quantitative method in order to fulfill the research objectives and make possible to draw lessons, conclusions and recommendations.

3.3. Study Population, Sample size and Sampling Techniques

3.3.1. The Study Population

According to Sekaran, (2003), population refers to all of things, people, or events that are the object of the investigation. Based on this the population of the study comprises all individuals who are employee of Meta Abo brewery S.C. those who are working on sales and all the company sales distributes.

3.3.2. Sample Size

Meta Abo Brewery Share Company SC acquired by the world's leading premium drinks business is Diageo. After completed the acquisition of Meta Abo the company produces and distributes its flagship national lager brands of Meta Classic, Malta (nonalcoholic) and Meta Premium Lager from its brewery at Sebeta near Addis Ababa. In order to distribute its product for Addis Ababa beer market; the company used five (5) sales managers, thirty (30) sales team and fourteen (15) sales distributors. Then, the researcher defines all these individuals are the sample size of the study. Since the population size is small number all parties were considered for this study using census method.

3.4.   Methods of Data Collection

The data of the study was collected through questionnaire and it was self-administered by researcher. The researcher developed two Questionnaires; the first questioner for the company employer those who are sales manager and sales team. The second one was distributor of Meta Abo brewer in Addis Ababa. Both questioners are allowed greater consistency in the way questions are asked, ensuring better compatibility in the responses in order to meet the objective of the study.

3.5.   Data Analysis

The data that obtained through questioner was coded and analyzed by the help of SPSS version 20. Frequency counts and percentages were applied on all variables of the survey. The two statistical techniques descriptive statistics and inferential statistics were applied. Descriptive statistics consists of the collection, organization, summarization, and presentation of data. Inferential statistics consists of generalizing from samples to populations, performing estimations and hypothesis tests, determining the effect variables on other variables, and making predictions.

3.6.   Regression

Regression is a technique that can be used to investigate the effect of one or more predictor variables on an outcome variable. Regression allows you to make statements about how is one or more independent variables was predict the value of a dependent variable. According to Gujirat, (2001) to analyze the relationship between dependent and independent variables and he propose the following model specification:

$$Y_{it} = \beta_0 + \Sigma\beta X_{it} + \varepsilon_{it}$$

> *Where*:
>> ➢ Y_{it} represents the dependent variables for time period t.
>> ➢ β_0 is the intercept.
>> ➢ βK represents the coefficients of the X_{it} variables.
>> ➢ X_{it}, represents the explanatory variables for time period t.
>> ➢ ε_{it} is the error term.

Based on the above general empirical research and other similar researches this study adopted the following equation to evaluate the factors affecting sales performance of Meta Abo brewery S.C.

$$Y= \alpha + b_1x_1 + b_2x_2 + b_3x_3 + {}_+b_4x_4 + b_5x_5 + {}_\varepsilon$$

Where,

Y is the measure value of sales performance of Meta Abo brewery or the value of dependent variable.

α = Constant term (coefficient of intercept)

b1, b2, and b3 are coefficient of the independent variables (regression coefficient).

X1 = Price

X2= Sales force Skill

X3 = Sales management

X4 = sales promotion

X4 = Route to Market

3.7.   Reliability Test

According to Bryman (1988), Validity means that we are measuring what we want to measure. There are different types of validity measurements including, face validity, **content validity** and Reliability test

Validity test also assured when the questionnaire was prepared based on extensive reading of literature review. Undertaken preparing the questionnaire with a guidance of the advisor and information from different sources the study try to avoided the ambiguous or vague wordings to ensure that respondents would read and answer the question consistently on different occasions in the same context.

The term reliability is defined as consistency of measurement or stability of measurement over a variety of conditions in which basically the same results should be obtained (Bryman, 1988). Cronbach's alpha coefficient is the most popular and commonly used technique to estimate reliability or internal consistency of assessments and questionnaires in the behavioral sciences coefficients. Reliability of the questions has been checked and rechecked before the distribution of questionnaires was analyzed by using Alpha Test. The accepted alpha value is ranging from 0.70-0.95, (Cochran, 1977).

 Thus, the study tested before the data analyzed the reliability test and the test result revealed that the calculated value aimed to test the reliability of the instrument was found to be relevant, because reliability calculated value above 0.70 is considered to be reliable instrument. A summary of the reliability statistics of the data from the SPSS version 20 is presented in Table 3.1

Table 3.1 Reliability Statistics

Variables	Number of Items	Cronbach's Alpha
Price	4	0.72
Sales force Skill	7	0.79
Sales management	5	0.81
sales promotion	5	0.83
Route to Market	6	0.80
Sales volume	8	0.92

Source: SPSS result, 2018

Since the value of chronbach alphas for this study is above 0.70 for all Scale variables, the data collected from respondents was reliable and consistent with the Scale. In simple term the result is confirmed the reliability and consistency of the questionnaire.

