

Influence of Marketing Strategies on Performance of Soft Drinks Companies in Tanzania

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Abstract – Market for products or services is characterized by an increasing level of competition. Firms must implement marketing strategies that can differentiate it from competitors. The purpose of this study was to assess the influence of marketing strategies on performance of soft drinks companies in Dar es Salaam City, Tanzania. The descriptor-explanatory research design was applied. Sample size comprised of 90 marketers of 30 soft drinks companies located in City. Questionnaire was primarily used for data collection. The data were analyzed using descriptive statistics and Pearson correlation. The results show that promotion strategy has strong positive influence on performance of soft drinks companies, while place and pricing strategy have moderate positive. However, product strategy has weak positive influence on performance of soft drinks companies. The study concluded that company's marketing strategy must reflect customer's purchasing power, needs, satisfaction and convenience, as well as overall firm's strategy. Based on the findings, this study recommends to marketing managers that they need adequate analytical capabilities to identify threats and opportunities skilfully within their business environments, monitor and access environmental change, and improvise marketing strategy accordingly.

Keywords – Performance, Place Strategy, Price Strategy, Product Strategy, Promotion Strategy, Soft Drinks

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1 Introduction

Worldwide, the market for products or services is characterized by an increasing level of competition and a hastily shifting business settings in local and international levels. The emergence of more demanding customers and great technological advances has resulted in a complex market in the retail business. In this complex market environment, the marketing strategy of the company could be a competitive advantage versus other companies if they deliver services and values that not only meet the customer demands, but surpass them (Porter, 2017). Therefore, it goes without saying that companies need to investigate and apply a differentiated marketing strategy versus competitors to stand out in the crowd. Thus, in the present business market

environment, it is of the essence for firms to formulate and implement marketing strategies that are different from competitors' to enhance their competitiveness and performance (Sudirjo, 2023). Firms need to be competitive to effectively serve the chosen market segments in an appropriate and sustainable manner.

A strategy is the creation of a unique and valuable position, involving a different set of activities (Porter, 1996). It is the intelligent allocation of resources through a unique system of activities to achieve an intended goal (Gecheo, 2020). Marketing strategy refers to firm's commitment to products, markets, customers, competitive approaches, and methods of market operation that improve its business competitiveness and performance (Bernard & Koerte, 2010; Maitri, Suherlan, Prakosos, Subagja & Ausat, 2023; Harini, Wahyuningtyas, Sutrisno, Wanof & Ausat, 2023). McCarthy (1960) explained marketing strategy in its simplest form as "developing the 'right' product and making it available at the 'right' place with the 'right' promotion and at the 'right' price, to satisfy target consumers and still meet the objectives of the business". Marketers acknowledge McCarthy's marketing strategy as 4Ps of marketing mix.

Therefore, firms' marketing strategies should be responsive based on mutual relations not only within the firm but also with external partners such as customers, suppliers and competitors (Rodhiah, Mukmin, Wasino, Wijaya, Metty, Lim & Safitri, 2021; Sağlam & El Montaser, 2021). Flexibility and adaptability are key marketing aspects that are essential for firm responsiveness to market needs (Dewsnapa, Micevskib, Cadogana & Kadic-Maglajlicc, 2020). In the present-day business environment, market competitiveness is a function of how well firms can develop and implement differentiated marketing strategies (Porter, 2017; Bi, Wu, Gao & Lin, 2018). According to Ali, Akoi, Saleh & Sardar (2021), firm's competitiveness also can impact the effective implementation of chosen strategies. Indeed, according to Porter (1985), firms' competitive advantage can be achieved if the firm implements a value-creating strategy that is not simultaneously being implemented by any current or potential competitors.

In Tanzania, local soft drinks firms have experienced a positive growth since 2014 due to among others the extended hot climate in the country and reasonable pricing (Ministry of Industry Trade and Marketing, 2010). According to URT report (2013), the entry of Mohamed Enterprises Company Ltd and Bakhresa Group of Companies on soft drinks industry has resulted to competition between major brands, namely Coca-Cola and Pepsi-Cola to extend to new brands of Mo-Cola by Mohamed Enterprises Company Ltd and Azam-Cola by Bakhresa Group of Companies plus other local competitors. Bakhresa group of companies expanded popularity in the soft drinks market with its initial product Azam-Cola; that has captured children and early adults' market due to its quality, good delivery channels and customer friendly pricing.

Mohamed enterprise (T) Ltd has coped to develop efficient distribution of its products, particularly in countryside areas where the Mo-Cola brand has benefited from popularity. According to Ministry of Industry Trade and Marketing (MITM) report (2010), for more than three decades, soft drinks giants

Kwanza Bottlers Ltd (Coca-Cola), Bonite Bottlers Ltd (Coca-Cola), Nyanza Bottling Company (Coca-Cola) and Seven-Up Bottling Company (SBC) Tanzania Ltd (Pepsi-Cola) have governed the Tanzanian market with little competition from other small local players. Currently, Bakhresa's Group of Companies (Azam-Cola) and Mohamed Enterprises Ltd (Mo-Cola) have exerted stiff competition to the two giant brands. With the increasing costs of living, Azam and Mo cola brands have enjoyed increasing sales due to their pricing approaches (Manson, 2014).

