

# The Role of Marketing Strategy on Market Performance: A Study on Small and Medium Enterprises in Ethiopia, Jimma Town

Endalkachew Desta<sup>1,\*</sup>, Chalchissa Amantie<sup>2,\*</sup>

<sup>1</sup>Management, College of Business and Economics, Wachemo University, Hossana, Ethiopia

<sup>2</sup>Management, College of Business and Economics, Jimma University, Jimma, Ethiopia

## Email address:

endudesta2012@gmail.com (Endalkachew Desta), chalchissa@yahoo.com (Chalchissa Amantie)

\*Corresponding author

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**Abstract:** This study investigates the role the marketing strategies on the market performance of medium and small enterprises in Ethiopia Jimma Town. To achieve the objectives of this study descriptive research design and qualitative interpretive approach were also employed. To answer the research questions, semi-structured interviews were administered to target respondents of small and medium enterprise owner-managers. A sample of 15 enterprise owner-managers was selected by using the purposive sampling method. The data collected by in-depth interviews were analyzed using qualitative data analysis steps in which collecting the data through appropriate data collection methods to collect all the data without missing, recording, and note taking are the important activities to be done. Categorizing and refining the recorded interviews for analysis, applying inductive data analysis, and writing the report are steps used to analyze data. Based on fifteen interviews without owners/managers in different firms, it was found that a well-defined marketing strategy leads to an increase in the business market performance. The findings of this study indicated that marketing strategy dimensions such as (product, price, promotion, place, people, process, physical evidence, segmentation, targeting, and positioning) strategies are determinant factors that play great in forcing the achievement of market performance. The study recommends that to get high revenue and profitability small and medium enterprise owners' managers should continually adopt and implement marketing strategies.

**Keywords:** Product, Price, Promotion, Place, Marketing Strategy, Market Performance

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## 1. Introduction

Marketing is said as a significant component of any successful business, regardless of its size, sector, nature of its duties, and even its purposes and objectives. The main goal of any business is to be effective and remain in business, successfully. And it's a no-secret fact that the success or failure of a firm relies on its marketing strategies Therefore, marketing strategy is most successful when it is an integral element of a business mission, target marketing, marketing mix, and defining how the business will successfully engage consumers, prospects, and competitors in the market field [32].

Medium and small businesses enterprise between the world's most influential financial teamsters and they also participate in reducing unemployment opportunity now, a day many financial bases are entirely found on small business enterprises with an optimistic impact on the lives of everyone who engage in working such business events [17]. By their very nature, SMEs constitute the most feasible and genuine vehicle for self-sustaining industrial expansion [23].

Marketing strategy has developed into a serious device for all of these small and medium businesses to stay competitive in the market and produce stronger stress marketing strategies have become a vital tool for all companies everywhere in the world to endure in an extremely

competitive marketplace environment and to be stronger [29].

The existing globalization of markets has completed a trade to see the internationalization of their exercises as a way of being competitive. Marketing strategies have developed very important for any organization to be competitive situation thus more beached [3].

As stated in Ishar, A. M [9] Impact of marketing mix strategies on performance, the study outcome revealed that product, price, place, and promotion have an encouraging influence on business performance. Pricing has a solid effect on firm performance. [29] Did research on the assessment of marketing strategy in the case of Raya Brewery S. C. The result shows that the firm wants to bring into line its marketing strategies with its vision and mission. Moreover, another study accompanied by [13] on the effects of marketing strategies on textile firm sales volumes revealed that marketing strategies also play an excessive role in the sales performance of textile industries in Ethiopia. Even if in diverse portions of the world various research studies have been conducted on the subject matter. But most related studies were conducted on the effect of marketing strategies, the impact of marketing strategies, and the challenges of marketing strategies on performance and analyzed by using only 4ps. But this study incorporated some other variables those other researchers have missed like people, physical evidence, and process. Despite the above theoretical and empirical facts this study was a proper venue to fill the gap of other research.

## 2. Review of Related Literature

### 2.1. Theoretical Review

The finding of [25], "Marketing strategy is apprehensive with decisions linking to market segmentation and targeting, and positioning strategy based on product, price, distribution, and promotion decisions." Kotler, P. K. [14], "Marketing tactic is the marketing sense by which the corporation hopes to generate customer value and attain profitable interactions.