3.8.   Ethical Consideration

Since the researcher use the collected data from the respondents through questionnaire, permission was gain from the respondents. Confidentiality of information is also confirmed by informing respondents not to write their names on the questionnaire. The aim and objectives of the study is also clearly disclosed for the respondents on the questionnaire. The result of the study is to be used for academic purpose only and the response of the participants is fully confidential. Furthermore, the works that has been used in this research as a base for this study are cited appropriately as the researcher respects the work of previous studies.

CHAPTER FOUR

4. RESULTS AND DISCUSSIONS

This chapter deals with analysis and interpretation of the collected data through questionnaires. Which Included demographic information of the respondents, descriptive analysis, correlation, and Regression analysis are presented.

4.1. Response Rate

Fifty (50) questionnaires were distributed to the respondent and out of these Forty nine (49) of them were returned for analysis. Thus, the response rate of this study was 98 %.

Figure 2 – Response rate

Source: Own, computed from survey data, 2018

4.2. Demographic information

Descriptive statistics were used for demographic information of the respondents that are gender, Age, education qualification and Years of service of the respondents.

Table 4.1 Demographic information

Demographic characteristics		Frequency	
		In Number	**In percent**
Gender	Male	36	73.5
	Female	13	26.5
	Total	**49**	**100**
Age	20 – 25	6	12.2
	26 – 30	27	55.1
	31 – 35	12	24.5
	41 -45	3	6.1
	46 and above	1	2
	Total	**49**	**100**
Educational qualification	Primary School	2	4.1
	Secondary School	5	10.2
	Certificate or Diploma	13	26.5
	First degree	23	46.9
	Master's degree and above	6	12.2
	Total	**49**	**100**
Years of service	Less than 2 year	4	8.2
	2-3 year	12	24.5
	3-4 year	21	42.9
	4-5 year	6	12.2
	More than 5 year	6	12.2
	Total	**49**	**100.0**

Source: Own, computed from survey data, 2018

As the above table 4.1 indicated that there were more males as compared to females. From the total respondents, male respondents were 73.5 %, and female respondents were accounts 26.5 %. This shows that numbers of males were are greater than female sales manager and sales distributors.

Regarding the age of respondents; 12.2% of the respondents age were under age group between 20 – 25 years old, 55.1 % of the respondents were between the age group 26 – 30, 24.5 % were in under age group of 31 – 35, the age group from 31-30 were accounts 6.1%, and the rest 2 % of the respondents were under the age group 46 and above. This implies that the majority of respondent's respondents are under the age group of 26.-30; these age groups are accounts together 55.1% out of the total respondents. The researcher can say this is good advantage to have them for analysis in detail because these ages are more responsible and rational on their behavior.

As table 4.1 in the above indicated that the educational background of respondents 4.1% of them are primary Scholl completed, 10.2% of them categorized in a group who are secondary Scholl completed, 26.5% of respondents are who have a Certificate or Diploma, 46.9% of them respondents are first degree holders, and the rest 12.2% of respondents are who have Master's degree and above. This shows that the respondents have more sound education Level and this is good advantages for the researcher because peoples on this Education Level are understand and respond the questioners properly.

As table 4.1 above indicated, from the total of respondents those were 49; who have Less than 2 Years of service accounts 8.2%, 24.5% of the respondents were have a service Years under the interval between 2-3 year, 42.9 of the respondents were have a service year for 3 to 4 years, 12.2% of the respondents respond under the interval of 4 to 5 year of service on the service year and the rest 12.2% of the respondents respond under the category of More than 5 year. Majority respondents of the service year were under the category of 3 – 4 years, this is good advantages for the researcher because this year of service in the company the respondents can be describe about the company as well as the sales activity of the company.

4.3.   Descriptive Analysis

This section is discus about the descriptive statistics for data which was gathered through questionnaires to analyze factors affecting sales performance in cases of Meta Abo brewery S.C. According to Cochran (1977), the mean value 3.00 and below is considered as low; the mean value from 3.10 up to 3.49 is considered as moderate and mean value 3.5 and above is considered as high. In order to see the general perception of the respondents regarding Price, Sales force Skill Sales management, sales promotion, Route to Market and Sales volume of the study those used to analyze factors affecting sales performance in cases of Meta Abo brewery S.C presented the following table;

Table .4.2 Descriptive Statistics

Descripti Statistics			
	N	Mean	Std. Deviation
Price	49	3.6786	.87500
Sales force Skill	49	3.4140	.79766
Sales Management	49	3.0059	.89488
Sales Promotion	49	3.1102	.74617
Route to Market	49	3.1259	.73797
Valid N (list wise)	49		

