



**ST. MARY'S UNIVERSITY  
SCHOOL OF GRADUATE STUDIES**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**ASSESSMENT OF THE MARKETING MIX STRATEGIES OF DASHEN  
BREWERY SHARE COMPANY**

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**ST. MARY'S UNIVERSITY**  
**SCHOOL OF GRADUATE STUDIES**  
**GENERAL MBA**

**ASSESSMENT OF THE MARKETING MIX STRATEGIES**

**(THE CASE DASHEN BREWERY SHARE COMPANY)**

By: MEHRET MOLLA

Approved by Board of examiners:

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## DECLARATION

I, the undersigned, declare that this thesis is my original work, developed under the guidance of Dr. Taye Amogne. All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted for any degree.

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Name

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Signature

St. Mary's University, Addis Ababa December 2021

## **ENDORSEMENT**

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

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## **Abstract**

*This study mainly focusses on the assessment of marketing mix elements for better profit of the Dashen Brewery share company. The marketing mix elements are assessed in the company. Since currently; the market competition is very high and so as the company needs to be competitor. The study is conducted using different methodologies including company's previous data, questionnaires, observation and interviews. Data gathering is the basic methodology by including primary and secondary data sources. In this study, descriptive research approach is applied and both qualitative and quantitative research design methods are used. The study is a descriptive type research and the selected population for this paper are consumers of the Dashen brewer products; found at the different hotels, bar and restaurants, and small liquor houses located in Addis city. Since the bars and restaurants are placed at different positions of the city, random sampling techniques were used. Therefore, simple random sampling method is used to distribute the questionnaires to the consumers of the products. The primary data included are interviews from management staff of the company, surveys and customer questionnaires. For this study, customer's feedback is the best primary data source. Secondary data sources include publications, books and online searches. The methods of collecting primary and secondary data differ since primary data are to be first-hand gathered, while in case of secondary data the nature of data collection work is merely that of compilation. The data collected are analysed using SPSS software Version 23.1 and the results are summarized using tables generated by SPSS for better discussion and conclusion.*

## CHAPTER ONE

### INTRODUCTION

This chapter includes the background of the study and the organization, statement of the problem, objectives of the study, significance of the study, scope of the study, limitations of the study and organization of the paper.

#### 1.1 Background of The Study

The study is conducted on assessment the marketing mix strategies in one of the beer manufacturing companies in Ethiopia. Since our country is one of the developing countries in Africa, the economic development has brought some improved investment of the beer market. Especially in recent five years, the beer industry has shown more than 15% increment each year. Because of this attractive industrial growth new domestic and foreign investor are investing in the sector (Dashen brewery annual report, 2012). This makes the competition very difficult and brewery companies should have advanced marketing mix strategy to satisfy their consumers and therefore my study focuses on marketing mix assessment.

Beer consumption per capita reached 11.5 litres in 2018 in Ethiopia, according to Faostat. This is 15.3 % more than in the previous year, but still which is low compared with Kenya, whose population is two times lower than Ethiopia and has a per capita beer consumption of 12 litters.

Ethiopia has been ranked 95th within the group of 152 countries and recent investment seen in the brewery market indicates that there is a growing demand in the market. Therefore, a study should be done on this growing and competitive market environment to evaluate the marketing mix strategies of Dashen Brewery S.C. by assessing the marketing mix elements; product, price, promotion and place/Distribution, which are the independent variables.

Marketing involves a number of activities. To begin with, an organisation may decide on its target group of customers to be served. Once the target group is decided, the product is to be placed in the market by providing the appropriate product, price, distribution and promotional efforts. These are to be combined or mixed in an appropriate proportion so as to achieve the marketing goal.

International Journal of Economics and Management Engineering titled by “Marketing Strategy Analysis of Thai Asia Pacific Brewery Company”, a case study analysed the company’s marketing objective, marketing strategy at company level, and marketing mix before liquor liberalization in 2000. The findings of the case study are to attain leadership in the beer business for each segment, both sales revenue and production, products are produced with standard and premium quality to increase beer diversity in the market.

Methods used in this study were qualitative and descriptive research approach which demonstrated results as to increase market share of Heineken and Amstel and the company’s marketing strategies were brand building strategy and distribution strategy.

The company also conducted marketing mix strategies. The company added more beer brands namely Amstel and Tiger to provide additional choice to consumers, cost, competitor, market, economic situation and tax, sales promotion and advertising, extended channels its channels of distribution into food shops, pubs and various entertainment places. This strategy benefited interested persons and people who were engaged in the beer business.

Another research conducted by Hassen Adgo (2014), focusses assessment of marketing mix strategy in case of Dashen Brewery. The paper studied to assess the marketing strategy practices of the company.

### 1.2 Statement of the Problem

Beer manufacturing industries are businesses that make and sell beer and range widely in the volume and variety of beer produced ranging from small to large. Nowadays, beer manufacturing industries from abroad join into the Ethiopian beer manufacturing sector by excluding and dominating other local factories. The domestic investors are also too curious with this sector and many projects are under construction.

Since the product distribution of Dashen brewery is coming from the northern part of the country there is a distribution problem and shortage of agents too, therefore, to solve the problem the marketing mix strategies are applied.

The expansion of beer industries is increasing fast and the desire of starting new international beer companies in Ethiopia will face competition with Dashen brewery. The company's manufacturing areas are limited. Due to this it creates a treat and competition passion for Dashen brewery.

In the competitive businesses like breweries companies, customer satisfaction is very important element for the profit of the sector and therefore the study will focus basically on the strategies for improving the customer's satisfaction.

Recent investment seen in the brewery market indicates that there is a growing demand in the market, says Asnake Tsehay, Addis Ababa Regional sales manager of Dashen Brewery. "The growth in population and income helps the industry to revive. Market differentiation with the introduction of new brands to the country will further help the industry to boom in the coming years."

Currently Foreign investment in Ethiopia's beer industry is showing a huge increase and multinational beer companies are increasingly attracted to the industry and continuing to increase their presence and local companies also purchased by international companies. BGI, Heineken with different products, Meta, Ambesa and Habesha are some of the beer companies operating in Ethiopia. Dashen Brewery is competing with both the existing brewery companies and new entrants. Even though, Dashen Brewery is the one of the oldest beers in Ethiopia when we are comparing with others and having 7.6% market share in Addis Ababa, and a 17% market share in the country beverage industry. The marketing strategies practice of competitors creates the shift of customer to the new products; the new beer companies are entering in to the market in huge capacity and use their full potential to penetrate the market through promotion and to widen their destination. Due to this fact, it is difficult to increase sales, profit and customer satisfaction and it might have an impact on the company market share. For this reason, it is difficult to remain competitive and to sustain growth. In such circumstances, companies have to design a proper marketing strategy in terms of the major marketing mixes to overcome with the stiff competition.

Due to this, companies should design a proper marketing strategy in terms of the major marketing mix's to be better competitive. Therefore, the problem of the statement arises from this point of view.

### 1.3 Research Question

- ✓ How are the marketing mix elements practiced by the company in order to fulfil consumer's interest?
- ✓ How does the company apply different marketing strategies to be the best beer manufacturing company?

- ✓ What problems will be observed in applying the marketing strategies for the company?

## 1.4 Objectives of The Study

### 1.4.1 General Objectives

The general objective of the research study is to assess marketing mix strategies (4Ps) of Dashen Brewery S.C.

### 1.4.2 Specific Objectives

- To assess the marketing mix elements of the company.
- To assess customer satisfaction with the company's products.
- To assess the price of the products compared to other related products.

## 1.5 Significance of the Study

The main goal of creating business is to make the company profitable by producing products and giving services. The basic activities in this sector are assessing the marketing mix strategies and satisfying the customers as well. The profitability of any company depends on its marketing strategy practices.

The findings of the research help researchers and scholars understanding about marketing mix strategies and also important for their future studies based on this study.

The company management staff also will be benefited from this study to improve the performance of their market and fill the weakness of the strategies.

After completion of the research, based on the feedback we got from the consumers of the product, it will also address problems that arise with distribution (placement).