Despite the cut-throat competition in soft drinks, the industry is still growing at higher rates compared to other drinks (ReportLinker, 2024). There is a considerable market potential for soft drink companies in Tanzania. With soft drinks per capital intake of just a little less than forty litres, there is substantial unexploited potentials because soft drinks compose of the bulkiness of commercial beverages in the country accounting for around 7.74 of every 10 litres of beverages traded up in 2008 from 6.11 litres in 2004 (MITM report, 2010). With the entry of local companies MeTL and Bakhresa into the soda market, the carbonated soft drinks sales grew by 12.3% from 2016-2020 (BMI Research, 2016; ReportLinker, 2024). In 2024, the soft drinks market in Tanzania is projected to generate revenue of US\$430.3m which is annual growth rate of 4.53% (Statista, 2024).

According to MITM report 2010, the growth of the sector is acknowledged on the hot weather of the country as the main factor together with the affordable price of soft drinks. However, the macro and micro environmental factors like competition, consumer awareness of health and quality and remoteness of consumers forced soft drinks firms to employ marketing strategies for their growth and performance in the market. As such, good distribution channels that bring soft drinks to consumers have been established by these companies (Issa & Shatta, 2021). Moreover, Seukindo (2017) and Mbura and Kagoya (2020) have stressed that soft drinks firms in Tanzania have a lot of promotion and advertisement programs to educate and inform consumers about the quality of their products. However, there is a missing empirical link between these marketing strategies and performance of soft drinks firms in Tanzania.

Research regarding the development and growth of soft drinks industry in Tanzania is abundant. However, most research did not empirically analyse the effect of marketing strategies on performance of soft drinks firms. Mbura and Kagoya (2020) and Daniel and Viswanadham (2022) have analysed effect of advertisement on purchasing behaviour of consumers, while Issa and Shatta (2021) have analysed role of distribution channel in supply chain of beverage products. Though in Tanzania the link between marketing strategies is missing, vast studies are conducted on developed countries which are faced with different macro environmental factors that do not match with the Tanzanian environment. Therefore, this research sought to establish the connection between marketing strategies such as price strategy, promotion strategy, place strategy and product strategy with performance of soft drink companies in Dar es Salaam, Tanzania. Specifically, the performance of soft drinks was measured by sales volume in terms of Litres sold per year.

2 Literature Review

2.1 Theoretical review with a focus on Resource Based View

In this section a Resource Based Theory was reviewed to guide this study. The resource-based theory (RBT) is an influential approach in strategic management. It has been widely applied as a managerial framework to determine vital resources for a firm to achieve a sustained competitive advantage. The theory provides an essential framework to explain and predict the fundamentals of a company's performance and competitive advantage. The resource-based Theory was introduced by Edith Penrose in 1959 and later developed by Jay Barney in a 1991 in his famous article "Resource-Based View of the Firm". Barney argued that firms gain their sustained competitive advantage from the resources and capabilities that they control, that have value, rare, cannot be easily imitated, and not substitutable (Soosay, Nunes, Bennett, Sohal, Jabar & Winroth, 2016). The RBT put an emphasize on the internal capabilities of a firm in formulation and implementation of strategies to achieve competitive advantage to perform better in the market than a competitor. The strategy adopted by a firm must match with firm's resources and capabilities to achieve competitive advantages (Kozlenkova, Samaha & Palmatier, 2014). Thus, RBT requires a firm to identify the value of their unique resources and capabilities it possess that are rare, non-imitable by competitors and non-substitutable only if its goal is to gain edge in industry competitiveness (Seriki, 2020).

According to Barney (1991), the firm's resources and capabilities include management skills, organisational processes and routines, human resources capabilities as well as the information and knowledge it controls. Barney (2014) asserted that when resources are effectively controlled and applied, firms can formulate and implement relevant strategies and thus attain higher performance. Thus, the resources possessed by a firm are used to help the firm come up with and implement effective strategies that enhance their performance. Firm utilizes all the useful resources in its environment to gain sustainable competitive advantage and increase their profits (Utami & Alamanos, 2023). This RBT is useful in this study as it emphasizes the importance of formulation and implementation of effective strategies to achieve sustainable competitive advantages in the market, and hence improve its performance.

2.2 Empirical review

Product strategy and firm performance

According to Jaroenjitrkam (2019), a product strategy is a high-level plan that defines how a product will meet key goals across its entire lifecycle. Product strategies specify market needs that may be served by different product offerings of the company (Tsai, Chang, Lin and Cheng, 2020). Ogohi (2018), Jaroenjitrkam (2019) and Mwazuna and Museve (2023) identified product differentiation, product quality, convenience of use, product improvement, reliability and product varieties are crucial product strategies that

need to be taken into consideration when formulating market strategy. Adimo (2018) found that product differentiation had a positive relationship with organisational performance. Likewise, James, Omari and Nyang'au (2021) and Agustia, Haryanto, Permatasari and Mudiantari (2022) asserted that product innovations is crucial for firm performance, and they have positive relationship. Similarly, Tsai et al. (2020) and Ojiambo and Kinyua (2022) found that product development had significant and positive effect on firm performance. Therefore, integrating product improvement strategies through specific product attributes relevant to competitors and variety of products to match the need of various customers would result to improved performance.