Source: SPSS result, 2018

As shows in Table 4.2 above, the mean value of Price was =3.6786 (SD=0. .87500), indicating that, majority of the respondents are respond on above the higher limit of mean value (3.5) on Price. This implies the mean score of Sales force Skill is =3.4140 (SD=.79766). This indicates that, majority of the respondents respond on the moderate limit (3.10 up to 3.49) on Sales force Skill. This implies that the respond on sales force Skill was got moderate limit of mean value by respondents of the study. The mean value of Sales management was =3.0959 (SD=.89488), this indicates that, majority of the respondents respond on the lower limit value of the mean (3.00 and below) on Sales management. This implies that the respond on Sales management was got lower limit of mean value by respondents of the study. The mean value of sales promotion was =3.1102 (SD=.73797), this indicates that, majority of the respondents respond on the moderate limit value of the mean (3.10 up to 3.49) on sales promotion. This implies that the respond on sales promotion was got moderate limit of mean value by respondents of the study. The mean value of Route to Market was =3.1102 (SD=.74617), this indicates that, majority of the respondents respond on the moderate limit value of the mean (3.10 up to 3.49) on Route to Market. This implies that the respond on Route to Market was got moderate limit of mean value by respondents of the study.

4.4. Regression Analysis

4.4.1. Assumption testes

I. Normality Assumptions Test

Figure 2 - Normality test for residuals

Histogram
Dependent Variable: Sales volume
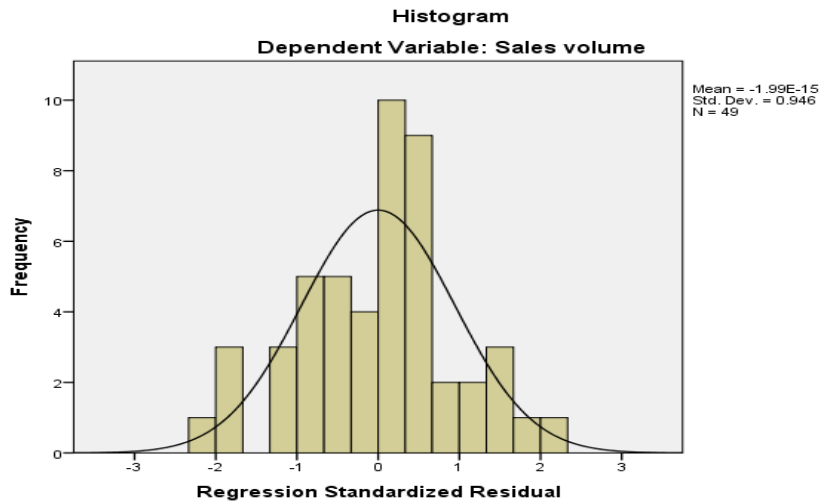
Source: SPSS result, 2018

If the residuals are normally distributed, the histogram should be bell-shaped. Bryman, (1988). Therefore, from the above figure, the Histogram is bell-shaped; this implies that the residuals are normally distributed. Hence, the normality assumption is fulfilled.

II. Autocorrelation Assumptions Test

The Durbin Watson statistic is a number that tests for autocorrelation in the residuals from a statistical regression analysis. The Durbin-Watson statistic is always between 0 and 4. The value 2 means that there is no autocorrelation in the sample of the study. Values approaching 0 indicate positive autocorrelation and values toward 4 indicate negative autocorrelation (Bryman, 1988).

Table 4.4Autocorrelation assumptions test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.681	.663	.658	.14641	1.99
a. Predictors: (Constant), Route to Market , Sales management , Price, Sales force Skill , sales promotion					
b. Dependent Variable: Sales volume					

Source: SPSS result, 2018

From the above table 4.4 indicate that the value Durbin Watson statistic result is 1.99 Thus, this study has tested for assumption of Autocorrelation and as it can be seen there is no Auto-correlation from the above result. Hence, the Autocorrelation assumption is fulfilled

III. Linearity Assumptions Test

In linear regression analysis it is assumed that there is a linear relation between the predictors and the dependent variable. This study measured the linearity by testing the goodness of fit of the model by conducting ANOVA test.

The test hypothesis is: H0: The model is not a good fit and H1: The model is a good fit
The alpha value is 0.05.

Table 4.5 linearity assumptions test

ANOVA		
Model		Sig.
1	Regression	.000
a. Dependent Variable: Sales volume		
b. Predictors: (Constant), Route to Market , Sales management , Price, Sales force Skill , sales promotion		

Source: SPSS result, 2018

From the above table 4.5, we concluded that the model is a good fit. Since, the p-value, 0.000 is less than Alpha = 0.05. This result indicates a linear relation between the dependent varia-ble and the independent variables

IV. The Multi Collinearity Assumption Test

According to (Cochran, 1977) stated that presence of multi collinearity can be detected by just looking at variance inflation factor (VIF) value of each explanatory variable. That is, if VIF is more than 10, then, it signifies that there is interdependency among independent varia-bles.