Therefore, the significance of the study will focus on how marketing mix strategies will be used for the profitability of the company and as reference for scholars to fix the problems of marketing strategies for future works.

## 1.6 Scope of the Study

The delimitation of this study is to review the marketing mix practices in the Dashen brewery share company. This study is applied only for Dashen brewery excluding other factories. The study involves the marketing department and product consumers of the company. The study includes the basic marketing mix elements which are product, price, and promotion and distribution system of the company.

### 1.7 Organization of the Study

This paper contains five chapters. Chapter one is the introductory part, and includes background of the company and the study, objectives of the study, scope of the study. The second chapter discusses about the theoretical and empirical literature review. The third chapter focuses on data collection and analysis, research design. The fourth chapter is about results and discussion of the collected questionnaires. Chapter five explains the conclusion and recommendations for future works.

## CHAPTER TWO

### LITERATURE REVIEW

In this chapter previously reviewed papers and literatures are that have similarities and connections with the problem statements and the definition of marketing strategies is discussed in detail. It includes theoretical and empirical literature reviews.

#### 2.1 Theoretical Review

##### 2.1.1 Marketing Strategy

Marketing strategy is a process that can allow an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage (Kotler Philip, 1999).

The marketing mix is the set of tactical marketing tools: product, price, place and promotion that the firm blends to produce the response it wants in the target market. Product refers to the combination of goods and service the company offers. Price is the amount the customer pays to obtain the product. Place refers to the availability of the product. Promotion relates to the activities that communicate the benefits of the product (Kotler Philip, 1999).

Marketing strategy and marketing mix are related elements of a comprehensive marketing plan. While marketing strategy is aligned with setting the direction of a company or product/service line, the marketing mix is majorly tactical in nature and is employed to carry out the overall marketing strategy. The 4P's of the marketing mix (Price, Product, Place and Promotion) represent the tools that marketers can leverage while defining their marketing strategy to create a marketing plan.

The concept of markets finally brings us full circle to the concept of marketing. Marketing means managing markets to bring about exchanges for the purpose of satisfying human needs and wants. Thus, we return to our definition of marketing as a process by which individuals and groups obtain what they need and want by creating and exchanging products and value with others. Exchange processes involve work. Sellers must search.

Target consumers are at the centre of the marketing strategy. The company identifies the total market, divides it into smaller segments, selects the most promising segments and focuses on serving them. It designs a marketing mix using mechanisms under its control: product, price, place and promotion. The company engages in marketing analysis, planning, implementation and control to find the best marketing mix and to take action. The company uses these activities to enable it to watch and adapt to the marketing environment. We will now look briefly at each factor in the marketing process and say where it is developed elsewhere in this book.

### 2.1.2 Marketing Mix Strategies

A marketing mix strategy are created using 4Ps in the1960. This classification has been used throughout the world. The marketing 4Ps are also the foundation of the idea of marketing mix (E. Jerome McCarthy).

Once the company has chosen its overall competitive marketing strategy, it is ready to begin planning the details of the marketing mix. The marketing mix is one of the dominant ideas in modern marketing. The marketing mix consists of everything the firm can do to influence the demand for its product. The many possibilities gather into four groups of variables known as the 'four Ps'; product, price, place and promotion.

### 2.1.3: Product Mix Strategies

Product means the goods and services that the company offers the target market. The marketing mix starts with the goods or services offered by the business. Anything sold to generate revenue can be classified as the product part of the marketing mix, from manufacturing small items to providing heavy products. The product should solve a problem or satisfy the customer.

Products can be classified according to their durability and tangibility Non-durable products are goods that are normally consumed quickly and used on one or a few usage occasions, such as beer, soap and food products. Durable products are products used over an extended period of time and normally survive for many years. Examples are refrigerators, cars and furniture.

In developing a product, the marketer must first choose a quality level that will support the product's position in the target market. Here, product quality is the endurance of a product to



perform its functions; it includes the product's durability, reliability, precision, ease of operation and repair, and other valued attributes. Although some of these attributes can be measured objectively, from a marketer's perspective, quality is measured in terms of buyers' view. Beyond quality level, high quality can also mean consistently delivering the targeted level of quality to consumers. In this sense, quality means absence of defects or variation.

A product can be offered with varying features. A 'stripped-down' model, one without any extras, is the starting point. The company can create more features by adding higher level models. Being the first producer to introduce a needed and valued new feature is one of the most effective ways to compete.

How can a company identify new features and decide which ones to add to its product? The company should periodically survey buyers who have used the product and ask these questions: How do you like the product? Which specific features of the product do you like most? Which features could we add to improve the product? How much would you pay for each feature? The answers provide the company with a rich list of feature ideas, each of which should be assessed on the basis of its customer value versus its company cost. The analysis should give insight into features that customer's value highly in relation to costs, and which would truly improve the product's competitive position.

Another way to add product distinctiveness is through product design. Some companies have integrated design with their corporate culture.

Design is a broader concept than style. Style simply describes the appearance of a product. A sensational style may grab attention, but it does not necessarily make the product perform better. In some cases, it might even result in worse performance.

A good designer considers appearance, but also creates products that are easy, safe, cost effective to use and service, and simple and economical to produce and distribute. Consumers view a brand as an important part of a product, and branding can add value to a product. Branding has become a central issue in product strategy. On the one hand, developing branded product requires a great deal of long-term marketing investment, especially for advertising, promotion and packaging. Manufacturers often find it easier and less expensive simply to make the product and let others do the brand building

### **Product Life-Cycle Strategies**

After launching a new product, the management hopes the product to have a long and healthy life. Although it does not expect the product to sell for ever, the company wants to earn a decent profit to cover all the effort and risk that went into launching it. Management is aware that each product will have a life cycle, although the exact shape and length might not be known in advance.

### **Introduction Stage**

The introduction stage starts when the new product is first launched. Introduction takes time, and sales growth is slow.

This stage has negative or low profits because of the low sales and high distribution and promotion expenses. Much money is needed to attract distributors and build their inventories. Promotion spending is relatively high to inform consumers of the new product and get them to try it.

Because the market is not generally ready for product refinements at this stage, the company and its few competitors produce basic versions of the product. Kotler P and Armstrong G, (2010)

### **Growth Stage**

If the new product meets market needs or stimulates previously untapped needs, it will enter a growth stage, in which sales will start climbing quickly. The early adopters continue to buy, and later buyers will start following their lead, especially if they told great things from users who have experience using the product. Looking for opportunities for profit, new competitors will enter the market, and will introduce new product features, improve on the pioneer's product and expand the market for the product. The increase in competition leads to the increase of distribution outlets. Prices usually remain the same or decrease slightly. Companies keep their promotion spending at the same or a slightly higher level. Kotler P and Armstrong G, (2010)

### **Maturity Stage**

At some point, a product's sales growth will slow down and the product will enter a maturity stage. In the maturity stage normally lasts longer than the previous two stages, and it presents

challenges to marketing managers. Most products are in the maturity stage of the life cycle, and, making most marketing managers to deals with the mature product.

The slowdown in sales growth results in many producers with many products to sell. In turn, this overcapacity leads to greater competition. Competitors begin to cut prices, increase their advertising and sale promotions, and increase them

Although many products in the mature stage appear to remain unchanged for long periods, most successful ones stay alive through continually evolving to meet changing consumer needs. Product managers should do more than simply ride along with or defend their mature products a good offensive is the best defence.

They should stretch their imagination and look for new ways to innovate in the market (market development), or to modify the product (product development) and the marketing mix (marketing innovation). Kotler P and Armstrong G, (2010)

### **Decline Stage**

Sales decline for many reasons, including technological advances, shifts in consumer tastes and increased competition. As sales and profits decline, some firms withdraw from the dying market. Those who remain may reduce the number of product offerings. They may drop smaller market segments and marginal trade channels, or they may cut the promotion budget and reduce their prices further.