People use products to mollify their needs and requirements. A product is anything that can be obtainable to somebody to fulfill a need or desire. Thus, physical products are simply vehicles for bringing services to people. A pricing strategy is a rule that a firm uses to control how plentiful it will charge for its goods and services. Strategic pricing approaches are generally classified into three groups: cost-based pricing, value-based pricing, and competition-based pricing. A communal issue among pricing strategies is that, at last, the total income generated from the set price increased by the retailed units must cover the costs of the process while also permitting adequate profit margin to guarantee a suitable return on asset. The achievement and importance of numerous pricing strategies, such as the traction and price differentiation strategies, can be fixed by their sales and customer gratification results [20].

The promotion constituent of the firm marketing mix includes all-important "activities, materials, and media used by a vender to notify and retell potential customers about a specific product donation [21]. Zeweter, F [33] Conducted research on his strategic marketing book and specified, promotion embraces all of the tools obtainable to the vendor for marketing information. People are vital in the transfer of services. If the waitperson is in a bad temperament, even the finest food may not look as appetizing. A friendly beam never hurts. Serious exercise for your manpower on how to deal with customers and eventualities is critical to your achievement [11]. Everyone who contacts your customers will consent and impress. Most customers cannot detach the product or service from the staff fellow who delivers it, so your people will impact purchaser satisfaction positively or negatively [25].

The finding of Saha, M [24] the physical evidence for mobile network service providers was discovered to include network towers, office buildings, retail store condition houses, and service complaint centers. These factors significantly impact the customers' outward appearance, which can lead to a particular purchasing behavior. Mohammad [18] Because consumers frequently conclude the likely quality of a service provider by examining the physical evidence of the service environment, Mohammad [18] concluded that the circumstance of physical evidence of a service supplier could affect the consumers' perception of the quality of the service. Marketing efforts can be intense on the market segments offering the highest potential for the company to accomplish its goals, be they to exploit profit or save the best long-term position for the product or any other proper goal [33].

Positioning is the habit of marketing to allow people to form a psychological image of your product in their minds (comparative to other products). Positioning is how the product or service is to be seeming by a target market equated to the competition. It answers the question: "Why will somebody in the target market(s) buy my product or service in its place of the competition?" An equal question is: "What should be the perceived value of my offering equated to the rivalries?" [15].

Performance, as an idea, is a subject open to wide changeability as it is a somewhat imprecise word when it purposes as a placeholder in research [7]. The lack of agreement on a definition creates misperception and clearly limits the possible generalizability and comparability of research in this area [8]. In general, the writings on performance show that there is neither one single standard nor a set of criteria accepted by marketing strategy academics for performance assessment [31]. There are numerous different metrics that can be used to assess success, including financial, market, customer, and overall metrics. As a result, the performance of small and medium-sized businesses will be assessed in this study in terms of profitability and sales.

### 2.2. Empirical Literature Review

Research of Adewale, G [1] concludes the authors of

"Impact of Marketing Strategy on Business Performance on SMEs in Nigeria" found that the independent variables (i.e., product, promotion, place, price, packaging, and after-sales service) were significant joint predictors of business performance of SMEs in terms of productivity, market share, return on investment, and growth. Establishes a strong link between the performance and SMEs' marketing strategy. [16] Has studied "The Impact of Marketing Strategy on a Firm's Performance opinion survey on Employees of Dashen Bank S. C." Her study discovered that the marketing mix variables have made an influence on the financial performance of the Bank.

Similarly, Tilahun, N [26] has considered assessing the effectiveness of marketing strategy in the Case of Bank of Abyssinia S. C and his study acknowledged that STP, product, price, promotion, and place strategies have played a substantial influence on the performance of the bank, while product and place have bet better-forecast than price and promotion. [9] Product, pricing, site, and promotion all have a big impact on how well a business performs, according to the study's findings on the impact of marketing mix techniques on performance. [28] Conducted research on Raya Brewery S. C. to evaluate its marketing approach. Finally, it was proposed that the company should match its marketing tactics to its objective and vision. [13] Examined the connotation between marketing strategy and sales capacity in Ethiopian textile companies.