Table 4.6 Multi collinearity assumption Test

Variables	Collinearity Statistics	
	Tolerance	VIF
Price	0.182	5.485
Sales force Skill	0.193	5.785
Sales management	0.853	1.172
sales promotion	0.172	6.208
Route to Market	0.154	8.007

Source: SPSS result, 2018

The above table 4.6 indicates that the VIF values for Price, Sales force Skill, Sales management, and Sales promotion and Route to Market are below 10. Hence, the multi collinearity assumption is fulfilled in this study.

4.4.2. ANOVA Test and Model Summary

Multiple linear regression (MLR) analysis applied to Assess the Factors which are Affects the Sales Performance of Meta Abo Brewery S.C. Coefficient of determination-R^2 is the measure of proportion of the variance of dependent variable, and the mean that is explained by the independent or predictor variables Gujirat, (2001). Higher value of R^2 represents greater explanatory power of the regression equation.

Table 4.7 Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.681	.663	.658	.01464
a. Predictors: (Constant), Route to Market , Sales management , Price, Sales force Skill , sales promotion				
b. Dependent Variable: Sales volume				

Source: SPSS result, 2018

Table 4.7 presents the model summary which states all the factors which are affecting the Sales Performance of Meta Abo Brewery S.C.; the Sales Performance of Meta Abo Brewery S.C as a function of Route to Market, Sales management, Price, Sales force Skill, sales promotion. Based

on the above model summary R square value indicated that the independent variables explained the dependent variable by 0.663. This result implies that Route to Market, Sales management, Price, Sales force Skill, Sales promotion collectively are explain the Sales Performance of Meta Abo Brewery S.C by 66.3 percent.

4.4.3. Coefficient Analysis

This section presents the regressions result of the Factors which are affecting the Sales volume of Meta Abo Brewery S.C.

Table 4.8: Regression analysis coefficients

Coefficients					
	Unstandardized Coefficients		Standardized Coefficients	T	
Model	B	Std. Error	Beta		Sig.
(Constant)	.578	.124		4.652	.000
Price	-.342	.057	-.417	-6.039	.000
Sales force Skill	.237	.105	.264	2.250	.030
Sales management	.016	.026	.020	.626	.535
sales promotion	.918	.193	.229	6.127	.000
Route to Market	.888	.152	.915	5.859	.000
a. Dependent Variable: sales volume					

Source: SPSS result, 2018

Table 4.8 the independent variables are product price, Sales force Skill, sales promotion and Route to Market have a positive coefficient and statistically significant at 5% level of significance because their P value are less than 0.05. However Sales management is not statistically significant since its p value is greater than 0.05. Based on the regression result the researcher using unstandardized Coefficients of each significant variable will be interpreted the result but Sales management is not statistically significant at 5% to explain the sales volume of the company.

Y= .124 - .417product price + 0.264 Sales force Skill + .229 sales promotion + .915 route to market + ei

Product price

As shown on table 7, the results of regression regarding Product price show that there is negative relationship and statically significant effect on the Sales volume of Meta Abo Brewery un

standardized Coefficients of Price is -.417which implies that on average a percent increase in the company Product price will decrease the Sales volume of Meta Abo Brewery by 41.7 percent and vice versa. Thus, from the results it can be conclude that Product price has effect on the Sales volume of Meta Abo Brewery.

Sales Force Skill

The results of the regression results relating with Sales force Skill has statistically significant effect on the Sales volume of Meta Abo Brewery. un standardized Coefficients of Sales force Skill is .264 which implies that lets assume other things remain constant and on average a percent increase in Skills of Sales force of the company will increase the Sales volume of Meta Abo Brewery by 26.4 percent and vice versa. The result indicates that Sales force Skill can be affects the Sales volume of Meta Abo Brewery.

Sales Promotion

The results of regression regarding Sales promotion show that there is positive relationship and statically significant effect on Sales volume of Meta Abo Brewery. Unstandardized Coefficients of Sales promotion is .229 which implies that lets assume other things remain constant and on average a percent increase in Sales promotion will increase Sales volume of Meta Abo Brewery by 22.9 percent and vice versa. Thus, from the results it can be conclude that Sales promotion has a positive effect on Sales volume of Meta Abo Brewery.

Route to Market

The results of regression regarding Route to Market show that there is positive relationship and statically significant effect on Sales volume of Meta Abo Brewery. Unstandardized Coefficients of Route to Market is .915 which implies that lets assume other things remain constant and on average a percent increase in Route to Market will increase Sales volume of Meta Abo Brewery by 91.5 percent and vice versa. Thus, from the results it can be conclude that Route to Market has a positive effect on Sales volume of Meta Abo Brewery.