Carrying a weak product can be very costly to a firm, and not just in profit terms. There are many hidden costs. A weak product may take up too much of management's time. It often requires frequent price and inventory adjustments. It requires advertising and sales force attention that might be better used to make healthy products more profitable or to create new ones. A product's failing reputation can cause customer concerns about the company and its other products. Kotler P and Armstrong G, (2010)

#### 2.1.4: Price mix strategies

Price is what customers pay to get the product. This part of the marketing mix is about determining the price for goods or services. There are many different strategies for pricing that can be employed here, but ultimately, it's about lining up your business and marketing objectives with an understanding of what price the market will bear.

Price is one of the most flexibly elements of the marketing mix. Unlike product features and channel commitments, price can be changed quickly. At the same time, pricing and price competition is the no. 1 problem facing many marketing executives.

A company's pricing decisions are affected both by internal company factors and by external environmental factors

### **Internal Factors Affecting Pricing Decisions**

Internal factors affecting pricing include the company's marketing objectives, marketing-mix strategy, costs and organization.

### **Marketing Objectives**

Before setting price, the company must decide on its strategy for the product, if the company has selected its target market and positioning carefully, then its marketing-mix strategy, including price, will be fairly straightforward.

### **Marketing-Mix Strategy**

Price is only one of the marketing mixes tools that a company uses to achieve its marketing objectives. Decisions made for other marketing-mix variables may affect pricing decisions. For example, producers using many resellers that arc expected to support and promote their products may have to build larger reseller margins into their prices.

### **Costs**

Costs set the floor for the price that the company can charge for its product. The company wants to charge a price that both covers all its costs for producing, distributing and selling the product, and delivers a fair rate of return for its effort and risk. A company's costs may be an important element in its pricing strategy.

### **Organizational Considerations**

Management must decide who within the organization should set prices. Companies handle pricing in a variety of ways. In small companies, prices are often set by top management rather than by the marketing or sales departments. In large companies, pricing is typically handled by divisional or product line managers. In industrial markets, salespeople may he allowed to negotiate with customers within certain price ranges.

### 2.1.5: Place mix strategies

Place includes company activities that make the product available to target consumers. This component of the marketing mix speaks to where and how easily customers can acquire the goods or services.

#### **Marketing Channel Functions**

A distribution channel moves goods from producers to consumers. It fills the main time, place and possession gaps that separate goods and services from those who would use them. Members of the marketing channel perform many key functions.

### 2.1.6: Promotion Mix Strategies

Promotion means activities that communicate the merits of the product and persuade target customers to buy it.

Promotion is an important ingredient of marketing mix as it refers to a process of informing, persuading and influencing a consumer to make choice of the product to be bought. Promotion is done through means of personal selling, advertising, publicity and sales promotion. It is done mainly with a view to provide information to prospective consumers about the availability, characteristics and uses of a product. It arouses potential consumer's interest in the product, compare it with competitors' product and make his choice.

An effective marketing programme blends the marketing mix elements into a coordinated programme 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.

The choice of advertising objective is based on a good understanding of the current marketing situation. If the product is new and the company is not the market leader, but the brand is superior to the leading brand, then the advertising objective is to inform and convince the market of the brand's superiority.

On the other hand, if the market is mature and brand usage is declining, the advertising objective would probably be to stimulate sales by persuading customers to increase frequency of usage, or by encouraging competitors' customers to switch. (Kotler Philip. Principles of marketing)

## 2.2 EMPIRICAL LITERATURE

There are researches conducted in Finland in the University of Applied Sciences Hotel Management Program by Karppinen (2011) addressing Strategic Marketing for a Hotel Helsinki. The aim of the thesis is to create a strategic marketing for Dashen Brewery; first to assess the current marketing situation of the hotel and what possible needs and gaps it might have. With the basic information of the situation a marketing plan can be formed. The aim is also for the new marketing plan is realistic and applicable so that the Brewery can use it in their marketing.

In the research a qualitative method was used and the data was collected using semi-structured questionnaire. In-depth interviews were conducted with the consumers of the products. The results of the research formed the strategic marketing plan outlining the action plans on how Dashen Brewery should proceed with its marketing.

The primary data was gathered from direct answers to specific questions. Secondary data was gathered from textbooks, journals, dissertations, newspapers, newsletters, seminars, etc.

The study shows Dashen brewery entered the market with advertising via television attracted consumers in a broad scope complementing its cheap price compared to other beer factories in Ethiopia.

There was a big competition between Dashen Brewery and other beer factories in mobilizing various strategies to compete in every aspect such as rebate, exchange distribution and promotional gift. The main strategy applied continuously was the attractive price that was lower than competitors' price

Therefore, price is an important factor in determination to buy beers.

The company produced new beers to be in completed amounts for every segment for the purpose of: (1) Selling for competition, (2) Scrambling for market share and insertion into the marketing space, (3) The liquidity in laying of market policy and cooperation with alliance, and (4) Having an increased amount of products to serve the demand for Balageru Draft beer and Dashen Draft beer with a mild taste to attract customers who like the smooth taste.

A research conducted by Yifru (2007) address market structure, conduct and performances of some selected Large and Medium Scale Food Manufacturing Companies. The main aim of this project was to identify and analyze the reasons why large and medium scale

manufacturing firms in the selected food processing firms particularly pasta, macaroni and biscuits producers were characterized by low level of performances and lack of competitiveness i.e. under capacity, low profitability and productivity through market structure, conduct and performance model of analysis.

The research is a descriptive research that covered the analysis of five food processing firms using the industrial organization approach of market analysis. This approach asserts that market performance is determined by the structure of an industry and conducts of firms, and it was adopted to understand the characteristics of the firms under study.

Judgmental sampling technique was adopted to choose the five firms and fifty consumers in a private college were chosen just conveniently to complete brand preferences of pasta, macaroni and biscuits. Questionnaires and personal interviews were used as the main tools of primary data collections. Management staffs and supervisor of the selected food processing companies' are filled questionnaires and held interviewed and discussions with them to understand their performances & current problems in their respective firms.

This study conducted by Yifru Tafesse concludes the following points:

- ❖ Competition among the biscuits firms is more intensive than the macaroni and pasta markets due to the larger number of firms and low level of product differentiation although attempts were made to differentiate through branding and advertisement. However, there is a tendency where a dominant firms are emerging in each case, followed by infringe firms that are competing at low level.
- ❖ The role of marketing in those governments owned firms has been ignored and some of its functions are handled by the commercial units which undermined the active roles of these firms in the industry. This would certainly minimizes their innovative and competitiveness in the market.
- ❖ Prices are not determined in consultation among rivals, no collusion. But in the case of biscuits producing firms, NAS Foods, the market leader, sets its wholesale prices higher than its competitors. At the retail level all prices of same sizes are same. In the case of pasta and macaroni market, Dire Dawa Charges higher than its rivals due to its brand preference among consumers.

The searcher recommended that well organized market department that can carry out market research on existing products and new products, develops sound marketing strategies for all firms is critical in order to enhance their competitiveness. And firms should also gear themselves towards diversification in to related products such as cornflakes, wafers and chocolates in order to tap the existing sales and distribution infrastructure.

Finally, a study conducted in Nigeria by Olufunso (1999) assesses advertising as a marketing tool in the maltonic product. Advertising, as a part of promotional activities plays a vital role in marketing a product. It has been referred to as a compulsory tool playing a necessary role to the marketing tools of sales promotion and personal selling. The basic objective of this study is to know how advertising can be used to make maximum contribution for long term profitability. A survey of the purchase behavior of consumers in the Western region for maltonic was done by administering questionnaire to the consumers. The Western region was divided into four selected zones. The primary data for this research study were collected through interview and questionnaires. A total of 120 consumers and 20 management questionnaires were administered and all the management questionnaires administered were returned and 100 consumers questionnaires were responded to and the result of the questionnaire couple with oral interview were used to analyzed the effect of advertising on sales turnover of maltonic.