Pricing strategy and firm performance

According to Goodie-Okio (2022), pricing strategy simply refers to the method used by organizations to price their products (Tanyi, 2021). Pricing strategy is viewed as activities used in deciding a products' most favourable price (Füreder, Maier & Yaramova, 2014). Thus, Pricing is one of the most crucial factors in management decisions (Goodie-Okio, 2022). According to Hyginus, Wabuji and Christian (2019), a company's performance depends heavily on its pricing decisions, because price is the only element in the marketing mix that provides revenue to the firm and thus guarantee profitability as long it covers cost of production and operations of the firm. Phornlaphatrachakorn, Ngamsutti and Ketchompu (2020) established that strategic pricing has a positive effect on market response, sustainable competitive advantage and firm performance. Also, Hyginus et al. (2019) found that competitors'-based pricing strategy has an influence on the sales performance of consumable goods. Likewise, the results of De Toni, Milan, Saciloto and Larentis (2017) indicate that the profitability of the surveyed companies is positively affected by value-based pricing strategy and high price levels. Also, Tanyi (2021) asserted that the effectiveness of pricing policy and price planning has a significant influence on the profitability level of organisations. Thus, the reviewed studies confirms that strategic pricing is a dynamic capability, and it is a key factor of firms' performance.

Promotion strategy and firm performance

The customers need the information to be aware of the availability of alternative items and their pricing, locations, and other relevant details (Ayenew, 2023). Communication with existing and prospective clients is another essential component for flourishing businesses (Murthy & Kidanemaryam, 2023). Promotion is one of an firm's marketing mix elements responsible for communicating information between producers and customers (Ogunmuyiwa, 2022). Kotler (2006) ascertained that promotion is essential to a company's marketing strategy to boost sales, and hence performance. Empirically, studies (Pembi, Fudamu & Adamu, 2017; Mbwambo, 2019; Murthy & Kidanemaryam, 2023; Ayenew, 2023) have found that promotion strategies positively influence firm performance in terms of sales. Specifically, Ogunmuyiwa (2022) found positive relationship between publicity and firm performance, Ibeh, Nnabuko and Nwajimeje (2022) reported positive relationship between personal selling and firm performance. Moreover, Saha and De (2022) and Valens, Murwanashyaka, Uwingeneye and Habimana (2020)

established that firm performance is affected by advertisement and direct selling respectively.

Place strategy and firm performance

Place strategy is an aspect of a company's marketing mix that focuses on where the company sells its products so that they're easily available to the target market (Adekola, 2021). An excellent marketing place strategy enables the service and products to stand out, differentiating the company from the rest of the competition and enhance performance (Kidanemariam & Murthy, 2023). Adewale, Adesola and Oyewale (2012) found that place strategies had positive and significant effect on business performance in term of profitability, market share, return on investment, and expansion. Mustapha (2017) reported that place as a marketing strategy was significant predictor of business performance. In addition, Daniel (2018) and Kidanemariam and Murthy (2023) asserted that place/distribution strategy has a statistically significant and strong positive relationship with organisational performance. However, Adekola (2021) found that place strategy has negative and significant effect on performance of the firms, while Ogohi (2018) found no significant relationship between place strategy and performance in terms of sales volume and market share.

2.3 Conceptual Framework

Figure 1 depicts the conceptual framework that outlines the link between the independent variable, which are marketing strategies based on 4Ps of marketing mix, namely product strategy, pricing strategy, promotion strategy and place promotion; and dependent variable 'performance of soft drinks firms' in terms of sales volume in litres. Empirical research (Phornlaphatra-chakorn et al., 2020; Mwazuna & Museve, 2023; Kidanemariam & Murthy, 2023; Ayenew, 2023) show that when formulated and implemented the identified marketing strategies leads to higher performance of firm. The authors (Adimo, 2018; Tsai et al., 2020; Omari & Nyang'au, 2021; Agustia et al., 2022; Ojiambo & Kinyua, 2022) have shown that product strategy has positive impact on firm performance.