4.5.   Discussion of the Results

The objective of this study is to analyze factors affecting sales volume the cases of Meta Abo brewery S.C. This study makes contributions by evaluate the effect of route to market, sales management, Price, sales force skill and sales promotion on the sales volume. The results of the study are discussed as follows: this study revealed that Price has significant and negative effect on the sales volume of Meta Abo brewery. From this it can be conclude that Price has negative effect on the sales volume. The result also Consistent with the hypothesis of the study which is Price has a negative and statistically significant effect on sales volume of Meta Abo brewery S.C. furthermore, the result consistent with previous studies such as Bamiduro, (2001) provide the evidence that price of the product influence on sales volume of the companies and also Getinet, (2007) investigated on factors affecting sales performance and he revealed that price has a negative and statistically significant effect on sales volume. Hortlund and Mihaescu (2013), provide the evidence that price of the product influence on sales volume of the brewery companies in Sweden. Found that Price as important determinant of the sales volume of brewer and it has negative effect on the sales volume.

This study revealed that sales force skill has significant and positive effect on the sales volume of Meta Abo brewery. From this it can be conclude that the sales force skill has positive effect on the sales volume. The result also Consistent with the hypothesis of the study which is sales force skill has a positive and statistical significant effect on the sales volume of Meta Abo brewery S.C. furthermore, the result consistent with previous studies such as Davis, (2008) conduct a study under the title the influence of salesperson leadership as a customer interaction behavior on sales performance and the study result show sales force has statistically significant and positively effect on sales volume. Hortlund and Mihaescu (2013) provides the evidence that sales force skill influence on sales volume. Found that sales force skill as important determinant of the sales volume of brewer and it has a positive effect on the sales volume.

The study result shown that sales promotion has significant and positive effect on the sales volume of Meta Abo brewery. From this it can be conclude that sales promotion has positive effect on the sales volume. The result also Consistent with the hypothesis of the study which is sales promotion has a positive and statistically significant effect on sales volume of Meta Abo brewery S.C. furthermore, the result consistent with previous studies such as Getinet and Neslin (1998), provide the evidence that sales promotion is a positive effect on sales volume by his study under the title Factors Affecting Sales Performance. Baltagi & Griffin, (1995)

examined the sales promotion effect on the firm performance and the result indicates that, promotion has positive and statistically significant effect on sales volume. And also Davis, (2008) provides the evidence that sales promotion influence on sales volume.

This study indicated that route to market has significant and positive effect on the sales volume of Meta Abo brewery. From this it can be conclude that the Route to Market has a positive effect on the sales volume. The result also Consistent with the hypothesis of the study which is route to market has a positive and statistically significant effect on sales volume of Meta Abo brewery S.C. furthermore, the result consistent with previous studies Getinet, (2007), Hortlund and Mihaescu (2013), provide the evidence that route to market influence on sales volume.

However, the finding shows that sales management is statically insignificant which means sales volume of the company is not explained by sales management and the result also inconsistent with the hypothesis of the study which is sales management has a positive and statistical significant effect on the sales volume of Meta Abo brewery S.C.

CHAPTER FIVE

5. SUMMARY OF MAJOR FINDINGS, CONCLUSION AND RECOMMENDATION

This chapter contains Summary of Major Findings, conclusion and recommendations and end with Suggested areas for future research.

5.1. Summary of Major Findings

This study is planned to analyze factors affecting sales performance of Meta Abo brewery S.C Based on the results of the study the summary of major findings are as follows.

The study has a sample size of 50 to collect the data through questioner in order to analyze factors which are affecting the sales performance of the company. From the total distributed questionnaires 49 were fills and returned. The study used closed-ended questionnaire to analyze a factors affecting sales performance in Meta Abo brewery S.C. Multiple regression estimation was conducted to evaluate the effects of all independent variables on the dependent variable which is organizational performance. Based on the results of the study the summary of major findings are as follows.

The extent of route to market, sales management, Price, sales force skill, and sales promotion were assessed by using descriptive statistics and. Furthermore the relationships (correlations) between sales volume and the explanatory variables (route to market, sales management, Price, sales force skill, and sales promotion) were tested through Pearson correlation analysis and the findings in this study show that there is a positive relationship among sales volume and explanatory variables except the price of the product.

The model has R square value of 0.663; this indicates that 66.3% percent of the sales performance of the company is explained by explanatory variables. From the table F-test has p-value and except the p value of sales management are less than 0.05, which indicates that all the explanatory variables except sales management are statistically significant, which means route to market , Price, sales force skill, sales promotion are significant influence on the sales volume of Meta Abo brewery S.C.

5.2.   Conclusion

According to the study findings, route to market, Price, sales force skill, and sales promotion were identified as having effect on the sales volume of the company.

This paper provides the empirical justification on the effect of product price, sales force skill, sales promotion and route to market on the sales volume of the company. For the purpose of investigating these issues a comprehensive, valid, and reliable instrument to analyze factors affecting sales performance in cases of Meta Abo Brewery S.C. the instrument was tested using statistical tests. Based on the results of the study forward the following conclusions were given.

A Pearson correlation result confirmed that there is a positive relationship between the independents variables of the study that are sales force skill, sales promotion, sales management and route to market with the sales volume of the company. The result also indicates that Price of the product has negative relationship with the sales volume of the company.