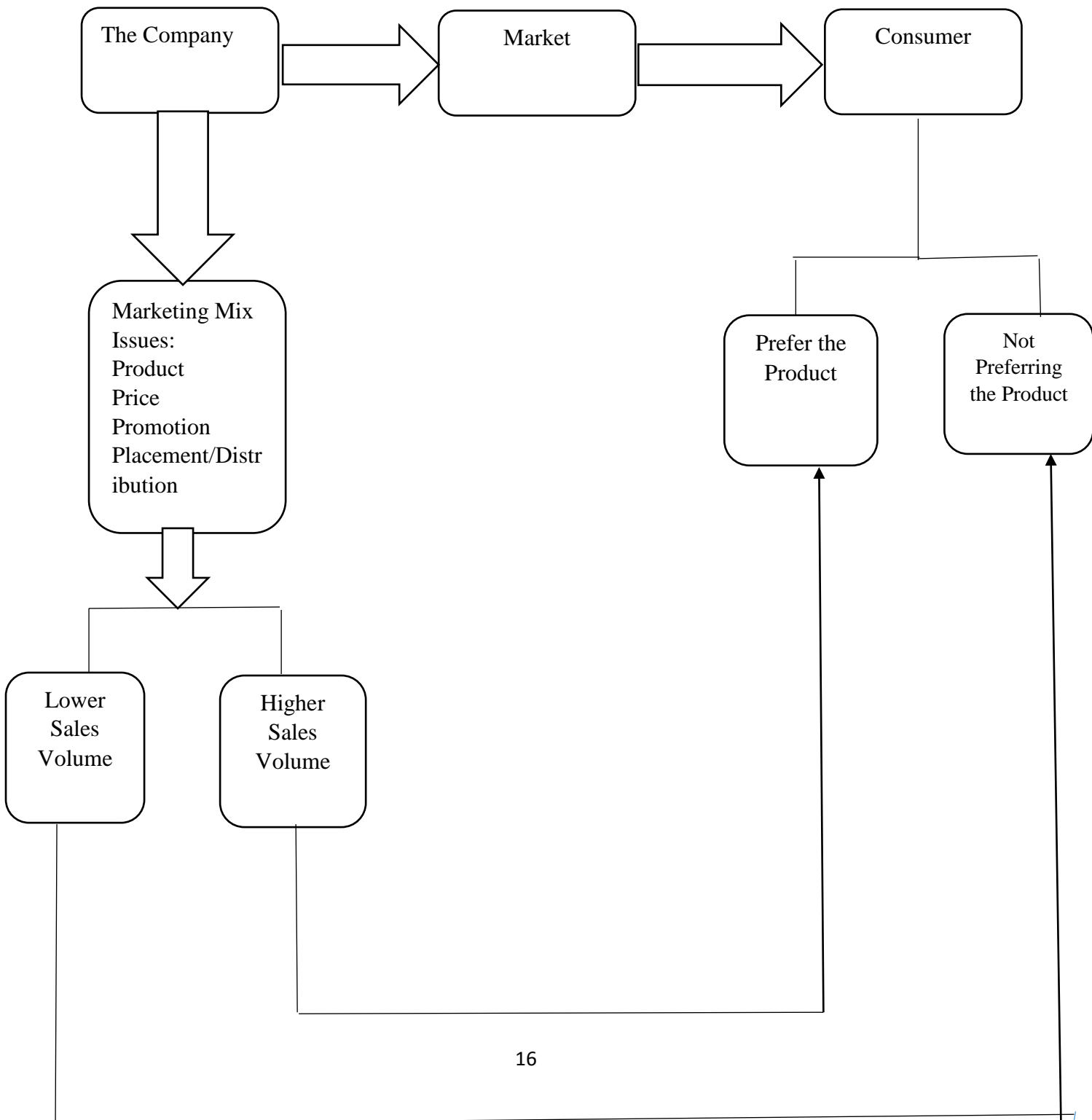
The secondary data used comprise of the sales figure and advertising expenditure figures which were extracted from the company's annual sales brief, audited account for the period between 1993 and 1997. Correlation and Regression and Chi-Square methods were used to analyze the results of both primary and secondary data. The analysis has shown the sensitive position advertising occupies in the promotional strategy of maltonic, expenditure advertising, consumers' responses and as well as the effectiveness of advertising using certain parameters like persuasiveness and awareness.

The findings seem to be high in response from sales turnover to expenditure on advertising, there seems to be much room for improvement. The study shows that the amount of money spent on advertising could bring high sales figure. The company is strongly advised to handle more carefully the form or method of its advertisement on maltonic. The billboard is undoubtedly a successful medium for advertising maltonic consequently more fascinating designs/concepts for billboards should be done to increase sales figure.



### Conceptual Framework

Based on the above theoretical and empirical literatures the researcher has developed the following conceptual framework. A transaction between consumers and company takes place in the market. The company marketing mix strategy can be successful or not. When the strategy is sound the consumers will prefer the products produced by the company.



## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

In this chapter research design, source of data, data collection method, and data analysis will be discussed in this section.

The study is conducted using different methodologies including company's previous data, questionnaires, observation and interviews. Data gathering will be the basic methodology by including primary and secondary data sources.

#### **3.1. Research Design**

Research design is a plan and procedure for the research that span the decision from broad assumption to detail methods of data collection and it's of three types qualitative, quantitative and mixed methods (Creswell John W, 2009).

In this study, descriptive research approach is applied and uses both qualitative and quantitative research design methods. The study is a descriptive type research. Descriptive research design is a scientific method which involves observing and describing the behavior of a subject without influencing it in any way. Descriptive study sets out to collect, organize, and summarize information about the matter being studied (Punch, 2006).

#### **3.2. Target Population**

Proctor (2003) defines population as the total group to be studied. To collect the data for this study, the target population of the study is the consumers of the company's products.

It has taken consumers found in Addis Ababa city. Consumers of Dashen beer, Balageru beer, Dashen draught and Balageru draught at the different hotels, bars, restaurants and groceries found in the Addis Ababa City were considered in the study. There are thousands of bars, restaurants, hotels and groceries that the Dashen brewery products are sold in Addis Ababa. From this the researcher selected 50 of them for this study. The hotels, bars, restaurants and groceries found in Addis Ababa are scattered in the different parts of the

town. Due to this the researcher used convenient sampling to select the hotels, bars, restaurants and groceries.

### 3.3. Sampling Technique

Since the bars and restaurants are placed at different positions of the city, simple random sampling techniques were used.

A sample design is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample.

In this case, sample size is calculated from the total population using the following formula, which is presented in Kothari (2004: 179).

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

Where;

n = sample size of consumers of Dashen beer

P= sample proportion

q= 1-P

Z= Standardized normal variable and its value that corresponds to 95 % confidence interval equals 1.96

(e) = Allowable error (0.05)

Accordingly, the sample size was determined to be;

$$n = \frac{1.96^2 * 0.5 * 0.5}{0.05^2} = 385$$

Therefore, the number of respondents taken was 385 plus 5% contingency (404 consumers) to compensate invalid responses.

### 3.4. Data Collection Method

According to Kothari (2004:95), a researcher should consider two types of data, primary and secondary. The researcher, hence, used both primary and secondary sources of data in order to gather relevant information. Primary data was collected using questionnaires that were distributed to consumers when they consume Dashen products at the different hotels, bars, restaurants and groceries found in Addis Ababa city. From the sources of secondary data, the researcher used books, journals, reports, conference proceedings, and other published secondary sources.

## CHAPTER FOUR

### FINDINGS AND DISCUSSION

In this chapter the data analysis and findings are presented and discussed from the questionnaires filled by the customers of the DBSC and interview from the company employees. To achieve each specific objective of this study, the data obtained from survey were analysed using descriptive statistics methods of analysis. By using simple random sampling, 384 samples were selected. A total of 384 usable questionnaires were used for data analysis.