### 3. Research Design and Methods

#### 3.1. Design and Approach

It is one whereby the researchers deemed part of the research process and endeavor to uncover meaning and gain an understanding of broad interrelationships in the context they research. It helps to understand how and why things happen: exposing meaning [4]. Therefore, for this study, descriptive design and qualitative interpretive approach were utilized.

#### 3.2. Sampling and Data Gathering Methods

According to Bernard, H. [2] purposive sampling is a nonrandom sampling method in which the investigator decides what needs to be known and sets out to discover people who can and are keen to provide the evidence by

virtue of knowledge or skill. Therefore, the researchers selected sample representatives purposively. So the samples of 15 owners/managers of small and medium enterprises from those working in 17 kebeles in Jimma Town was taken by considering all classification of enterprises in different kebeles. According to [5] researchers gather one or more of the four basic groups of qualitative data: observations, interviews, documents, and audiovisual materials. In selecting the type of data to collect, researchers need to gather evidence that was answer their research questions.

Therefore, in this study, in-depth semi-structured interviews were employed to gather information from respondents.

#### 3.3. Methods of Data Analysis

The finding of Creswell, J. W [5] the initial stage in data analysis is to prepare research-related questions by taking into account the typical behavior of the data. The second phase entails collecting the data using appropriate data collection techniques. The third phase involves recording and taking notes, which are important activities to complete in order to collect all the data without losing any of it. Sorting the recorded interviews into categories and cleaning them up for analysis, using inductive data analysis, and completing the process by writing a report with the researcher's analysis, discussion, and understanding.

### 4. Results and Discussion

This section provides an overview of the data acquired from in-depth semi-structured interviews with fifteen small-to medium-sized business owners and managers. Gaining a clearer knowledge of the goal of the interviews, which is to evaluate the impact of marketing tactics on the performance of small and medium-sized businesses on the market, was one of their key goals. In order to accomplish the study's goal, relevant literature was reviewed, and semi-structured interviews with business owners and managers were used to gather qualitative data. The information gathered through interviews was examined, explained, and discussed thus, based on the analysis, the following findings were written, conclusions were drawn, and recommendations are forwarded. The summary versions of the fifteen reviews view are contained in Table 1 and Table 2 below:

Table 1. Owner/manager interviews results summary partially ordered meta-matrices (Item 1-9).

Item №	Main theme	Responses of interviewees' summary description
1	Marketing strategy definition	1) All of a company's marketing goals and objectives are combined into a single comprehensive plan. 2) The long-term planning of business objectives that the company wants to achieve. 3) Refers to a business's overall game plan for reaching consumers
2	Market performance definition	1) The association between the marketing team's stated goals and objectives versus actual results. 2) The ability of a company, a department or an individual to achieve its or their objectives and expected results. Considered to be the company's ability to profit from the resources and achieve its objectives.
3	The Role of product strategy on market performance	1) Helps companies diversify target customer ranges and expand into new market segments. 2) Identifies new opportunities, and assesses the company's product performance. 3) Helps develop its long-term strategic plans for future product lines. 4) Helps understand the product's success before, during, and after its development. Important in guiding the direction of new product ideas.

