



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

**MARKETING MIX FRAMEWORK ANALYSIS FOR
PEPSI COLA AT MOHA SOFT DRINKS INDUSTRY**

**BY
BELAY ALEMAYEHU WOLDEGABRIEL
SGS/0069/2003**

**MAY, 2013
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**A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY COLLEGE,
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DECLARATION

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

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May, 2013

ENDORSEMENT

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

Advisor

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May, 2013

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ABSTRACT

Marketing mix is a set of controllable instruments to manage the marketing of a product or service. The components of such a mix could vary from business to business based on the peculiarity and specific nature of the business. Four Ps of marketing that comprises product, price, promotion, and place is the earliest marketing mix. Since its inception in the 1960s, this model has been applied in the management of the marketing of goods/services. Even if criticisms began to spur in recent decades in the inability of the framework to handle new aspects of marketing, it still has a wider application particularly in the management of the marketing of manufactured goods.

This study tried to analyze the marketing of Pepsi cola at Mohammed Hussein Ali Al Amoudi (MOHA) Soft Drinks Industry Share Company, within the framework of the 4ps of marketing. The study has followed a mixed approach, both quantitative and qualitative, in dealing with the issues that have been investigated. To this effect, primary as well as secondary sources of data have been used. Combination of instruments has been applied to gather information for the study. For instance, structured questionnaire has been used and customer survey conducted to generate quantifiable data for the study. Close to 200 samples were randomly selected and considered to this end.

As to the generation of qualitative information, focus group discussion was conducted with selected members of the sales force of the company who have the knowledge and experience in marketing the product. The information collected was organized and analyzed using descriptive as well as explanatory method of data analysis. Based on the analysis, the application of the 4Ps in the overall marketing management of the company is well underway. However, there existed minor cases that need to be addressed in terms demand, availability and delivery of the product.

CHAPTER ONE

INTRODUCTION

1.1. BACKGROUND OF THE STUDY

Marketing has often been described as the art of selling products. The aim of marketing is to make selling superfluous and understand the customer so well that the product or service fits him and sells itself. (Philip Kotler, 2000)

Ideally, marketing should result in a customer who is ready to buy.(Philip Kotler, 2000). Business organizations develop market strategies that can help them exist sustainably and achieve long term objectives. They use various tools to set appropriate strategies so as to get the desired responses from their target markets. (Chai Lee goi, 2009). One of such tools is a marketing mix. It is a framework that firms use to pursue their marketing goals in the target markets. McCarthy classified marketing mix into four broad groups that he called four Ps of marketing: product, price, promotion and place. (Chai Lee Goi, 2009).

Marketing mix has been extremely influential in informing the development of both marketing theory and practice. The main reasons that marketing mix is a powerful concept are it makes marketing seem easy to handle, allows the separation of marketing from other activities of the firm and the delegation of marketing tasks to specialists (Chai Lee Goi, 2009). As described in Philip K., Kevinlane K., Abraham Koshy and Metileshwar J., (2009), marketing mix analysis explore which part of the advertising budgets are wasted, what optimal spending levels are and what minimum levels should be. Rustom S, Davar (1996), stated that, the 4-Ps is vital in making marketing decisions towards consumer satisfaction and company profitability. He emphasized the need for marketing research which is concerned with gathering the relevant fact so as to formulate appropriate policies to direct the elements of marketing mix effectively towards the consumer.

According to David Jobber (2001), there are four hallmarks of an effective marketing mix:

- The marketing mix matches customer needs
- The marketing mix creates a competitive advantage
- The marketing mix should be well blended
- The marketing mix should match corporate resources

Marketing mix analysis is helpful in answering major questions in international marketing such as: 1) which elements of the marketing mix can be standardized and where is standardization not culturally possible? 2) Which cultural/environmental adaptations are necessary for successful acceptance of the marketing mix? And 3) Will adaptation costs allow profitable market entry? (Philip R. Cateora, 1996). Manipulation of the elements of marketing mix helps to understand ways in which a differential advantage might be achieved and sustained. The effective management of each individual elements of the mix is very important. Besides, the marketing strategist also needs to pay attention to the ways in which the mix as a whole is managed and how the various elements can be integrated to achieve a high degree of synergy (Richard M, S. Wilson, Collin Gilligan, 2005).