The regression result indicates that price of the product, sales force skill, sales promotion and route to market had the p-value is less than 0.05. This implies that, price of the product, sales force skill, sales promotion and route to market are statistically significant, which means significant influence on the sales volume of the company since p-value is less than 0.05.however the p value of the sales management is greater than 0.05. This implies that statistically insignificant. From the result of the study it is possible to conclude that sales force skills, sales promotion and route to market have positively and statistically significant effects on the sales volume of Meta Abo Brewery. This means these variables positively affect the company sales volume of the company. However, the price of the product has negative and statistically significant effects on the sales volume of the company. This means price of the product has a negative effect on the company sales volume of the company.

5.3.   Recommendation

Based on the findings of the study the following recommendations are given.

- The finding of the study indicates that the price of the product has negative effect on the company sales volume based on this the researcher forward this recommendation. The company should be check the competitor's price before add the price because most of the time the consumer of the beer are price sensitive means if the price of the company products high, may the company consumer may shift to the competitor.

- As the study reveals that route to market has significant effect on the company sales volume. The sales volume of Meta Abo Brewery could be significantly influenced by route to market. So, the company should be bringing a very good route to market strategy and it has a positive effect to expand the company market share. A brewery must be at the head of the game on every aspect of the finished product delivery.

- Today's competitive environment requires workforces who have a good sales skill. So the researcher forward this recommendation to the company; the company should be established a program to make a creativity and motivational of sales persons. In this ever growing competitive Beverage industry, the company management teams should be work on to improve the skill of sales force to contributing eSCalating the sales volume of the company.

- Since the study result indicate that sales promotion has a positive effect on the company sales volume. So the researcher recommended to the company; the company should be to have more frequent sales promotions to convincing the consumer. Brewery must be at the head of the game on every aspect of the finished product delivery of beer to consume the company products.

5.4.   Suggested areas for future research

Future researches can expand the domain of sales volume by considering additional other variables which are affects the sales volume of the company. This company may works on beverage industry or others which are profit oriented by increasing the company sales volume. Moreover, future researches shall be done with large number of respondents to enhance the research findings.

Reference

Baltagi, M., & Griffin, J. (1995). A dynamic demand model for liquor: the case for pool-ing. . *Review of Economics and Statistics*.

Bamiduro, J. (2001). A DYNAMIC DEMAND MODEL FOR LIQUOR: THE CASE FOR POOLING. .

BERHE , G. (2010). ASSESSMENT OF FACTORS AFFECTING SALES VOLUME: WITH REFERENCE TO MESFIN INDUSTRIAL ENGINEERING PLC .

Bezuneh Follie, (2013). An analysis of the effectiveness of sales management. (A case study of MOHA soft drinks industry S.C Hawassa millennium plant). *MBA research paper*.

Blattberg, R., & SCott , A. (1966). sales promotion: Concepts, Methods, and Strategies, . *Englewood Cliffs, NJ: Prentice Hall.*

Bryman , A. (1988). Quantity and Quality in Social Research, London: Rout ledge.

Bucklin, L. (1996). A Theory of Distribution Channel Structure, Berkeley: Institute of Business and Economic Research. *University of California. .*

Churchill, J., G.A., F., N.M, H., & J.O.C. , W. (1985). The determinants of sales-person performance: A meta-analysis. *Journal of Marketing Research,.*

Cochran, W. (1977). *Sampling Techniques, 3rd edition.* New York: John Wiley & Sons.

Daniel, W. (1999). *Biostatistics: A Foundation for Analysis in the Health SCience. 7th edition,.* New York: John Wiley & Sons.

Davies, M. (1998). *Understanding Marketing.* chicago: Hertfordshire.

Davis, D. (2008). The influence of salesperson leadership as a customer interaction behavior on sales performance. *Davis, D., 2008. The influence of salesperson leadership as Ph.D. Dissertation, Nova Southwestern University*.

Fatimah , H. (2010). The Effect of Product Quality on Business Performance in some Arab
Companies.

Getinet Haile, (2007). Marketing and Sales strategies of ELFORA Agro-industry PLC.
master deserteation.

Gujirat, M. (2001). *ntroduction to econometrics (3rd Edtion ed.).* . Chichester Wiley.

Havaldar , J., & Cavale , B. (2007). *Sales & Distribution Management. 4th edition Panda &
Sahadev, Oxford University* . Oxford University : McGraw Hill).

Hortlund , O. (2013). The impact of price changes on volume sales of alcoholic beverages in
Sweden, Per .

Johnston , L., O'Malley , P., & Bachman, J. (1997). National survey results on drug use from
theMonitoring the Future Study, 1975-1995. Volume II: Colle.

Kotler, P., & Armstrong, G. (2010). *Principles of marketing (13thed.).* Pearson Education.

Lee, R. (2017). Lee, Robert. (2017, September 26). Factors Affecting Sales Performance,
Bizfluent. Rfactors-affecting-sales-performance. *Bizfluent.*

Mahmood, H. (2007). *Mahmood HavSales & Distribution Managemen 4th edition* . Oxford.:
McGraw Hill Panda & Sahadev.