Item №	Main theme	Responses of interviewees' summary description
4	The Role of price strategy on market performance	<ol style="list-style-type: none"> <li>1) Can affect everything about how product is received by the market.</li> <li>2) Defines the value that product are value for us to make and for our customers to use.</li> <li>3) The roles that prices play prices create incentives to work and produce.</li> <li>4) Prices allow markets to respond to changing conditions.</li> <li>5) Prices scarce resources efficiently and it is believed that pricing has a significant effect on the buying behaviour of consumers. Can help the company achieve profitability? Effective pricing strategy will always significantly and positively influence a firm's sales volumes</li> </ol>
5	The Role of promotion strategy on market performance	<ol style="list-style-type: none"> <li>1) To influence people about their business. Making people aware of the products or services they offer. The important purpose that a promotion serves is that it sets a business apart from its competitors. Promotes business to a target audience. Helps to understand customers.</li> <li>2) Helps to brand Business. To increase the demand and hence the sales.</li> <li>3) To communicate with the market.</li> </ol>
6	The Role of place strategy on market performance	<ol style="list-style-type: none"> <li>1) How and where the business will strategically put its products to attract the target audience.</li> <li>2) Refers to providing customers access to the product.</li> <li>3) It also calls into play convenience for the customer.</li> <li>4) The key role that distribution plays is satisfying a firm's customers.</li> <li>5) Achieving a profit for the firm.</li> <li>6) Helps to improve the way customers interact with your business.</li> <li>7) Leading to customer satisfaction and repeat business.</li> <li>8) The role of the distribution channel system and its members becomes very important.</li> <li>9) A huge role in attracting and retaining the best employees. It guides businesses in strategically locating their products. Services to ensure they are accessible to consumers</li> </ol>
7	The Role of people strategy on market performance	<ol style="list-style-type: none"> <li>1) The company's overall plan is to attract and retain its workforce.</li> <li>2) Focus on building relationships between organizations and employees.</li> <li>3) Supports a strong leadership channel that identifies people.</li> <li>4) People are the most important component in an information system because it is only a human who can consider information from data.</li> <li>5) Without people, you have no one to market to.</li> <li>6) It governs every aspect of the employee-employer relationship.</li> <li>7) So, if you want your company to succeed, invest in your people.</li> </ol>
8	The Role of physical evidence strategy on market performance	<ol style="list-style-type: none"> <li>1) Physical evidence is the environment in which the service is delivered.</li> <li>2) Where the firm and customer interact. Tangible components that facilitate the performance or communication of the service. The physical design and layout of the premises.</li> <li>3) Provides tangible hints of the quality of experience that a company is offering.</li> <li>4) The strategy helps in determining and identifying service quality expectations. Physical evidence is often referred to as the "silent witness."</li> </ol>
9	The Role of process strategy on market performance	<ol style="list-style-type: none"> <li>1) Documentation and establishment of the processes that an organization puts in place to achieve its goals.</li> <li>2) Strategy provides the opportunity for us to increase production.</li> <li>3) To create more of whatever it is we make, spending less time on each step of service provided.</li> <li>4) Is used to prioritize efforts, and effectively allocate resources.</li> <li>5) Align shareholders and employees to the organization's goals.</li> <li>6) Ensure those goals are backed by data and sound reasoning.</li> <li>7) Approach to transforming resources into goods and services.</li> </ol>

Source: Own survey 2023

#### 4.1. Findings for Marketing Strategy Definition

Managers/owners of SMEs were asked what by mean marketing strategy, based on their enterprise context. As a result, most of their response was almost similar as shown in (Table 1, No. 1).

Most of the respondents define marketing strategy, it is the long-term planning of business objectives that the company wants to achieve. One interviewee define marketing strategy as a company's marketing goals and objectives combined into a single comprehensive plan. One owner-manager who engaged in trade enterprise said that "marketing strategy refers to a business's overall game plan for reaching prospective consumers and turning them into customers of their products or services." Similarly, [30] "Marketing strategy refers to an organization's combined pattern of results that specify its crucial choices regarding products, markets, marketing events, and marketing resources in the

making, communication and/or delivery of products that offer value to customers in conversations with the business and thereby allows the organization to accomplish specific objectives."

#### 4.2. Findings for Market Performance Definition

Owner/managers of small and medium enterprises were asked to define what market performance means to them, and most of them said that "market performance means the alignment between the marketing team's stated goals and objects versus actual results". The others said that "market performance means the ability of a company, a department or an individual to achieve its or their objectives and expected results and it is considered to be the company's ability to profit from the resources and achieve its objectives." Some of the enterprise owner-mangers said that "Market performance for business means that a direct flow of goods and services from manufacturer to purchaser or user in order

to best satisfy consumers and accomplish the firm's objectives."

Also, market performance defined by Ferdinand, A [6] stated that the performance of the marketing of an issue is often used to measure the influence of the company marketing strategies applied. Marketing strategies are always directed to harvest the performance marketing (as sales capacity and the level of sales growth). The finding of Muzenda, A [19] shows that there is a significant association between entrepreneur attributes, firm characteristics, external environment, and SMEs performance.

#### ***4.3. Findings for the Role of Product Strategy on Market Performance***

Respondents were asked to explain the role of product strategy in the market performance of their enterprise, they said that product strategy plays a great role in the identification of new opportunities, assesses the company's product performance, and helps develop its long-term strategic plans for future product lines. Some of them said that product strategy translates into higher sales growth rates and returns, and it is critical for a modern firm's success. Two of the service enterprise managers responded that product strategy helps companies diversify target customer ranges and expand into new market segments and helps to understand the product's success before, during, and after its development.