As quoted in VS Ramaswamy and S Namakumari(2002), James Culliton coined the expression of marketing mix and described the marketing manager as a mixer of ingredients. Culliton noted that,

the marketing man is a decider and an artist- a mixer of ingredients, who, sometimes follows a recipe developed by others and sometimes prepares his own recipe. And sometimes he adapts his recipe to the ingredients that are readily available and sometimes invents some new ingredients, or experiments with ingredients as no one else have tried before.

The concept of the marketing mix has proved a helpful device in teaching, in business problem solving, and, generally, as an aid to thinking about marketing. It is helpful in providing an answer to the question often raised as to “what is marketing?” A chart which shows the elements of the mix and the forces that bear on the mix helps to bring understanding of what marketing is. It helps explain why in our dynamic world the thinking of management in all its functional areas must be oriented to the market. (Nail H. Borden ,1984).

1.2. COMPANY PROFILE

Mohammed Hussein Ali Alamoudi (MOHA) Soft drinks Industry Share Company is one of the two soft drinks producers in Ethiopia. It is a sole producer of Pepsi-cola products in the country under the franchise agreement with Pepsi-Co. International. The soft drink products which the company currently produces are: Pepsi-cola, Mirinda orange, Mirinda apple, Mirinda tonic, and 7up. It also produces Kool mineral and Tossa Carbonated waters. The soft drinks are available in 300ml returnable bottles. Some of these products are also available in polyethylene (PET) bottles package, the content of which are ranging from 0.5litre- 1.5litre.

The plants under the auspices of the company reached 7(seven). Their list is presented below: -

Table 1:- Factories under MOHA Soft Drinks Industry Share Company and their location

1	Teklehaimanot Pepsi-Cola Plant	Addis Ababa
2	Nefas Silk " "	"
3	Summit Meri Plant	"
4	AwassaMillenium Plant	Awassa
5	Gonder Pepsi – Cola Plant	Gonder
6	Bure Pepsi – Cola Plant	Bure
7	Dessie Pepsi – Cola Plant	Dessie

Source: Company's profile bruchure

MOHA holds 52% of the market share in the soft Drinks Industry of Ethiopia. The annual turnover of the company has reached at an average growth of 12%

1.3. PROBLEM STATEMENT

Moha Produces many product among which Pepsi Cola is one. However the sales volume of Pepsi cola has sharply declined in recent years as compared with other products of the company.

Table 2:- Market Share of Pepsi Products

Fiscal year	Pepsi	Mirinda Orange	Mirinda apple	Mirinda Tonic	7up
2008/2009	35%	53%	6%	2%	4%
2009/2010	34%	59%	4%	1%	2%
2010/2011	30%	60%	7%	1%	2%
2011/2012	24%	66%	7%	1%	2%
2012/2013	21%	69%	7%	2%	2%

Source: Annual Report of the company

This problem is more critical in Addis Ababa. Since Pepsi cola is a flagship brand among the products in the product list of the company, the management of the company has been more concerned about this problem, and raised the issue in various meetings as to how to increase the sales volume of the product.

However, despite the efforts made so far the problem remained unresolved and continues to affect the marketing activity of the company and its overall performance at large. The purpose of this study is therefore, to analyze the marketing of Pepsi cola within the framework of marketing mix and come up with a solution to alleviate the early mentioned problem.

1.4. BASIC RESEARCH QUESTIONS

In line with the problem statement the study will address the following questions:

- What are the major features of Pepsi cola?
- What price strategies are being adopted by the company?
- How is the company promoting its products?

- In what ways does the company distributes its products?
- Why the market share for Pepsi cola is declining

1.5. OBJECTIVES OF THE STUDY

The major objective of the study is to make an extensive analysis of the marketing mix frame work of Pepsi cola at MOHA Company.