Sekaran,, U. (2003). *Research Methods for business (4th ed.).* .Hoboken, NJ:John.

Appendixes

Histogram
Dependent Variable: Sales volume

Mean = -1.99E-15
Std. Dev. = 0.946
N = 49

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.681	.663	.658	.14641	1.99

a. Predictors: (Constant), Route to Market , Sales management , Price, Sales force Skill , sales promotion

b. Dependent Variable: Sales volume

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.681	.663	.658	.01464

a. Predictors: (Constant), Route to Market , Sales management , Price, Sales force Skill , sales promotion

b. Dependent Variable: Sales volume

Coefficients						
	Unstandardized Coefficients		Standardized Coefficients	t		VIF
Model	B	Std. Error	Beta		Sig.	
(Constant)	.578	.124		4.652	.000	
Price	-.342	.057	-.417	-6.039	.000	5.485
Sales force Skill	.237	.105	.264	2.250	.030	5.785
Sales management	.016	.026	.020	.626	.535	1.172
sales promotion	.918	.193	.229	6.127	.000	6.208
Route to Market	.888	.152	.915	5.859	.000	8.007
a. Dependent Variable: sales volume						

ST MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

Questionnaire for Distributers

Dear respondent,

I am **Nobel Tesfaye** a post graduate student at **St. MARY'S UNIVERSITY** School of graduate studies. Currently I am carrying out research for my master's thesis with a research title "Assessments of Factors Affecting Sales Performance in cases of Meta Abo Brewery S.C".

The purpose of the study is for the partial fulfillment of the requirement of Degree of masters in marketing management. Therefore, I kindly request your genuine responses on this questionnaire. The data you provide me are valuable for the quality and validity of the data to be used in the course of this study.

If you have any questions or concerns about completing the questionnaire, please contact me via the address provided below. Please note that your responses are confidential and as well your name is not be refer.

Nobel Tesfaye

Mobile: +251 930 07 73 55

Email: nobelmom33@gmail.com

Instruction

- No need to mention name on the questioner.
- The questioner includes both open and close ended questions and please Use the mark [√] for the close ended and a brief answer for the open one.

Part I: Demographic characteristics

1. Gender:

   A. Male [   ]   B. Female [   ]

2. Age:

   A. 20-25 [ ]   B. 26-30 [ ]   C. 31-35 [   ]   D. 41-45[   ]   E.46 and above

3. Educational qualification

Primary school	[ ]	First degree	[ ]
Secondary school	[ ]	Master's degree and above	[ ]
Certificate or Diploma	[ ]		

4. Years of service in in Meta Abo Brewery S.C as a sales distributor?

Less than 2 year	[ ]	4-5 year	[ ]
2-3 year	[ ]	More than 5 year	[ ]
3-4 year	[ ]		

Part Two: Questions related to Sales performance

Dear Respondents Depending on your experience, please rate and tick [√] the appropriate box for your answers and rank each statement as follows:

> 5 = strongly agree (SA)
>
> 4= Agree (A)
>
> 3 = Neutral/ not sure (N)
>
> 2 = Disagree (D)
>
> 1= strongly disagree (SD)

The product price	Level of agreement				
	5 SA	4 A	3 N	2 D	1 SD
The price of Meta Abo Brewery products are reasonable for its consumers					
There is a big change in the volume when there is a price cut					
From the products of Meta Abo Brewery factory, the product which has a low in price is the most consumed beer.					
There is a price discount mechanism for large amount of product buyers					

Sales force Skill	Level of agreement				
	5 SA	4 A	3 N	2 D	1 SD
The communication skill of the company sales force is good					
Most sales force of the company have adequate experience on sales process					
the company sales force have product knowledge					
The sales force of the company are having sales profession					
Most sales force of the company have negotiation skill					
Most sales force of the company are easily adapt with work place					
The company gives the refreshment training to their sales distributor					

Sales management	Level of agreement				
	5	4	3	2	1
	SA	A	N	D	SD
There is good communication between the company managements and sales distributors					
The company give recognition for distributors who meet or exceed their sales targets					
The sales forces have a knowledge on the process of distributing the company's products					
There is sales support and strengthen the channel creation relationship among the distributors					
Over all the Sales management of the company are good					

sales promotion	Level of agreement				
	5	4	3	2	1
	SA	A	N	D	SD
prizes program of the company has significant effect on its sale volume					
pries discount of the product has significant effect on sale volume					
customers react to holiday discount and it has significant effect on sale volume					
The promotion program of the company are attract new customers					
Overall Sales promotion activities of the company have a significant effect on its sale volume.					