Similarly, other interviewees responded that product strategy plays an important role in guiding the direction of new product ideas and development, setting a clear and unified vision. And the remaining participants said that the main role of product strategy is that it clarifies what the team should do which will result in increased productivity and it creates brand loyalty during market penetration and acquires new customers. One respondent responded that "The role of product strategy to our business is it enables us to focus on a specific target market and feature set, instead of trying to be everything to everyone." So product strategy outlines a company's strategic vision for its product offerings by stating where the products are going, how they will get there, and why they will succeed. And it plays a great role in providing better customer support which creates better customer satisfaction. The price level of the product relative to the consumer's buying power, fairness of the product's price relative to perceived benefit, and pricing strategies are directly related to the product sales level [12].

Past investigators have undoubtedly recommended that product strategy impacts have an important effect on business performance [22]. Marketing Strategies and the Performance of Small and Medium Enterprises are highly correlated [27].

#### ***4.4. Findings for the Role of Price Strategy on Market Performance***

Respondents were asked to respond about the role of price strategy on market performance; one of the respondents stated to me that; "price strategy has a significant role on the

buying behavior of consumers because the higher a product is priced, the fewer units are sold." some of the owner-managers replied as price strategy strongly affect everything about how your product is received by the market and the value that his product is worth for him to make and for his customers to use. A majority of the owner-managers interviewed about the roles of price strategy said that "Prices allow markets to respond to changing conditions and prices scarce resources efficiently." Three owners of wood and metalwork enterprises responded about the role of price strategy on market performance showing it has a positive role that can help our company to achieve profitability, support product positioning, and complement the marketing mix and it will always significantly and positively influence a firm's sales volumes.

#### ***4.5. Findings for the Role of Promotion Strategy on Market Performance***

The following open-ended question was posed to respondents: "What is the role of promotion strategy on market performance?" Many respondents indicated in their responses that the promotion plan plays a part in the enhancement of the sales position or business development. They claimed that without communication, buyers would not be aware of the features, benefits, and plans, and the goals of launching products or services and growing sales would not be achieved. Due to the fact that promotion strategies raise awareness, only then can clients develop an interest in the product and make a purchasing decision. In addition, other respondents mentioned how promotion is important for positioning a brand on the market, informing consumers about the goods or services available, and how choosing they will benefit them. Promotion is also used to generate more leads, increase customer engagement, and position a company's brand. Additionally, some of them mentioned the importance of marketing in differentiating a company from its rivals, reaching a target audience, understanding customers, building a company's brand, increasing demand and subsequent sales, and communicating with the market. Also, a alike result showed on the study by Mumel, D. H [18] showed that there is a significant association between the number of marketing communication actions a company practices and their net sales and customer faithfulness.

#### ***4.6. Findings for the Role of Place Strategy on Market Performance***

Several of the respondents answered that for the question they asked "What is the role of place strategy on market performance?" they said that the main role plaid by placement strategy is providing customers access to the product, and it also calls into play convenience for the customer and where the business will strategically put its products to attract the target audience. Two of the service sector owners said that the key role that distribution plays is satisfying a firm's customers and achieving a profit for the firm as well as it helps to

improve the way customers interact with your business, leading to customer satisfaction and repeat business. In addition, other interviewees explained the role of the place strategy as a means to attracting and retaining the best employees, many of whom keep a close eye on where they're based in order to adjust work-life balance and guides businesses in strategically locating their products and services to ensure they are accessible to consumers.

The above findings are supported by another study conducted by Karanja et al, [11] outlines that channel management influences sales performance by creating a difference to protect brand esteem, authorizing merchants to offer their items at a premium, whereas allowing the channel to up-sell the accurate administrations and back offerings that encounter the customers require.