The specific objectives of the study include the following:

- Examine the product feature of Pepsi-Cola
- Identifying the pricing strategy adopted by the company
- Investigate how the company is promoting Pepsi cola
- Analyze the distribution strategy of the company
- Examine why the demand for Pepsi cola is declining
- Recommend possible solutions to the management regarding the marketing mix framework used by the company.

1.6. SIGNIFICANCE OF THE STUDY

This study is believed to have the following significances:

- a) The study will be used by the management of the company to resolve the problem of sales decline.
- b) It will serve as a stepping stone for other researchers to undertake further study
- c) It enhances the research skill & knowledge of the researcher.
- d) The finding of the study will add knowledge on the existing stock of knowledge

1.7. SCOPE AND LIMITATIONS OF THE STUDY

This study is bounded in investigating the marketing mix of the two factories operating in Addis Ababa. One of the plants in Addis Ababa is not considered in this study due to the financial problem faced by the student researcher to collect primary data. The study is therefore delimited by the number of respondents which in turn affect the representativeness of the samples considered.

The study is also delimited by the geographical locations of the plants. There are plants under the auspices of the company located in different regions of the country and as a result not considered in this particular research. Therefore, the result from the study does not reflect the reality in the country concerning the issue to be investigated. Another limitation that should be mentioned here is that secondary data are not available as required, since the culture of organizing data base has not yet been developed in business organizations like the one under the study.

Furthermore, as the issue raised in the study is not yet researched well in Ethiopia, the student researcher has faced difficulty in obtaining sufficient information to understand what has been done so far in this regard and learn about the data collection techniques and methods of data analysis employed in the previous researches. Also, it was difficult to include the methods, findings and conclusions of earlier studies undertaken domestically.

1.8. DEFINITION OF TERMS

Marketing: - is a set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners and society at large.(American Marketing Association, 2007).

Marketing management: - is the analysis, planning, implementation, and control of programs designed to bring about desired exchanges with target audiences for the purpose of personal and mutual gain.(Philip and Gerald, 1971).

Marketing strategy: - is an endeavor by an organization to differentiate itself from its competitors, using its relative corporate strengths to better satisfy customer needs in a given environmental setting.(Collins N. Amanze, 2008).

Marketing mix: - is a tool that can be used by firms to set appropriate strategies so as to get the desired responses from their target markets. It is a framework businesses use to pursue their marketing goals in the target markets. (Chai Lee Goi, 2009).

Four Ps of marketing: - is a marketing mix comprising of product, price, promotion, and place.(Mcarthy, 1964).

Product: - is anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need. (Ayad et al and Majed, 2012)

Price: - is the amount of money charged for a product or service or the total values that consumers exchange for the benefits of having or using the product or service. (Ayadet.el, 2012)

Promotion: - is an institution ability to communicate its customers. It includes sales promotion, advertising, personal selling, public relations and direct marketing.(Anas Al Fatal, 2010).

Place: - is an activity of a business that involves decisions concerning the distribution channels to be used and their management, the locations of outlets, methods of transportation and inventory levels to be held. (David Jobber, 2001).

CHAPTER TWO

REVIEW OF RELATED LITERATURES

In this chapter an intensive literature review has been made on marketing, marketing management, strategy and mix as well as the marketing mix of PepsiCo; an international food and beverage company.

2.1. MARKETING IN PERSPECTIVES

The concept of marketing has been defined in strand of literatures from the perspective of varying attitudes. For instance, Philip Kotler (2000), distinguished between a social and managerial definition. According to him the societal definition of marketing is, “a process by which individuals and groups obtain what they need and want through creating, offering and exchanging products and services of value freely with others.”(Philip Kotler, 2000).

As indicated in the text cited earlier, Peter Drucker, a leading management theorist, described that the aim of marketing is to make selling superfluous, to know and understand the customer so well that the good or service satisfy his need. The ultimate goal of marketing is to create a consumer who is always ready and willing to buy the designed product or service. (Philip K., 2000).