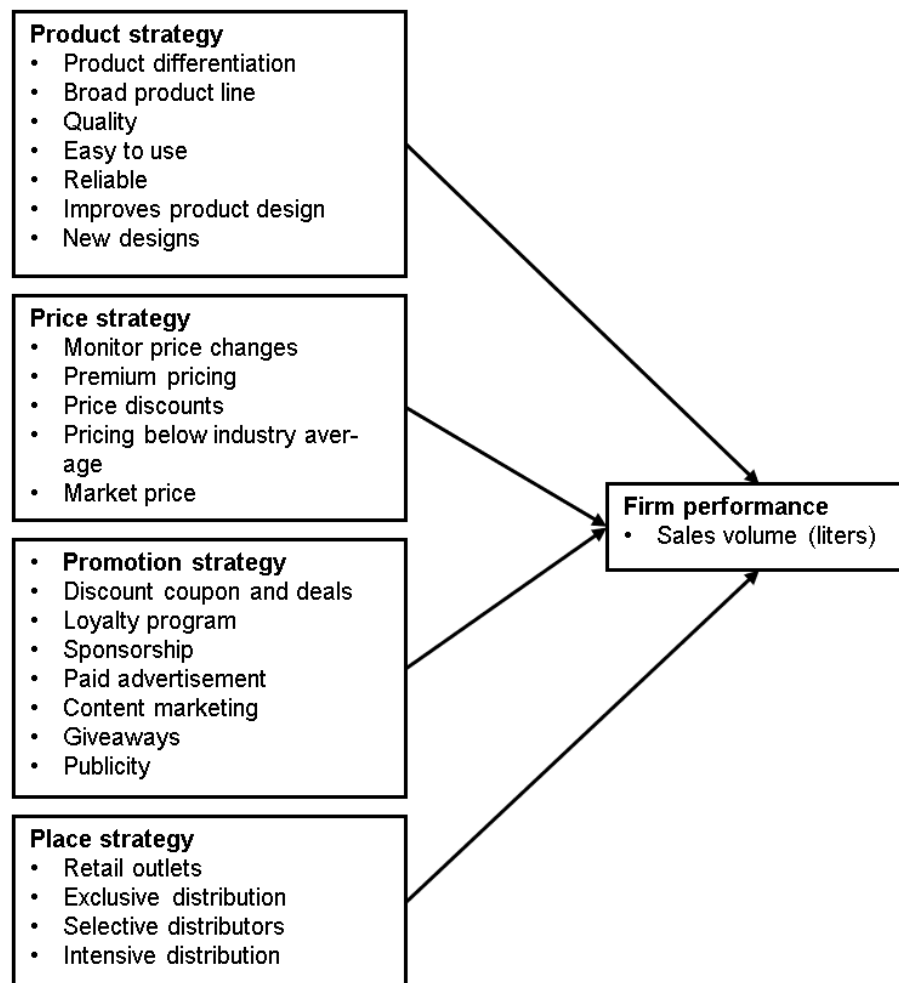


Figure 1: Conceptual framework

Also, review of previous studies (Hyginus et al., 2019; Phornlaphatrachakorn et al., 2020; Tanyi, 2021) indicate that price strategies possess direct influence on firm performance. Moreover, earlier research an increase in firm's promotional strategy increases performance (Pembi et al., 2017; Mbwambo, 2019; Ogunmuyiwa, 2022; Ibeh et al., 2022; Saha & De, 2022; Valens et al., 2020; Murthy & Kidanemaryam, 2023; Ayenew, 2023). In addition, place strategy have positive and significant effects on firm performance (Adewale et al., 2012; Mustapha, 2017; Daniel, 2018; Kidanemaryam and Murthy, 2023).

For the aim of achieving the purpose of this study, it was crucial to develop null hypotheses from the review of appropriate prior empirical research regarding marketing strategies and firm performance. As a result, about four hypotheses were formulated based on the 4Ps of marketing mix as depicted in conceptual framework. Hypotheses of the study stand out from marketing mix that are commonly applied in strategic marketing management in busi-

ness in the present day, and that have shown to have better results for marketers all over the world.

- H₁: Product strategy has positive impact on performance of soft drinks companies
- H₂: Pricing strategy has positive influence on performance of soft drinks companies
- H₃: Promotions strategy has positive impact on performance of soft drinks companies
- H₄: Place strategy has positive influence on performance of soft drinks companies

3 Research Methodology

3.1 Research Design and Approach

This study adopted a descripto-explanatory research design, which is a combination of both descriptive and explanatory research designs. The descripto-explanatory design allowed a detailed description and analysis of the variables under study; describing and presenting their characteristics and explaining their relationships as supported by Saunders et al. (2009). The design also allowed inductive and deductive reasoning to arrive at generalizations of the findings. The design is appropriate for this study since after describing influence of marketing strategies then valuable explanations of the effect was able to be incorporated. Thus, this study applied a mixed method approach whereby both qualitative and quantitative methods were used to complement each other through triangulation and enhance the credibility of the study outcomes as stipulated by Saunders (2009).

3.2 Population, Sample Size and Sampling Procedures

The target population of the study comprised of soft drink companies operating in Tanzania. The sampling frame comprise of all soft drinks firms located in Dar es Salaam City. According to CTI report there are about 30 soft drink companies located in Dar es Salaam City in Tanzania. A sample size was 90 respondents who were the employees in marketing departments of the selected 30 soft drinks firms. The researcher adopted a combination of probability and non-probability sampling methods to select a sample. A census survey was used to select all 30 soft drinks firms for this study. Census was used because the population consist of few elements 'soft drinks firms' (Saunders *et al.*, 2009; Kothari & Garg, 2014). Then, from marketing departments of each selected firm 3 employees namely, marketing manager and two sales persons were selected to form a sample. The marketing managers were purposively selected, while sales persons were randomly selected from every firm. A simple random sampling was used. Simple random sampling technique guaranteed that every sales person had an equal

chance of being selected into the sample and thus eliminates possibility of biasness (Saunders *et al.*, 2007).