#### 4.1 Demographic Characteristics of the Respondents

Variables		Frequency	Percentage	Valid Percentage	Cumulative Percentage
<b>Gender</b>	Male	210	54.7	54.7	54.7
	Female	174	45.3	45.3	100.0
	Total	384	100.0	100.0	
<b>Age</b>	21 – 25	74	19.3	19.3	19.3
	26 – 35	177	46.1	46.1	65.4
	36 – 45	68	17.7	17.7	83.1
	Above 46	65	16.9	16.9	100.0
	Total	384	100.0	100.0	
<b>Educational Background</b>	Didn't Attend	166	43.2	43.2	43.2
	Diploma	82	21.4	21.4	64.6
	First Degree	111	28.9	28.9	93.5
	Second Degree and More	25	6.5	6.5	100.0
	Total	384	100.0	100.0	
<b>Income Level</b>	Below 1000	4	1.0	1.0	1.0
	1001 – 2000	13	3.4	3.4	4.4
	2001 – 3000	31	8.1	8.1	12.5
	3001 – 4000	55	14.3	14.3	26.8
	Above 4001	281	73.2	73.2	100.0
	Total	384	100.0	100.0	

**Table 4.1 Sex, Age, Educational Background and Income of the Respondents**

Based on the result of the found conducting this study, out of the total respondents, 210(54.7%) of them are male consumers of Dashen beer products whereas the rest 174(45.3%) are female consumers. This shows that majority of Dashen beer consumers are males' part of the population. Concerning the age of the respondents from the total 384 respondents, 74(19.3%) are from 21-25 age group, 177(46.1%) are from 26-35, 68(17.7%) are from 36-45 the rest 65(16.9) respondents are categorized above 45 years. Majority of the respondents are above the age group that is allowed legally to drink alcohols. Regarding the educational level of the respondents, from the total sample taken 166(43.2%) are illiterate consumers of the Dashen brewery forming, 82(21.4%) are diploma holders, 111(28.9%) have first degree and the remaining 25(6.5%) respondents have master's degree and above. This shows that majority of the people who drink the products of Dashen brewery are educated people.

### **Descriptive Statistics about income and age of respondents**

<b>Descriptive Statistics</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
Age of Respondents	384	1.00	4.00	2.6897	1.00369
Income Level (Ethiopian Birr/Month)	384	2.00	5.00	4.6552	.66953
Valid N (listwise)	384				

As indicated in the table above the income level of variation is about 66.9% and age discrepancy is about 10%.

## 4.2 Questions related to the marketing mix of the Dashen Brewery

### 4.2.1 Product Related issues

**Table 4.2.1.1. How Often Do You Use the Products in a Given Week?**

	Frequency	Percent	Valid Percent	Cumulative Percent
Every Day	91	23.7	23.7	23.7
Once Per week	99	25.8	25.8	49.5
2 Days per week	138	35.9	35.9	85.4
3 Days Per Week	56	14.6	14.6	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

A questioner was distributed to the respondents about how often they use the product in a given week. As indicated in the above (table 4.2.1.1), out of the total respondents 199(25.8%) and 138(35.9%) answered that they consume the products one day per week and two days per week respectively, and 56(14.6%) of the respondents use the product three days per week while the remaining of the respondents 91(23.7) consume the product every day. This shows respondents are experienced in using the products of the company so their answers to the questions are reliable to the study.

**Table 4.2.1.2. How Long Have You Been Using the Products?**

	Frequency	Percent	Valid Percent	Cumulative Percent
Less than One Year	58	15.1	15.1	15.1
One to Two Years	74	19.3	19.3	34.4
More Than Two Years	252	65.6	65.6	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

### The Duration in Consuming the Product

A question was raised to the respondents about the duration in consuming the products of the company. As indicated in the above (table 4.2.1.2), out of the total respondents 74(19.3%) and

252(65.6%) replied that they use the product one to two years and above two years respectively.

Only 58(15.1%) of the respondents use the product for less than one year while most of the respondents 252(65.6%) consume the product for more than two years. This indicates that respondents are more familiarized and experienced in the products of the company so they are capable enough to respond to the questions to be investigated.

**Table 4.2.1.4. The Quality of The Products is Consistent**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	12	3.1	3.1	3.1
Disagree	34	8.9	8.9	12.0
Neutral	42	10.9	10.9	22.9
Agree	162	42.2	42.2	65.1
Strongly Agree	134	34.9	34.9	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

### **Product Quality of the Company**

One of the methods in which a company can differentiate itself is by delivering consistently higher quality products than its competitors. Many companies are finding that outstanding quality can give them a potent competitive advantage that leads to superior sales and profit performance. Offering greater quality results in higher costs however, investments usually pay off because greater customer satisfaction leads to increased customer retention and sales.

Regarding the quality of the Dashen brewery products, 134 (34.9%) of the respondents strongly agree that the quality of the Dashen brewery is consistent, 162 (42.2%) of them agreed that quality is consistent, 42(10.9) respondents stayed neutral, and only 34(8.9%) and 12(3.1%) of the respondents said they disagree and strongly disagree that the quality of the product is consistent.

The response from the consumers shows that the company provides quality products. Furthermore, the interview from the marketing managers also witnessed about the company's



product quality. They said, the factory has latest equipment that makes its production modern. In each stage of the fermentations, there are laboratory technicians who controlled the quality of the Brewery. Due to this the company is a pioneer to receive the ISO awards among the Ethiopian breweries.

Quality should be from market or customer perspective with respect to colour, clarity and foam of beer: Here, the important point is that quality perspectives should be based on customers' preference, not on internal evaluation. So, the ultimate objectives of product quality should be to delight the customers in every way possible.

**Table 4.2.1.5. Which Products of The Company Do You Prefer More?**

	Frequency	Percent	Valid Percent	Cumulative Percent
Dashen Draught Beer	92	24.0	24.0	24.0
Balageru Draught Beer	62	16.1	16.1	40.1
Dashen Beer	202	52.6	52.6	92.7
Balageru Beer	28	7.3	7.3	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

#### **Products Most Preferred By The Consumers**

At this time the company produces four types of products which are, Dashen bottled beer, Dashen draught beer, Balageru draught beer and Balageru bottled beer. Out of the total 384 respondents considered, 202(52.6%) of the consumers prefer Dashen beer, 92(24%) prefer Dashen draught beer, 62(16.1%) of the consumers prefer Balageru draught and the remaining 28(7.3%) of the respondents like Balageru beer. This shows that the majority of consumers of the Dashen brewery are bottle beer consumers.

**Table 4.2.1.6. What is Your Reason for choosing The Product?**

	Frequency	Percent	Valid Percent	Cumulative Percent
Price	87	22.7	22.7	22.7
Availability	16	4.2	4.2	26.8
Quality	281	73.2	73.2	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

### Reasons for Preference

Customers prefer one product from the other by some reasons. Consumers of Dashen brewery have reasons to prefer the product. From the total sample taken, 281(73.2%) of the respondent prefer by the product's good quality, 87(22.7%) prefer by the price and 16(4.2%) by the company's product availability in the different bars and restaurants.

The above result shows that the quality of the beer is the main reason for the consumers to prefer the product and the affordability of the products.

#### 4.2.2 Price Related Issues

**Table 4.2.2.1. How Do You Evaluate The Price of Dashen Products?**

	Frequency	Percent	Valid Percent	Cumulative Percent
Very Expensive	51	13.3	13.3	13.3
Expensive	51	13.3	13.3	26.6
Fair	237	61.7	61.7	88.3
Cheap	45	11.7	11.7	100.0
Total	384	100.0	100.0	

Source: own survey 2021

#### Opinion Concerning the Price of the Dashen Products

Accordingly, the survey result implies majorities of the respondents 237(61.7%) revealed that the pricing of the Dashen products are fair and affordable. However, 51(13.3%) and 51(13.3%) respondents said pricing of the Dashen products are expensive and very expensive respectively. The remaining 45(11.7%) respondents said it is cheap. The response implies that the price of the company is affordable for most of the consumers; as a result most individual consumers can handle this price.

**Table 4.2.2.2. Is There a Price Discount From The Company?**

	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	164	42.7	42.7	42.7
No	220	57.3	57.3	100.0
Total	384	100.0	100.0	

Source: own survey 2021

### A price Reduction

One of the most common ways to gain market share is to lower price. Firms strive to build a lower cost position than competitors and pass those savings along to customers in the form of lower price (Schnaars, 2009: 133). But sometimes lowering price may not help the company to increase their long-term market share.