The American Marketing Association (2007), defined marketing as an activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners and society at large. (<http://www.marketing power.com>)

Marketing has also been defined as, the activities of a company associated with buying and selling a product or service. It includes advertising, selling, and delivering products to people. People who work in marketing departments of companies try to get the attention of target audiences by using slogans, packaging design, celebrity endorsements and general media exposure. (www.investopedia.com). Marketing is

practiced and studied for different reasons. Thus, it has been defined in many ways, for academic, research, or applied business purposes. According to the U.K. Chartered Institute of Marketing, “Marketing is the management process responsible for identifying, anticipating and satisfying consumers’ requirements profitably. In his article entitled with, “Marketing: Towards a paradigm shift in marketing”, Christian Gronroos (1994), forwarded that marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational goals. Philip Kotler and Gerald Zaltman(1971), argued that there is no universal agreement on the definition of marketing and made the following statement.

Marketing has been described by one person or another as a business activity; as a group of related business activities; as a trade phenomenon; as a frame of mind; as a coordinative and integrative function in policy making; as a sense of business purpose; as an economic process of exchanging or transferring ownership of products; as a process of concentration, equalization, and dispersion; as the creation of time, place and possession utilities; as a process of demand and supply adjustment; and many other things.

The researchers added, in spite of such diverse and sometimes confusing definitions, the core idea of marketing relies on the exchange process. (Philip and Gerald, 1971). They emphasized that marketing does not occur unless there are two or more parties, each with something of value to exchange, and both able to carry out communications and distribution. (Philip K. et.al,1971).

Based on the above explanation, the whole idea of marketing lays in exchange process. From this, another new concept, which is marketing management, can be postulated. Marketing management is the analysis, planning, implementation, and control of programs designed to bring about desired exchanges with target audiences for the purpose of personal and mutual gain. It relies heavily on the adaptation and coordination of product, price, promotion and place for achieving effective response. (Philip K. et.al, 1971).

Philip Kotler and Gary Armstrong, (2004), defined marketing management as, the process of ascertaining consumer needs, converting them into products and services, and then moving the product or service to the final consumers or users to satisfy such

needs or wants with emphasis on profitability and insurance that optimum use is made of the resources available to the organization. (Philip K. and Gary Armstrong, 2004).

2.2 MARKETING STRATEGY

Business firms need to develop a comprehensive marketing strategy to realize their objectives. According to Philip Kotler and Gary Armstrong (2004), marketing strategy is the marketing logic by which the business unit hopes to achieve its marketing objectives. It is an endeavor by an organization to differentiate itself from its competitors, using its relative corporate strengths to better satisfy customer needs in a given environmental setting. (Collins N. Amanze, 2008). In the business market there are consumers to be specifically targeted by a certain business organizations.

These customers are at the center of the marketing strategy of the organization or company. After carefully studying the overall market, then the company identifies the promising customers and design a strategy to serve them using marketing mix tools under its control. (Collins N. Amanze, 2008). Walker, Boyd, Mllins and Larreche (2003), stated that the primary focus of marketing strategy is to effectively allocate and coordinate marketing resources and activities to accomplish the firm's objectives within a specific market. They argue that, the critical issue concerning the scope of the marketing strategy is specifying target market for a particular product or product line. Following this, company's seek competitive edge and synergy by means of a well-integrated program of marketing mix elements designed to satisfy the needs and wants of potential customers in that market. (Orville C. Walker, Harper W. Boyd, John Mullins, and Jean-Claude Jarreche, 2003).

Peter Doyle (2002) described marketing strategy as a means to achieve the objectives of a firm and stated that such a strategy is built around two cornerstones: the choice of target market segment or segments; and the choice of differential advantage which are critical components of positioning strategy of a business. He emphasized that, a clear statement of positioning strategy of a business is very important because it defines all the proceeding decisions in the implementation of the overall strategy.