3.3 Data Collection Tools

The research instrument used in this study was the questionnaires, involving both structured and unstructured questions. The structured questions allowed the researcher to tabulate and analyze data as quantitative, while the unstructured questions provided qualitative data. The structured questions helped to collect data related to performance of soft drinks companies, pricing strategies, promotion strategies, product strategies and place strategies. The questions were measured using the 5-point Likert scale. The unstructured questions were set to facilitate in-depth responses and opinions beyond the scope of quantitative data. This section gathered information on effectiveness of strategy formulation and implementation, competitors response and business environment. In-depth interview was used because it is flexible and allows researcher to gather first hand information from respondents. The researcher distributed a total of 90 questionnaires to the staff of marketing departments of all 30 soft drinks companies in Dar es Salaam and 84 of them were filled and returned representing a response rate of 93.33%. according to Baruch (1999), Fincham (2008) and Wu (2022) this is best rate for academic research.

3.4 Data Analysis and Presentation

Qualitative data were analysed using thematic analysis. After data gathering, the data were transcribed from the interview notes/audio and field documents. The data were typed and saved in Microsoft word format. The anchors codes were created for each research question and labels assigned to them. Then, the researcher prepared a matrix form with list of codes and group the codes based on participants' responses and record number of their occurrences. Then a researcher created the themes of the highly mentioned codes. Then the results were used to explain quantitative results for every variable. In case of quantitative data, both descriptive and inferential statistics were used for analysis. Descriptive statistics was used to describe or summarize the data in a way that enabled a researcher to meaningfully describe a distribution of measurements. Basic descriptive statistics in terms of percentages and frequency distributions, mean and standard deviations were used to describe the sample and the characteristics of the respondents. The inferential statistics based on chi-square Pearson correlation coefficient was applied to examine the link between marketing strategies of 4Ps namely, product strategy, place strategy, pricing strategy and promotion strategy and sales volume as proxy for firm performance.

3.5 Reliability

The results show that, the overall Cronbach's Alpha Coefficient of product strategy is 0.81, pricing strategy is 0.78, promotion strategy is 0.83 and

place strategy is 0.77. based on theoretical foundation of Cronbach’s Alpha Coefficient, the coefficients indicate that, data collection instruments were reliable. As such, the data used in this study were reliable. Therefore, it can be argued that the marketing strategies used by soft drinks firms in Dar es Salaam is good measure of their performance.

4 Results and Discussion

4.1 Demographic Features of Respondents

The results in Table 1 indicate that, 60.71% (n=51) of surveyed marketing managers and sales persons were males and 39.29% (n=33) were females. This tells us that, most of the markets in soft drinks firms are males. The difference between male and female is significant. Moreover, results in Table 1 show that the majority of the surveyed marketing managers and sales persons were in their middle ages between 32-51 years. They comprised 38.10% (n=32) of those with 42-51 years and 33.33% (n=28) for those with 32-41 years. Moreover, those who have 22-31 years and 52 and above years were 26.19% (n=22) and 2.38% (n=2) respectively. It also gives an indication of the level of maturity and understanding of marketing managers and sales persons regarding the formulation and implementation of effective marketing strategies and their importance on firm’s competitive advantages and performance in the market.

Table 1: Distribution of Demographic Characteristics of Respondents (n=84)

Variable/parameter	Measurement	Frequency	Percentage
Sex	Male	51	60.71
	Female	33	39.29
Age	22-31 Years	22	26.19
	32-41 Years	28	33.33
	42-51 Years	32	38.10
	52+ Years	2	2.38
Business experience	Below 1 years	12	14.29
	2 to 5 years	51	60.71
	5 years and above	21	25
Education level	Diploma	21	25
	Bachelor	44	52.38
	Masters	19	22.62
Business age	<5 Years	14	16.67
	5-10 Years	36	42.85
	>10 Years	34	40.48
Business size	Small	0	0.0
	Medium	72	85.71
	Large	12	14.29

Furthermore, results in Table 1 demonstrate that marketing managers and salespersons who possess 2-5 years experience in soft drinks business comprised 60.71% (n=51) of all surveyed marketing managers and sales-

persons in Dar es Salaam City, and were the majority followed by those who have more than five years experience who were 25.0% (n=25). The lowest were those with less than one year of experience. Therefore, majority of marketing managers and salespersons had moderate to higher experience in marketing management. Therefore, this study implies that years of experience in marketing management has enabled them to understand the formulation and implementation of marketing strategies to improve firm's sales volume. In addition, results in Table 1 indicate that most (52.38%, n=44) marketing managers and salespersons had bachelor degree education followed by those with Masters degree (22.62%, n=19), and lowest were those who possess diploma 25.0% (n=21). The results imply that the marketing managers and salespersons are knowledgeable and thus they provided this study with relevant data. Besides, the results in Table 1 show that 83.33% (n=70) of surveyed soft drinks companies were established more than five years ago, while those with less than five years were only 16.67% (n=14). Lastly but not least, most firms were medium sized (85.71%, n=72) with very few being larger firms. However, there was no small sized firm among the surveyed firms.