Accordingly, the survey result shows majority of the respondents 220(57.3%) said there is no price discount from the company. Whereas, 164(42.7%) of the respondents replied that there is a price discount from the company.

**Table 4.2.2.3. Does the Company Provide Credit Sale?**

	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	54	14.1	14.1	14.1
No	330	85.9	85.9	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

### Credit Sales

With regard to credit sales to the consumers the survey shows most of the respondents 54(14.1%) showed their agreement that they get to purchase beer from the company. On the contrary, majority of the respondents 330(85.9%) replied that they don't get credit sales from the company. However, credit sales can encourage consumers to purchase more beers, so the company should focus on providing customers with the ability to purchase products with credit.

The responses we got from the marketing manager shows that the company doesn't give credit to the final consumers. He also mentioned that if needed, credits to the consumers can be given by the retailers. It is solely the responsibility of the retailers or any other parties in the distribution channels, to give any form of credit.

But accordingly, to the above finding if managed properly giving credit sales to the consumers can be one of the means to increase the sales of Dashen Brewery products.

**Table 4.2.2.4. The Price Deserves the Actual Quality**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	33	8.6	8.6	8.6
Disagree	27	7.0	7.0	15.6
Neutral	29	7.6	7.6	23.2
Agree	245	63.8	63.8	87.0
Strongly Agree	50	13.0	13.0	100.0
Total	384	100.0	100.0	

Source: own survey 2021

### Price Charged and Quality

Customers were asked to suggest the price charged for the products are reasonable as compared to quality. As can be seen from the above table 4.2.2.4, only 33(8.6%) and 27(7%) of the respondents strongly disagreed and disagreed to the price deserving the actual quality respectively. But majority of them 245(63.8%) and 50(13%) Agreed and strongly agreed to the price deserving the actual quality respectively, while 29(7.6%) said they are neutral. From the response given above, we can conclude that the prices charged by the company are reasonable as compared to quality.

Table 4.2.2.5. The Price is Fair Compared to Other Beer Prices

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	25	6.5	6.5	6.5
Disagree	14	3.6	3.6	10.2
Neutral	59	15.4	15.4	25.5
Agree	215	56.0	56.0	81.5
Strongly Agree	71	18.5	18.5	100.0
Total	384	100.0	100.0	

Source: own survey 2021

### The Price Fairness of the Company

If the price is too high, and the market is competitive, sales may be correspondingly reduced. On the other hand, many of the most marketers have found ways to reduce the impact of price

and you need to balance the costs of producing a product with competition and the perception of your target customers to select the right product price. That is the reason why pricing takes creativity, time, research, good record keeping and flexibility (Jean, 2004).

As shows in the above table 4.2.2.5, majority of the respondents 215(56%) and 71(18.5%) agree and strongly agree respectively, that the Dashen beer products are priced fair than the other Ethiopian beer products. On the other hand, 25(6.5%) and 14(3.6%) strongly disagreed and disagreed respectively that the price of Dashen is fair compared to its competitor breweries'. The remaining 59(15.4) are neutral to the issue.

Regarding prices of the products, the company should consider competitors, the demand for the product, government and trade union influence, and purchasing power of the consumers. A pricing system that satisfies the consumers will help for the survivals of the company. But the above result shows that the Dashen brewery overall pricing system is liked by many of the consumers of the company's' products.

**Table 4.2.2.6. The Company Gives Price Discount**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	49	12.8	12.8	12.8
Disagree	85	22.1	22.1	34.9
Neutral	44	11.5	11.5	46.4
Agree	151	39.3	39.3	85.7
Strongly Agree	55	14.3	14.3	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

### **The Company Gives Price Discount**

Customers were asked to suggest if the company gives price discounts for the products are offering. As can be seen from the above table 4.2.2., 6 only 49(12.8%) and 27(22.1%) of the respondents strongly disagreed and disagreed to the company offering price discount

respectively. But majority of them 151(39.3%) and 55(14.3%) Agreed and strongly agreed to the company offering price discounts respectively, while 44(11.5%) said they are neutral. From the above discussion, it can be concluded that the company offers a price discount to its customers.

**Table 4.2.2.7. The Price of The Products Are Consistent**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	23	6.0	6.0	6.0
Disagree	99	25.8	25.8	31.8
Neutral	88	22.9	22.9	54.7
Agree	125	32.6	32.6	87.2
Strongly Agree	49	12.8	12.8	100.0
Total	384	100.0	100.0	

Source: own survey 2021

### The Price of the Products is Consistent

One of the ways to be superior in the market share is to have a consistent price. Sometimes changes in price may not help the company to increase their long-term market share.

According to the survey result, majority of the respondents 174(45.4%) said the company has a consistent price. Whereas, 122(31.8%) of the respondents replied that there is no price consistency, and 88(22.9%) of the respondents were neutral to this question.

**Table 4.2.2.8. The Pricing Strategy Helps The Company's Market Share**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	39	10.2	10.2	10.2
Disagree	66	17.2	17.2	27.3
Neutral	105	27.3	27.3	54.7
Agree	125	32.6	32.6	87.2
Strongly Agree	49	12.8	12.8	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

Customers were asked to suggest if the pricing strategy helps the company's market share. As can be seen from the above table 4.2.2.8 only 39(10.2%) and 66(17.2%) of the respondents strongly disagreed and disagreed to that pricing strategy helps the company's market share respectively. But majority of them 125(32.6%) and 49(12.8%) Agreed and strongly agreed to pricing strategy affecting market share of the company, while 105(27.3) said they are neutral. From the response given above, we can conclude based on the customer's feedback, the pricing strategy of the company helps it in advancing its market share.

### 4.2.3 Promotion Related Issues

**Table 4.2.3.1. Are the Products Promoted in Any Medium?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	129	33.6	33.6	33.6
	No	255	66.4	66.4	100.0
Total		384	100.0	100.0	

**Source: own survey 2021**

### Product Promotion Mediums

As indicated in the above table (Table 4.2.3.1) most respondents 255(66.4%) said no to the question that the products are promoted in any promotional medium, while the remaining 129 (33.6%) of the respondents said yes to the company promoting its products in any promotional mediums.

**Table 4.2.3.2. In Which Media is the Product Promoted?**

		Frequency	Percent	Valid Percent	Cumulative Percent
	TV	21	5.5	5.5	5.5
	Radio	16	4.2	4.2	9.6
	Magazine	120	31.3	31.3	40.9
	Others	227	59.1	59.1	100.0
Total		384	100.0	100.0	

**Source: own survey 2021**

### Advertising Media Most Comfortable for the consumer

Advertising is meant to create a good image of the company, and enhances the consumers' view on the products and services. A company that has the goodwill of the public can aspire to sell more products.

According to the response of consumers, 21(5.5%) respondents have seen a TV commercial of the company's product, 16(4.2 %) of them responds they have heard some kind of promotion of the company's products through listening to the radio and 120(31.2%) of the consumers replied reading magazines and newspapers. The majority of the responders 227(59.1%) replied to others, which most likely is by browsing the internet and social networking sites and other means.

The result of the study by Hailu (47: 2007) also shows that continuous advertising in TVs and radios are not only stimulates sales but also create customer loyalty and hence market expansion. But due to recent laws that were passed by the Ethiopian government, it is no longer legal to put promotions and advertisements through TV, Radios and Billboards, and that is the reason why we see the majority of the respondents replied to reading magazines and social media.

**Table 4.2.3.3. How Do You Evaluate The Quality of The Promotion?**

	Frequency	Percent	Valid Percent	Cumulative Percent
	4	1.0	1.0	1.0
Very Good	86	22.4	22.4	23.4
Good	185	48.2	48.2	71.6
Not Good	109	28.4	28.4	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

### **Effectiveness of Company's Promotion**

As indicated in the above table (Table 4.2.3.3) most respondents 86(22.4%) and 185(48.2%) said the quality of the promotion is very good and good respectively. On the other hand, 109(28.4%) respondents said that the quality of the promotion is not good.