Berkowitz, Kerin, Hartley and Rudelius (1994), contributed the explanation for marketing strategy. According to these authors, marketing strategy is the means by which a marketing goal is to be achieved characterized by 1) a specified target market and 2) a marketing program to reach it.

2.3. MARKETING MIX: AN OVERVIEW

2.3.1. HISTORY

As described in International Journal of marketing studies vol.1 no.1 May 2009,

Borden claims to be the first to have used the term “marketing mix” and that it was suggested to him by Culliton’s description of a business executive as “mixer of ingredients. An executive is “a mixer of ingredients who sometimes follows a recipe as he goes along, sometimes adapts to the ingredients immediately available, and sometimes experiments with or invents ingredients no one else has tried.

As stated in the journal mentioned earlier,” Borden’s original marketing mix had a set of 12 elements namely: product planning, pricing, branding, channels of distribution, personal selling, advertising, promotions, packaging, display, servicing, physical handling, and fact finding and analysis.

Stackelberg (1939) provides the early marketing concept in a similar way to the notions of marketing mix based on the idea of action parameters. In 1955, Rasmussen developed what was known as “parameter theory” by which he proposed the four determinants of competition and sales are price, quality, service and advertising.”

Mickwitz (1959) applied the Rasmussen’s theory to the product life cycle concept; Frey (1961) suggested that marketing variables should be divided in to two major parts: the offering that comprised of product, packaging, brand, price and service; and the methods and tools which consisted distribution channels, personal selling, advertising, sales promotion and publicity.

As in the same literature, McCarthy (1964) defined the marketing mix as a combination of all of the factors at a marketing manger’s command to satisfy the target market. He

condensed Borden's 12 elements to four elements and came up with four elements of marketing mix or 4ps namely product, price, promotion and place.

On another development, Lazer and Culley (1962) and Lazer, Culley and Staudt (1973) proposed three elements of marketing mix: 1) The goods and services mix 2) The distribution mix 3) The communication mix

2.3.2. CONCEPTIONS AND IDEAS

The marketing mix that businesses apply to design their market strategy can considerably differ from one another according to the resources at their disposal, market conditions and changing needs of clients. The importance of some elements within the marketing mix will vary at one point in time. (ChaiLeeGoi, 2009)). As McCarthy (1960) point out and quoted in the same article cited earlier, "the number of possible strategies of marketing mix is infinite".

Marketing mix is a tool that can be used by firms to set appropriate strategies so as to get the desired responses from their target markets. (ChaiLeeGoi, 2009). It is a framework businesses use to pursue their marketing goals in the target markets. McCarthy (1964) classified marketing mix in to four broad groups that he called four Ps of marketing: product, price, place and promotion.

ChalachewAdege (2010) stated that, St. George brewery exploits all the 4ps of marketing mix to achieve its objective. He argued, the marketing mix analysis has the ability to help the company implement the right marketing strategy to satisfy the needs of its target customers. Finally, he has recommended that the company should constantly alter the sub elements of each marketing mix to successfully compete with competitors and offer the greatest value to its customers. (Chalachew Adege, 2010)

SulekhaGoyat (2011) argued that through market segmentation a firm can provide higher value to customers by developing a market mix that addresses that specific needs and concerns of the selected segment. He added that, it is impossible for companies to design a marketing mix that would equally serve the needs of every consumer.

The module of marketing management at Makerere University (2011) depicted that marketing mix comprises the product, price, place (distribution) and promotion decisions. It described the above mix as the right combination of marketing activities to ensure customer satisfaction and also emphasized business organizations should identify and know the needs of their target customers and design strategy suitable to run a customer oriented marketing system.

Gerard J. Tellis (2006), referred marketing mix as variables that a marketing manager can control to influence a market share and questioned what level or combination of these variables maximizes sales, market share, or profit. Furthermore, he notified that planning the marketing mix is a central task in marketing management and prudent planning necessitates considering how markets have responded to the marketing mix in the past. Finally, he suggested that the econometrics response modeling describes how a researcher should model response to the marketing mix so as to capture the most important effects validly.