4.2 The Extent Soft Drinks Firms Apply Marketing Strategies to Improve Performance

The study analysed product strategy, promotion strategy, place strategy and pricing strategy as the four major marketing strategies which influence performance of soft drinks companies in Dar es Salaam. The variables were measured using five-point Likert scale. The range was "strongly disagree" (1) to "strongly agree" (5). The scores of disagreeing have been taken to represent a variable which had a mean score of 0 to 2.0 on the continuous Likert scale; ($0 \leq \text{disagreeing} \leq 2.0$). The scores of "neutral" have been taken to represent a variable with a mean score of 2.1 to 3.0 on the continuous Likert scale: ($2.1 \leq \text{neutral} \leq 3.0$) and the score of both agreeing have been taken to represent a variable which had a mean score of 3.1 to 5.0 on a continuous Likert scale; ($3.1 \leq \text{agreeing} < 5.0$).

The extent product strategy is applied to improve performance of soft drinks firms

The findings in Table 2 shows that respondents agree that their companies have products for different customer clusters based on need and that their companies offer a broad product line. The mean scores for these items were 3.11 (SD=.643) and 3.93 (SD=.671). Furthermore, the findings in Table 2 show that marketing managers and salespersons agreed (M=3.47, SD=.652) that their companies ensure customers get the best quality products. The findings are in line with Adimo (2018), Ojiambo and Kinyua (2022) and Abbas, Sabti, Al-Jazaeri, Khadher & Taengkliang (2023) who iterated that product differentiation is crucial to the performance of a firm. Essentially, product is the core of the marketing strategy. Successful product management relies on a well planned and executed product strategy and product range strategy.

Table 2: Extent of Implementation of Product Strategy by Soft Drinks Companies
 (N=84)

Indicators	Mean	Std. De- viation
The company has products for different customer clusters (based on need)	3.11	0.643
Our company offers a broad product line	3.93	0.671
Company offers products that are convenient to consumers (Easy to use)	3.74	0.593
Our company has innovative new product designs	3.52	0.549
Our company improves product design based on customers ideas and feedback	3.98	0.765
The company uses best technology in product design and development so that to offer reliable product	3.86	0.696
The company ensures customers the best quality products	3.47	0.652

Besides, findings in Table 2 show that marketing managers and sales persons agreed that their companies have innovative new product designs (M=3.52, SD=.549) and that they regularly improve product design based on customers ideas and feedback (M=3.98, SD=.765). In addition, marketing managers and sales persons agreed that their companies use best technology in product design and development in order to offer reliable products (M=3.86, SD=.696) and that they offer products that are convenient to consumers in terms of easy to use (M=3.74, SD=.593). findings are in line with Tsai et al. (2020), James et al., (2021), Hajar et al. (2022) and Mwazuna and Museve (2023), who found that product design must be reviewed periodically based on customers' feedback and suggestions so that the company can offer value for customers' money. Also, Agustia et al (2022) ascertained that product innovation significantly affected firm performance positively, while technology capabilities of a firm did not.

The extent pricing strategy is used to improve performance of soft drinks companies

The findings in Table 3 shows that most respondents acknowledged that their companies monitor price changes (M=4.22, SD=.641) and that they respond quickly to changes in market price (M=4.11, SD=.672). Moreover, marketing managers and salespersons agree that their companies pricing strategy is market based (M=3.87, SD=.698). The findings imply that soft drinks companies formulate informed strategies based on market conditions such as customers' suggestions and other micro-environmental factors affecting soft drinks industry. The findings are like Hyginus et al. (2019), Phornlaphatrachakorn et al. (2020) and Tanyi (2021) the researchers have acknowledged that price monitoring and flexibility is crucial for product to penetrate and perform better in the market especially when the target customers have price elastic demand or are price sensitive. Strategies to match market conditions are the best in the monopolistic competitive market like soft drinks market in Tanzania and beyond.

Table 3: Extent of Implementation of Pricing Strategy by Soft Drinks Companies (N=84)

Indicators	Mean	Std. Deviation
The company monitor price changes	4.22	0.641
Our company use premium pricing on its products	3.91	0.672
The company uses price discounts	3.57	0.583
The company respond quickly to changes in market price	4.11	0.629
The company's prices are below industry average	3.43	0.766
The company's pricing strategy is market based	3.87	0.698

Furthermore, Table 3 shows that soft drinks companies apply premium pricing strategy on its products (M=3.91, SD=.672) and offer price discounts to customers (M=3.57, SD=.583). Also, it was found that the companies' pricing strategy is market based (M=3.43, SD=.766). Pricing strategies are most crucial for the firm as supported by Lovelock (2011) that pricing is the only factor of the marketing mix strategy that produces revenues for the organization, whereas all the others are related to expenses. According to Hyginus et al. (2019), a company's performance depends heavily on its pricing decisions, for the reason that price is the only element in the marketing mix that provides revenue to the firm and thus guarantee profitability as long it covers cost of production and operations of the firm.