**Table 4.2.3.4. Promotion is Important for Profit**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	14	3.6	3.6	3.6
Disagree	14	3.6	3.6	7.3
Neutral	46	12.0	12.0	19.3
Agree	173	45.1	45.1	64.3
Strongly Agree	137	35.7	35.7	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

### Effectiveness of Company's Promotion on Profit

As indicated in the above table (table 4.2.3.4) most of the respondents 173(45.1%) showed their agreement that the promotion made by the company is important for profit and 137(35.7%) strongly agree that promotion is important for profit. On the other hand, 14(3.6%) respondents showed their Strong disagreement that promotions made by the company has importance on profit, and 14(3.6%) disagree that promotion has effect on profit. And 46(12%) of the respondents were neutral to the question.

**Table 4.2.3.5. Promotion is Made Properly and Clearly**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	25	6.5	6.5	6.5
Disagree	100	26.0	26.0	32.6
Neutral	62	16.1	16.1	48.7
Agree	148	38.5	38.5	87.2
Strongly Agree	49	12.8	12.8	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

### Promotion Clarity

As shown in the above table (table 4.2.3.5), 148 (38.5%), and 49 (12.8%) of the respondents respectively, agree and strongly agree the company's promotion is made properly and clearly and 62(16.1%) of the respondents stated they are neutral to this question. And 100(26%) and 25(6.5%) of the respondents disagreed and strongly disagreed to the question that the

company's promotion is made properly and clearly. This shows that majority of the respondents agree that the promotions made by the company are properly and clearly.

**Table 4.2.3.6. Promotional Methods are Addressed to The Consumers**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	106	27.6	27.6	27.6
Disagree	17	4.4	4.4	32.0
Neutral	150	39.1	39.1	71.1
Agree	80	20.8	20.8	91.9
Strongly Agree	31	8.1	8.1	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

### **Promotional Methods are addressed to the consumers**

As shown in the above table (table 4.2.3.6), 80 (20.8%), and 31 (8.1%) of the respondents respectively, agree and strongly agree the company's promotional methods were addressed, and 150(39.1%) of the respondents stated they are neutral to this question. The remaining respondents 17(4.4%) and 106(27.6%) disagreed and strongly disagreed to the question that the company's promotional methods are addressed to the consumers. This shows that majority of the respondents are neutral to the question presented in the above table.

**Table 4.2.3.7. The Company Uses Social Media for Promotion**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	119	31.0	31.0	31.0
Disagree	99	25.8	25.8	56.8
Neutral	54	14.1	14.1	70.8
Agree	81	21.1	21.1	91.9
Strongly Agree	31	8.1	8.1	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

### The Company uses social media for promotional purposes

As shown in the above table (table 4.2.3.7), 81 (21.1%), and 31 (8.1%) of the respondents respectively, agree and strongly agree the company uses social media for promotion. Whereas 54(14.1%) of the respondents stated they are neutral to this question, and 99(25.8%) and 31(8.1%) of the respondents disagreed and strongly disagreed to the question that the company's use of social media in its promotional efforts. This shows that majority of the respondents disagree that the company uses social media way of promotion.

**Table 4.2.3.8. The Company Collects Feedbacks from Final Consumers**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	119	31.0	31.0	31.0
Disagree	27	7.0	7.0	38.0
Neutral	144	37.5	37.5	75.5
Agree	76	19.8	19.8	95.3
Strongly Agree	18	4.7	4.7	100.0
Total	384	100.0	100.0	

Source: own survey 2021

### The company collects feedbacks from the final consumers

As shown in the above table item (table 4.2.3.8), 76 (19.8%), and 18 (4.7%) of the respondents respectively, agree and strongly agree the company collects feedbacks from the final consumers of the products and 144(37.5%) of the respondents stated they were neutral to the question in the above table, while 27(7.0) stated the didn't agree to the company collecting feedbacks from the final consumers, whereas the remaining 1190(31%) stated that the company never collects feedback from the final consumer

#### 4.2.4 Distribution Related Issues

**Table 4.2.4.1. The Company's Products Are Available Easily**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	29	7.6	7.6	7.6
Disagree	93	24.2	24.2	31.8
Neutral	33	8.6	8.6	40.4
Agree	142	37.0	37.0	77.3
Strongly Agree	87	22.7	22.7	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

As shown in the above table item (table 4.2.4.1), 142 (37%), and 87 (22.7%) of the respondents respectively, agree and strongly agree the company's products are available easily and 33(8.6%) of the respondents stated they are neutral to this question. And 93(24.2%) and 29(7.6%) of the respondents disagreed and strongly disagreed to the question that the company's products are available easily. The result shows the distribution system of the company is not attractive.

**Table 4.2.4.2. The Company's Products Are Found at Small Shops and Markets**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	18	4.7	4.7	4.7
Disagree	95	24.7	24.7	29.4
Neutral	52	13.5	13.5	43.0
Agree	161	41.9	41.9	84.9
Strongly Agree	58	15.1	15.1	100.0
Total	384	100.0	100.0	

**Source: own survey 2021**

#### **The company's products are found at small shops and markets**

As shown in the above table item (table 4.2.4.2), 161 (41.9%), and 58 (15.1%) of the respondents respectively, agree and strongly agree the company's products are available easily at small shops and markets, and 52(13.5%) of the respondents stated they are neutral to

this question. While 95(24.7%) and 18(4.7%) of the respondents disagreed and strongly disagreed to the question that the company's products are available easily at small shops and markets.

**Table 4.2.4.3. The Company's Distribution System is Attractive**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	16	4.2	4.2	4.2
Disagree	111	28.9	28.9	33.1
Neutral	47	12.2	12.2	45.3
Agree	175	45.6	45.6	90.9
Strongly Agree	35	9.1	9.1	100.0
Total	384	100.0	100.0	

Source: own survey 2021

#### **The company's distribution system is attractive**

As shown in the above table item (table 4.2.4.3), 175 (45.6%), and 35 (9.1%) of the respondents respectively, agree and strongly agree that the company's distribution system is attractive, and 47(12.2%) of the respondents stated they are neutral to this question. While 111(28.9%) and 16(4.2%) of the respondents disagreed and strongly disagreed to the question that the company's distribution system is attractive.

**Table 4.2.4.4. Customers Get the Actual Amount of Product They Want on Time**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	14	3.6	3.6	3.6
Disagree	99	25.8	25.8	29.4
Neutral	55	14.3	14.3	43.8
Agree	154	40.1	40.1	83.9
Strongly Agree	62	16.1	16.1	100.0
Total	384	100.0	100.0	

Source: own survey 2021

#### **Customers get the actual amount of products they want on time**

The other element is about, do Customers get the actual amount of product they wanted on time. From the total respondents, majority of the respondents 154(40.1%) and 62(16.1%) agree and strongly agree respectively, to getting the actual amount they wanted on time and 92(26.3) want retailers to be in between producer and consumers. The other 99(25.8%) and 14(3.6%) disagree and strongly disagree that they get the actual amount of product they wanted on time. This implies that many consumers of the product get the actual amount of product they want on time.

## CHAPTER FIVE

### SUMMARY OF FINDINGS, CONCLUSION AND

### RECOMMENDATION

#### 5.1 Summary of Findings

- ❖ The response from the consumers shows that the company provides quality products.
- ❖ Furthermore, the interview from the marketing managers also witnessed about the company's product quality and the factory has latest equipment that make its production modern.
- ❖ The company produces Dashen bottle beer, Balageru bottle beer, Dashen draught beer and Balageru draught beer.
- ❖ From the total products produced by the company, the majority of consumers of the Dashen brewery like bottle beer.
- ❖ The quality of the beer is the main reason for the consumers to prefer the Dashen products. In addition to this, participating in the different developmental activities also benefit the company in building good public relation.
- ❖ The price of the company is affordable for most of the consumers; as a result most individual consumers can handle this price.
- ❖ When the price of Dashen brewery product increases, many of the consumers reduce their amount of consumption. Stockwell results also shows that a 10% increase in the minimum price of an alcoholic beverage reduced its consumption relative to other beverages by 16.1%.
- ❖ When price of the Dashen brewery product reduced significantly, consumers will prefer it. As some of the respondents explained when consuming a beer with lower price, they can afford to consume more of the product.