Route to Market	Level of agreement				
	5 SA	4 A	3 N	2 D	1 SD
The company has made good progress in the process of distributing its products					
The company sales supervisors are permanently support to the company sales distributor					
There is a shortage of products on when the demand of the product is high					
The shortage of the product is happened in the market is rare					
The company delivery the order at required time					
The company delivery the order at required quality					

Sales volume	Level of agreement				
	5 SA	4 A	3 N	2 D	1 SD
Number of customers is increased from time to time					
Customer order size is increased					
The sales targeted is achieved					
Increase the number of customer					
Computation between beer companies helps to increase the sales volume of the company					
The company sales promotion helps to increase the sales volume of the company					
The daily sales will grow when the delivery is very quick.					
The overall sales volume is increased					

1. If you have any additional comments please state

_____

_____

_____

_____

Thank you for your cooperation!!

ST MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

Questionnaire for staffs

Dear respondent,

I am **Nobel Tesfaye** a post graduate student at **St. MARY'S UNIVERSITY** School of graduate studies. Currently I am carrying out research for my master's thesis with a research title "Assessments of Factors Affecting Sales Performance in cases of Meta Abo Brewery S.C".

The purpose of the study is for the partial fulfillment of the requirement of Degree of masters in marketing management. Therefore, I kindly request your genuine responses on this questionnaire. The data you provide me are valuable for the quality and validity of the data to be used in the course of this study.

If you have any questions or concerns about completing the questionnaire, please contact me via the address provided below. Please note that your responses are confidential and as well your name is not be refer.

Nobel Tesfaye

Mobile: +251 930 07 73 55

Email: nobelmom33@gmail.com

Instruction

- No need to mention name on the questioner.
- The questioner includes both open and close ended questions and please Use the mark [√] for the close ended and a brief answer for the open one.

Part I: Demographic characteristics

5. Gender:

   A. Male [   ]   B. Female [   ]

6. Age:

   A. 20-25 [   ]   B. 26-30 [   ]   C. 31-35 [   ]   D. 41-45[   ]   E.46 and above

7. Educational qualification

Primary school	[ ]	First degree	[ ]
Secondary school	[ ]	Master's degree and above	[ ]
Certificate or Diploma	[ ]		

8. Years of service in the current position in Meta Abo Brewery S.C?

Less than 2 year	[ ]	4-5 year	[ ]
2-3 year	[ ]	More than 5 year	[ ]
3-4 year	[ ]		

Part Two: Questions related to Sales performance

Dear Respondents Depending on your experience, please rate and tick [√] the appropriate box for your answers and rank each statement as follows:

> 5 = strongly agree (SA)
>
> 4= Agree (A)
>
> 3 = Neutral/ not sure (N)
>
> 2 = Disagree (D)
>
> 1= strongly disagree (SD)

The product price	Level of agreement				
	5 SA	4 A	3 N	2 D	1 SD
The company has controlling mechanism on the selling price of disrupters					
There is a price discount for large amount of product buyers					
There is a price discount period on the company's products					
There are not customer complaint on the price the company's products.					

Sales force Skill	Level of agreement				
	5 SA	4 A	3 N	2 D	1 SD
Most of the company top management are having sales profession					
The company clearly defines the requirements process on skill of negotiation skill the candidate sales force					
There is a communication between the company sales force					
The company clearly defines the requirements process on skill of commination the candidate sales force					
The company clearly defines the requirements process on skill of sales the candidate sales force					
There are different training program on sales process to the company sales force					
There are different training program focus on the company product for their sales force to have product knowledge					

Sales management	Level of agreement				
	5 SA	4 A	3 N	2 D	1 SD
There is good communication between the company managements and sales force					
The company give recognition for sales force who meet or exceed their sales targets					
The company sales managers has a good knowledge for how to manage and the process of distributing the company products					
There is sales support to strengthen the channel partner relationship with in the company sales force					
Over all the Sales management of the company are good					

sales promotion	Level of agreement				
	5 SA	4 A	3 N	2 D	1 SD
prizes program of the company has significant effect on its sale volume					
pries discount of the product has significant effect on sale volume					
customers react to holiday discount and it has significant effect on sale volume					
The promotion program of the company are attract new customers					
Overall Sales promotion activities of the company have a significant effect on its sale volume.					

Route to Market	Level of agreement				
	5 SA	4 A	3 N	2 D	1 SD
The company has made good progress in the process of distributing its products					
The company top managements are permanently support to the company sales forces					
There is a shortage of products on when the demand of the product is high					
The shortage of the product is happened in the market is rare					
The company delivery the order at required time					
The company delivery the order at required quality					

Sales volume	Level of agreement				
	5 SA	4 A	3 N	2 D	1 SD
Number of customers is increased from time to time					
Customer order size is increased					
The sales targeted is achieved					
Increase the number of customer					
Computation between beer companies helps to increase the sales volume of the company					
The company sales promotion helps to increase the sales volume of the company					
The daily sales will grow when the delivery is very quick.					
The overall sales volume is increased					

2. If you have any additional comments please state

_____

_____

_____

_____

Thank you for your cooperation!!!