According to Mehrdad Ali pour & Elham Darabi (2011), tools and tactics in marketing are the marketing mix. The researchers believed that marketing mix are vital to translate a company's market strategy and the intention of the mix should be harmonic to be effective in influencing and proving customers.

Ayed Al Maula and, Majed Al Qurneh (2012), have found that the product, price, personnel & place have positive impact on tourist satisfaction and loyalty, in their study of the relationship between marketing mix and loyalty through tourists' satisfaction in Jordan curative tourism. This research measured the relationship between marketing mix strategy, as the determinant variable of tourist satisfaction as well as the relationship between tourist satisfaction and tourist loyalty. The result of the study has shown that satisfaction will lead to loyalty as well. The researchers expressed that their study has been limited by the lack of prior researches on the issue they have investigated.

Al Fattal, (2011) defined marketing mix as a marketing model strategy with a set of controllable elements available for an institution to shape the nature of its offer to customers. The researcher quoted palmer (2001, 10, 11), to show the limitations of the

4Ps for using in the service or education industry and explained that these limitations stem from the educational service; it exceeds the four Ps to some other elements. Then he discussed the 7Ps model suggested by Kotler and Fox (1995), which depicts the marketing mix in educational context consisting of seven marketing tools, "7Ps"; 'program, price, place, promotion, processes, physical facilities and people.

The researcher summarized his study by assuring that the 7Ps marketing mix is a possible model to direct educational institution towards a more strategic and systematic marketing approach. In the summary, the possibility of modifying the mix, the need for matching and blending the mix, the importance of mix in influencing customers' choice are seriously considered.

Mohammad Amzad, Hossain Sarker, Wang Aimin and SumayyaBegum (2012), in their study on the impact of marketing mix elements on tourist satisfaction, they identified 7Ps; product, price, place, promotion, people, process & physical evidence. In their analysis, they found that price has no significant positive relationship with tourist's satisfaction. However, the remaining six elements have significant relationships with tourists' satisfaction.

They concluded that, all of the variables except price have considerable effect on tourists' satisfaction. Prof, Elisante Ole Gabriel (PhD, Marketing), a lecturer at Mzumbe University of Tanzania, raised an issue about the nature of business that there is no more pure service and pure goods. He explained business as a combination of both goods and services and further suggested that the expanded marketing mix is the 'real mix' in the business of the new millennium. Finally, he discussed that the 4Ps of marketing ignored important facets of the marketing of services and then called for 7Ps adding 3Ps to the traditional mix of marketing.

2.3.3. COMPONENTS OF MARKETING MIX

2.3.3.1. PRODUCT

As defined by Kotler and Armstrong (2008), product is anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need. (Ayad and Majed, 2012). While designing a product strategy issues as product variety, quality, design, features, brand name packaging, sizes, services, warranties and returns should be considered.

The product offering can be manipulated to create different market effects at three levels: the core product, the tangible product and the augmented product. At its core a product is not a physical entity but rather the benefits that it offers to customers. Those benefits could be physical or psychological in nature. The tangible product refers to its features, quality, styling, packaging, branding and labeling. Augmented product is that additional services elements which are attached to the product such as after sales service, extended guarantees, credit facilities, technical advice and product trials.

With regard to the service the product offer can be explained in two components: -

The core services which represent the core benefit; the secondary services which represent both the tangible and augmented product levels. The later can best be understood in terms of the manner of delivery of the particular service. (Ayad et.al, 2012)

2.3.3.2. PRICE

As quoted by Ayad et.al (2012), Kotler, Armstrong, Wong and Saunders (2008), described price as the amount of money charged for a product or service or the total values that consumers exchange for the benefits of having or using the product or service prices should be set in relation to specific pricing objectives. Decisions concerning the pricing of a product or services include payments, terms, discounts, contract and pricing. Prices have to reflect the costs of production and marketing as

well as targeted profit margins. A variety of approaches may be taken to pricing including cost based, demand based, competitor based and market based.