- ❖ Watching TV and listening to radio are most available and comfortable for majority consumers to know about the products of the Dashen brewery, but as a result of the new laws introduced in Ethiopia, it is not legal to promote beer products using TVs and Radios, therefore according to majority of the respondents, they rely on social media to get information about the company's products.

## 5.2 Conclusions

The main objective of the study was to assess the marketing mix elements in improving customer satisfaction and profitability of the company. The study was conducted on Dashen brewery in Addis Ababa. In order to meet this general objective, simple random sampling approach was used. Questionnaire containing questions on dimension of marketing mix i: e product, price, promotion and place were developed and distributed to different areas throughout Addis Ababa.

According to the primary and secondary data collected, variety of outcome was drawn considering the research questions. From the feedbacks of the consumers, the company provides quality products. The products of the company are Dashen bottle beer, Dashen draught beer, Balageru bottle beer and Balageru draught beer and the majority of consumers of the Dashen brewery prefer bottle beer.

Dashen Brewery uses all the 4Ps of marketing mix elements to fulfil its objects and plans. These marketing mix elements are product strategy, price, promotion and place/distribution strategy. These are important to assess the marketing strategy and therefore, all the mixes are essential for the company to achieve its consumer requirements.

According to the response of consumers, 21(5.5%) respondents have seen a TV commercial of the company's product, 16(4.2 %) of them responds they have heard some kind of promotion of the company's products through listening to the radio and 120(31.2%) of the consumers replied reading magazines and newspapers. The majority of the responders 227(59.1%) replied to others, which most likely is by browsing the internet and social networking sites and other means. But due to recent laws that were passed by the Ethiopian government, it is no longer legal to put promotions and advertisements through TV, Radios and Billboards, and that is the reason why we see the majority of the respondents replied to reading magazines and social media. Majority of the respondents also mentioned that the



price of the company is affordable; as a result, most, individual consumers can handle this price, but the quality of the beer is the main reason for the consumers to prefer the Dashen products.

Finally, it is concluded that the distribution channel of the company is not that much excellent and should be improved. Also, the availability of the products is not good enough and consumers cannot get the product easily.

The company's major target customers are individuals who have the interest of drinking bottled beer and draught beer, hotel/grocery & restaurants and other intermediaries.

Moreover, the company provides its products to those individuals who are greater than 21 years old.

### 5.3 Recommendations

The recommendation part shows the recommendation based on the finding and conclusion of the study. Therefore, based on the above sections the following recommendations are given:

- ✓ The company must keep the consistency of quality product. The flavour attributes of beer are critical to its overall acceptance by consumers. To keep product quality consistency, a fine degree of control in the raw materials and production process is required.
- ✓ It is recommended for the Dashen brewery to redesign the levelling and packaging of the product.
- ✓ Currently, there is a high demand and shortage of supply of Breweries in the market. Therefore, the company should work more to fill the gap between the imbalances, and need to adopt ongoing marketing strategies to satisfy the demand of the customers' requirement and to stay ahead of their competitors.
- ✓ Expanding the indirect distribution outlets by giving discounts and credit options to make available the products from the company to the consumers.
- ✓ It is worth for to use frequent promotions of the product are not only stimulates sales but also create customer loyalty and hence market expansion.

- ✓ The Company should develop a long-term strategy and implement a more structured and organized approach to collect information about future customers, competitor's action and marketing intelligence within the industry. The marketing strategy has become more important for companies to increase its competitive advantage.
  
- ✓ Dashen brewery Company should consider that the important determinants to avoid easy switch of consumers, the company should not only concentrate on pricing and product quality, but also should improve especially promotion and distribution outlets in creating high satisfaction for its consumers.

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## APPENDIX

St. Mary's University

School of Graduate Studies

General Business Administration Program

(Questionnaire to be filled by Dashen Products consumers)

Dear Respondent,

I am a post graduate student at St. Mary University School of post graduate studies.

Currently, I am undertaking a research to identify

### ANALIZING THE MARKETING MIX STRATEGY OF DASHEN BREWERY S. Co

.....

The result of the study will assist Dashen Brewery Company in improving the product to satisfy customers. Your participation in this survey is voluntary. Please do not write your name or contact details on the questionnaire.

#### **PART 1: GENERAL INFORMATION**

**Instruction:** please use an X on the appropriate letter that describes you best.

**1. Gender:** A. Female [ ] B. Male [ ]

**2. Age:** A. 21-25 [ ] B. 26- 35 [ ] C. 36-45 [ ] D. Above 46 [ ]

**3. Highest Educational Level Obtained:** A. Didn't Attend [ ] B. Elementary [ ]

C. High School [ ] D. Diploma [ ] E. Bachelor's Degree [ ] F. Master's Degree [ ]

G. others [ ]

**4. How often do you use the product in a given week?**

A. Every Day [ ] B. Once Per Week [ ] C. 2 Days Per Week [ ] D. 3 Days Per Week And

Above [ ]

**5. Select your income level (Ethiopian Birr per month)**

- A. Below 1000  B. 1001-2000  C. 2001-3000  D.  3001-4000  E. Above 4001

**Part 2: Questions Related Marketing Mix**

**6. How long have you been in using the products?**

- A. less than one year  B. one to two years  C. more than two years

**7. Which products of the company do you prefer more?**

- A. Dashen Draught Beer  B. Balageru Draught Beer  C. Dashen Beer   
D. Balageru Beer

**8. Your reason for choice of the products is**

- A. Price  B. Availability  C. Quality

**8. Your opinion on the quality of the product is grouped in**

- A. Very Good  B. Good  C. Medium  D. Poor  E. Very Poor

**9. How do you evaluate the price of Dashen products?**

- A. Very expensive  B. Expensive  C. Fair  D. Cheap

**10. Is there a price discount on the company's products?**

- A. Yes  B. No

**11. Does the factory provide credit sales for consumers?**

- A. Yes  B. No

**12. Are the products are promoted in any medium?**

A. Yes [ ] B. No [ ]

**13. If your answer in item 12 is yes, in which media are promoted**

A. Tv [ ] B. Radio [ ] C. Magazine [ ] D. Others [ ]

**14. How do you evaluate the quality of the promotion?**

A. Very Good [ ] B. Good [ ] C. Not Good [ ]

**15. How do you evaluate the Product Availability?**

A. Very Good [ ] B. Good [ ] C. Fair [ ] D. Poor [ ]

**16. Are you satisfied with the distribution system?**

A. Highly Satisfied [ ] B. Fair [ ] C. Never Satisfied [ ]

**Direction:** Please indicate your degree of agreement/disagreement with the following statements by putting 'X' the appropriate number. Key:

**1-Strongly disagree; 2-Disagree; 3-Neutral; 4-Agree and 5-Strongly agree**

Product Related Issues		Response scale				
		1	2	3	4	5
17	The packaging system of the products are modern					
18	The quality of the products is consistent					
19	The product Distribution is good					
20	Customers rating of the products Quality					
21	Company's Products is different from competitors					

<b>Price Related Issues</b>		<b>Response scale</b>				
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>22</b>	The price deserves the actual quality					
<b>23</b>	The price is fair compared to other beer price					
<b>24</b>	The company gives price discount					
<b>25</b>	The price of the products are consistent					
<b>26</b>	The pricing strategy helps the company's market share					

<b>Promotion Related Issues</b>		<b>Response scale</b>				
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>27</b>	Promotion is Important for profit					
<b>28</b>	Promotion is made properly and clearly					
<b>29</b>	Promotional methods are addressed to the consumers					
<b>30</b>	Company Uses social media for promotion					
<b>31</b>	Company collects feedbacks from final consumers					

<b>Placement(distribution) Related Issues</b>		<b>Response scale</b>				
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>32</b>	Products are available easily					
<b>33</b>	Products are found at small shops and markets					
<b>34</b>	Products distribution system is attractive					
<b>35</b>	Customers get the actual amount of product on time					