#### 4.7. Findings for the Role of People Strategy on Market Performance

Most owner-managers replied as the role of people strategy for our market performance is that the services are being provided with the help of employees and customers. By identifying individuals with the potential to develop into leaders and collaborating with them to create a plan for their own leadership development, people strategy also helps to generate a strong leadership channel. It is important to carefully choose, educate, and motivate the employees in order to sustain tremendously satisfied customers. People are therefore essential for service marketing. According to a few of the respondents, a company's whole recruitment, engagement, training, and retention plan—which also emphasizes building relationships between businesses and employees—is described as its "people strategy." One interviewee said "People are the most important component in an information system because it is only a human who can consider information from data because of that without people have no one to market to; no one there to buy our product or make use of our services. One manager of an enterprise said, "If you want your company to succeed, invest in your people." The response from different respondents shows that people strategy can play a great role in the market performance of medium and small enterprises in the study area.

#### 4.8. Findings for the Role of Physical Evidence Strategy on Market Performance

The respondents indicated (Table 1, No. 9), the role of physical evidence strategy on market performance, they stated like physical evidence is the environment in which the service is delivered and where the firm and customer interact, and any tangible components that facilitate performance or communication of the service. Two of the owner-managers responded to the same question with previous interviewees that the physical design and arrangement of the premises create the environment in which the service or product is delivered and it provides tangible cues of the quality of experience that a company is offering. In addition to this one of the owners of a wood and metalwork enterprise responded that physical evidence plays a great role in market performance by determining how physical evidence identifies the service quality expectations and customer perceptions.

#### 4.9. Findings for the Role of Process Strategy on Market Performance

As most of the respondent's response process strategy provides the opportunity for the business to increase production, to create more of whatever it is you make, spending less time on each step of service provided. So without process strategy, the service cannot be delivered properly with uniformity. For availing a service certain activities are to be performed. For that purpose, the procedure, mechanism, and flow of activities by which services are delivered are to be decided. The other participants discussed the role of process strategy in a way that it maintains the standard format for availing the services and is used to prioritize efforts, effectively allocate resources, align shareholders and employees on the organization's goals, and ensure those goals are backed by data and sound reasoning. In addition, one owner of the enterprise said that the role of a process strategy is "to approach transforming resources into goods and services." In general, the process strategy has the role of playing actual procedures, mechanisms, and flow of activities by which the service is delivered termed as the process.

*Table 2. Owner/manager interviews result in summary partially ordered meta-matrices (Item 1-3).*

Item №	Main theme	Responses to interviewees' summary description
1	The Role of Target market strategy on market performance	<ol style="list-style-type: none"> <li>1) Provide a foundation for businesses to plan.</li> <li>2) Likely to reach potential consumers.</li> <li>3) Encourage existing customers to continue purchasing from a company.</li> <li>4) It's part of a universal marketing strategy. Involves segmenting the market, and choosing which segments of the market are appropriate.</li> <li>5) Determining the products that will be offered in each segment.</li> <li>6) Narrowing marketing scope to a more manageable group of people.</li> <li>7) Will also eliminate the cost of over-targeting. Minimize reach to one or two specific markets. Helps to improve the market and personalize your approach towards your customer.</li> </ol>
2	The Role of Segmentation Strategy on market performance	<ol style="list-style-type: none"> <li>1) Help you to improve the performance of your marketing operations. -Helping you to target the right people with the right messaging at the right time.</li> <li>2) Helps to determine which customers you can build relationships.</li> <li>3) It helps us to focus on what segments we want to target with specific products or services.</li> <li>4) Better serve a customer's needs and wants. Market competitiveness.</li> <li>5) Market expansion. Targeted communication.</li> </ol>

Item №	Main theme	Responses to interviewees' summary description
3	The Role of positioning strategy on market performance	1) The purpose of a positioning strategy is that it allows a company to spotlight specific areas where they can outshine and beat their competition. 2) Helps establish our product's or service's identity within the eyes of the purchaser. 3) Makes about the kind of value it will create. 4) How that value will be created differently than rivals? 5) Allows you to influence how others view our product. 6) Creates clarity around whom we serve. It helps to justify our pricing strategy. Helps establish our product's or service's identity within the eyes of the purchaser.