The extent promotion strategy is applied to improve performance of soft drinks firms

The findings as exhibited in Table 4 strongly acknowledged that the item 'the company uses publicity as a promotional strategy to elicit customers' attention, interest, desire and action' scored the highest mean of 4.23 (SD=.679) followed by item 'our company sponsors different events' (M=4.21, SD=.511) and 'our company use paid advertisement to communicate with customers' with (M= 4.19, SD=.603). the mean scores imply that marketing managers and salespersons strongly agreed that their companies use publicity, event sponsorships and paid advertisement to raise customers awareness of the products to and persuade them to buy and create more demand. According to Valens et al. (2020) and Saha and De (2022), effective sales promotion campaign enables a business organization to successfully out-brand its competitors is a continuous battle for the hearts and minds of the market share and customers. Also, Gupta (2007), Ogunmuyiwa (2022) and Ibe et al. (2022) noted that a strong promotional strategy can increase the awareness of a company and its offerings in such a way that it establishes strong feelings and reactions and a favourable view towards the company.

Table 4: Extent of Implementation of Promotion Strategy by Soft Drinks Firms (N=84)

Indicators	Mean	Std. Deviation
The company provides a lot of discounts for our customers	3.54	0.732
The company has loyalty programs with its customers	4.11	0.682

Our company Sponsors different events	4.21	0.511
Our company use paid advertisement to communicate with customers	4.19	0.603
The company use content marketing to create awareness of customers	4.08	0.723
The company offers free samples, trials and giveaways	4.02	0.647
The company uses publicity as a promotional strategy to elicit customers' attention, interest, desire and action	4.23	0.679

Furthermore, marketing managers and salespersons strongly agreed (M=4.11, SD=.682) that their companies has loyalty programs with its customers. Similarly, it was found that marketers in surveyed soft drinks companies in Dar es Salaam City acknowledged that soft drinks companies use content marketing to create awareness of customers regarding products they offer (M=4.08, SD=.723). moreover, the findings show that marketing managers and salespersons strongly agreed that their companies offer free samples, trials and giveaways (M=4.02, SD=.647). However, marketing managers and salespersons agreed (M=3.54, SD=.732) their companies provide a lot of discounts for their customers. The findings imply that soft drinks companies in Dar es Salaam City have been using promotional strategies to a greater extent. This might be a reason that makes an industry to grow rapidly than other beverages (MITM, 2010). The findings are similar to Valens et al. (2020), Ibeh et al. (2022), Saha and De (2022).

The extent place strategy is applied to improve performance of soft drinks firms

Table 5 illustrates that respondents strongly agreed that their companies use exclusive distribution strategy (M=4.36, SD=.548), selective distribution through the best available distributors (M=4.28, SD=.674) and their companies is efficient in meeting customer's wants through retail outlets (M=4.03, SD=.743). Also, respondents agreed that their companies distribute their products through whole sellers/re-sellers (M=3.59, SD=.793). Also, Adewale, et al. (2012), Mustapha (2017), Daniel (2018) and Kidanemaryam and Murthy (2023) found that place strategies had positive and significant effect on business performance in term of profitability, market share, return on investment, and expansion. Though past studies of Adekola (2021) found that place strategy has negative and significant effect on performance of the firms, this study concludes that place strategy increases performance of soft drinks firms in Dar es Salaam.

Table 5: Extent of Implementation of Place Strategy by Soft Drinks Companies (N=84)

Indicators	Mean	Std. Deviation
The company is efficient in meeting customer's wants through retail outlets	4.03	0.743
Our company uses exclusive distribution strategy	4.36	0.548
Our company uses selective distribution through the best available distributors	4.28	0.674

The distribution is done by whole sellers	3.59	0.793
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Correlation between Marketing Strategy and Performance of Soft Drinks Companies

Results in Table 6 shows that product strategy has weak positive but statistically significant relationship ($r = .291$, $p = .001$) with performance of soft drinks firms. This signifies that, product strategy is a predictor of performance of soft drinks firms. Therefore, the hypotheses ***H₁: Product strategy has positive impact on performance of soft drinks companies*** was accepted. The plausible explanation is that, broad product line, higher product quality, product innovations and development, product reliability and convenience of use increases soft drinks sales thereby making soft drinks firms more profitable. Therefore, integrating product improvement strategies through specific product attributes relevant to competitors and variety of products to match the need of various customers would result to improved performance. The findings are in line with Adimo (2018), Ogohi (2018), Jaroenjitrkam (2019), James et al. (2021), Ojiambo and Kinyua (2022) and Mwazuna and Museve (2023).

Table 6: Correlation of Marketing Strategies and Performance of Soft Drinks Firms (n=84)

Variables	N	Pearson Correlation (r)	df	p-value
Product strategy	84	0.291	4	0.001
Pricing strategy	84	0.516	4	0.001
Promotion strategy	84	0.687	4	0.021
Place strategy	84	0.584	4	0.023

Source: Field Data 2023

Similarly, the results in Table 6 show moderate positive but statistically significant relationship between pricing strategy ($r = .516$, $p = .001$) and performance of soft drinks companies. This result implies that pricing strategies enhances firm's sales. Therefore, the hypothesis ***H₂: Pricing strategy has positive influence on performance of soft drinks companies*** was accepted. Therefore, premium pricing methods, price discounts, pricing below industry average and pricing based on market price increases soft drinks sales and hence their performance in terms of higher sales. The findings conforms to Toni et al. (2017) who established that the profitability of the surveyed companies is positively affected by value-based pricing strategy and high price levels. In addition, Tanyi (2021) found that the effectiveness of pricing policy and price planning has a significant influence on the profitability level of companies.