Source: Own survey 2023

**4.10. Findings for the Role of Segmentation, and Positioning Targeting Strategy on Market Performance**

The majority of the respondents responded to the question “What is the role of segmentation strategy on market performance?” they repaid that segmentation strategy is significant for managers to acquire a better understanding of the needs and wants of customers. And this enables them to customize or to ‘tailor’ the company’s marketing activities more accurately and responsibly to the individual customers’ liking. One interviewee said that “segmentation strategy supports businesses in meeting and exceeding their customers’ requirements.” This shows segmentation strategy determines which customers you can build relationships with, how to group them, and what marketing actions to take to best reach your target market. In addition to this three owner-managers responded to a similar question that segmentation strategy plays a role in improving the performance of our marketing campaigns by helping us to target the right people with the right messaging at the right time and it helps them to focus on what segments they want to target with specific products or services. One of the interviewees also said that “segmentation strategy has a great role in giving awareness to give better serve a customer’s needs and wants, market competitiveness, market expansion, and targeted communication.”

As responses found from most of the manufacturing enterprise’s owner-managers (Table 2, No. 1), the role of target market strategy on market performance is “to segment the market, choosing which segments of the market are appropriate, and determining the products that will be offered in each segment”. Therefore, narrowing the marketing scope to a more manageable group of people so that he/she can have a better quality of interaction. Others said that “proper identification of target market has a significant role on a business to understand its audience better and will also eliminate the cost of over-targeting.” So to reach potential consumers and encourage existing customers to continue purchasing from a company, targeting is a very important marketing strategy. The interview investigation of owner-managers shows that there is identifiable target customers or market according to the type of organizations that emerged as well as identifying the target market as an enterprise customer and residential customer this helps them to refine their market and personalize their approach towards the customer. One interviewee responded that “target market

strategy plays the role to decide which segments will be served and identifying any untapped needs in the marketplace, as there could be customers who may not be adequately served by competitors” So Selection of target customers is a fundamental role for small and medium enterprises market performance.

For the question they asked in (Table 2, No. 3), about the role of positioning strategy on market performance, most of the respondents said that positioning strategy the role to: “allows us to influence how others view our product, creates clarity around who serve, it helps us to justify our pricing strategy.” This shows that it helps to establish their product's or service's identity within the eyes of the purchaser. Some of the interviewees stated the role of market positioning as “Positioning plays a role of marketing to enable people to form a mental image of our product in their minds and also positioning has the role of how the product or service is to be perceived by a target market compared to the competition.” One of owner-manager who engaged in service sector enterprise said that “market positioning strategy has a great role on market performance by establishing the image or identity of a brand or product.”

**5. Conclusion**

The main objective of this study was to gain a deeper understanding of the objective which is to assess the role the marketing strategies on the market performance of small and medium enterprises in the study area. Based on fifteen interviews with owners/managers in different firms, it was found that a well-defined marketing strategy leads to an increase in the business market performance. The result of this study shows that product strategy has a great role in the market performance of small and medium enterprises in terms of profitability, increase sales, customer satisfaction, market expansion, etc. This is because it identifies new opportunities, assesses the company's product performance, and helps develop its long-term strategic plans for future product lines.

The findings also discovered that price strategy has an important on business market performance by, providing the right pricing approach which is essential to remain competitive. The effect of promotion strategy on performance is very significant, in that promotion is about communication which brings about and creates awareness, interest, and trial. And key to positioning the brand on the market, making people aware of the products or services they offer, and how they could benefit by choosing them. The

study findings show that the STP strategy has a significant role in the market performance of SMEs. Therefore, the STP strategy helps SMEs to focus on the needs and wants of their customers and improves the performance of their business. The owner/manager of SMEs should develop and implement seriously the product, price, promotion and place, people, process, and physical evidence strategies. Small and medium enterprises should develop market segmentation, targeting, and positioning strategies so that they can give tailored service to their customers and serve them better according to their needs. Local government or educational institutions should initiate, facilitate and give timely pieces of training to business enterprises linked to marketing strategies. Because of some of the enterprises were not properly implement components of marketing strategy.

It is recommended that a similar study will undertake using large enterprises of the same sector and make a comparative analysis. This was conducted by using only fifteen owner-managers of the enterprises so further researcher better to increase the sample size as well as the study area at regional and national level. This study is conducted by using only qualitative data so for further research, it is better to incorporate both qualitative and quantitative data.

## Data Availability

The dataset of this study is accessible from the corresponding author.

## Conflicts of Interest

The authors announce no conflicts of interest.

## Authors' Contributions

The authors carefully read and approved the manuscript to be submitted for publication.

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