In addition, the findings in Table 6 show that promotional strategy and performance of soft drinks companies have strong positive and statistically significant relationship ($r = .687$, $p = .021$). This means that promotion strategy is essential determinant of performance of soft drinks companies. Therefore the hypothesis ***H₃: Promotions strategy has positive impact on performance of soft drinks companies*** was accepted. The plausible explanation is that, discounts coupon and deals, loyalty programs, advertisements, per-

sonal selling, publicity and sponsorships of events increases soft drinks sales by creating new demands for products thereby making soft drinks firms more profitable. However, for more impact promotional strategies should be connected to product planning, pricing, and distribution. This is because the uniqueness and price competitiveness of the product might impact promotion. As a result, Promotion must be consistent with the other components of the marketing mix. Similar results were reported by Ogunmuyiwa (2022), Ibeh et al. (2022), Saha and De (2022) and Ayenew (2023)

Furthermore, the results in Table 6 illustrate that the relationship between place strategy and performance of soft drinks companies is moderate positive and statistically significant ($r=.584$, $p=.023$). This result implies that pricing strategies enhances firm's sales. Therefore, hypotheses ***H₄: Place strategy has positive influence on performance of soft drinks was accepted.*** This means that exclusive distribution, selective distribution, intensive distribution, direct sales, and retail outlets increases performance of soft drinks companies. The findings of this study corroborate with Adewale, et al. (2012), Mustapha (2017), Daniel (2018) and Kidanemaryam and Murthy (2023)

This study concludes that marketing strategies namely, product, promotion, price and place strategies play a vital role on performance of soft drinks companies in Dar es Salaam. Thus, the findings of this study identified that marketing is major player in the soft drinks industry due to increased competition resulting. Further, the study noted that in principal, a combination marketing strategies would have greater effect on performance unlike a single variable. The marketing strategies techniques must be used collectively to reap maximum benefits as Ogunmuyiwa (2022) suggested that the main purpose of marketing is to understand and meet customers' needs and this is achieved when all components of the marketing system are coordinated. Well-conceived and effective marketing activities facilitates the achievement of firms' objectives such as higher sales, market share, profits and competitive advantage.

5 Conclusion

5.1 Summary

It can be concluded that; the soft drinks companies have adopted different marketing strategies to help them improve their performance as well as gaining of the market share. Promotion strategy turned out to have a high and a positive influence on performance of soft drinks companies in Dar es Salaam, followed by place strategy and pricing strategy. However, product strategy turned out to have a positive but weak correlation on influencing performance of soft drinks companies. To improve the sales and market share, soft drinks companies should invest their resources on formulating and implementing marketing strategies that will yield a positive result on the sales of organization's products. A company's marketing strategy should be formulated within the shadow that reflects customer's needs and satisfac-

tion. To achieve an effective marketing strategy, there is need to make it a significant ingredient of overall firm's strategy, defining how the organization will successfully engage customers, prospects, and competitors in the market arena.

5.2 Limitations and Further Research

This study has several necessary limitations and solutions. The leading one is the fact that this study was conducted in Dar es Salaam City alone among 31 regions of Tanzania. Thus, future study has to consider widening the study area to cover more than one region or city. This is envisaged to provide a better representation and generalisability of the results to the whole country. Moreover, the scope of this study was limited to 4Ps of marketing mix that based on product/service features. There are factors not included in the 4Ps marketing mix model that could also influence performance of soft drinks firms. These include the 4Cs of marketing mix that are based on customer characteristics; and the remaining 3Ps of 7Ps namely people, process and physical evidence. Thus, the present study can be broadened further by focusing on the 7Ps of marketing mix and the evaluation of customers through 4Cs. The aim is to understand the impact of these variables on performance of soft drinks firms. It is necessary to understand this in order for the firms to formulate and implement appropriate marketing strategies and hence enhance performance.

5.3 Practical Implications

The study established that most of the soft drinks' companies undertake promotional strategy to market its products and it is recommended that there is the need for the soft drinks companies to adopt a more modern technological marketing tool in their businesses. The soft drink companies can use social media to create a viral market for their products and services. The retail stores must also create links on social media to drive traffic to their corporate websites. Marketing managers need to integrate all facets of strategy; they need adequate analytical capabilities to perform this essential boundary-spanning role. These competencies enable them to identify threats and opportunities skilfully within their business environments, monitor and access environmental change, and improvise marketing strategy accordingly. Such capabilities enable promotion of the marketing concept to senior management in the firm. This is vital, as failure in this respect leads to failed strategy execution and even a poor image of marketing within the firm.

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