Price is a key element of the marketing mix because it represents on a unit basis what the company receives for the product or service which is being marketed. (David Jobber, 2001).

A company's pricing decisions are affected by both internal and external factors. The internal factors include the company's marketing objectives, marketing mix strategy, costs and organizational considerations. Internal factors that have impact on pricing decisions include the nature of the market and demand, competition, and other environmental elements. (Philip K and Gary Armstrong, (2004). Setting the base price for products is a decision which is a very challenging task that requires careful considerations of multiple marketing variables (Michael J Etzel, Bruce J walker & William J. Stanton, 2004))

2.3.3.3. PROMOTION

A promotion is an institution ability to communicate with its markets. (Anas Al Fatal, 2010). As defined by Borden (1984), and quoted in Ayedet.al. (2012) promotion is defined as sales promotion, advertising, personal selling, public relations and direct marketing.

These activities can influence consumer's way of thinking, their emotions and experience as well as their purchasing. The whole purpose of promotional activities relates the product to the target customer and persuades them to buy it (Ayed et al, 2012) Promotional activities are more effective when they are sustained and targeted. (Anas Al Fatal, (2010))

According to palmer (2000), and quoted in ZelalemAnley (2011), the success of a promotional activity of a company is dependent on the successful execution of each activity in the overall mix i.e. advertising will not succeed unless good personnel selling and sales promotion support it. Any promotional decision has to take into account the activities in the mix. This includes sales promotions, personal selling, advertising, public relations, direct marketing, internet and on line promotion. Rustom S.Davar (1996), stated that, strategies are needed to combine individual methods

described earlier into an integrated communication campaign. Such strategies should also be improved and adjusted as a product moves from early stages to the final stage of its life cycle. (Michael J., Bruce J. and William J., 2004)

2.3.3.4. PLACE

Place involves decisions concerning the distribution channels to be used and their management, the locations of outlets, methods of transportation and inventory levels to be held. The intention here is to ensure the availability of the products or services in the required qualities at the right time and place. The distribution channels consist of organizations such as whole sellers or retailers through which goods are channeled on their way to customers. (David Jobber, 2001)). The distribution activity also includes warehousing and transportation facilities. (Rustoms S. Davar, 1996)

According to Anderson and Vince (2004), and quoted in ZelalemAnley (2011), distribution can be described as a set of interdependent organizations involved in the process of making a product or service available for consumption.

Place in marketing mix consist all company activities that make the product available to the targeted customers. (Kotlerand Armstrong, 2004). In general while planning for product placement strategy under marketing mix analysis companies consider six different channel decisions including choosing between direct access to customers or involving middlemen ,choosing single or multiple channels of distributions, the length of the distribution channel, the types of intermediaries, the numbers of distributors, and which intermediary to use based on the quality and reputation. (Proctor, 2000)

The strategy of place needs effective distribution of the firm's products among the channels of marketing like wholesalers and retailers (Berman, 1996). Here strategies relate the channels by which ownership of products is transferred from producer to consumer and, in many cases, the means by which goods are moved from where they are produced to where they are purchased by the final customer. Besides, any intermediary or middleman must be selected and their rules designed. (Michael J. Etzel, Bruce J walker and William J. Stanton, 2004)

2.4. BENEFITS AND ADVANTAGES OF MARKETING MIX

There are many benefits of the marketing mix and reasons why they should be used. For every company has to allocate a portion of its precious resources towards its marketing efforts, and they need to be used in the most effective way, marketing mix provides a valuable framework for the efficient allocation of such resources.

Also, a well-blended marketing mix help with goal achievement, as it has constituted the company's tactical tool-kit for establishing strong positioning in the target markets. It can promote customer satisfaction by delivering a special element in the mix. For instance "price" could be fixed in such a way that imposes minimum cost to the customers and "promotion" activities may be designed in a way to properly and completely communicate the message of the company to targeted consumers in the correct markets. Above all, a well-constructed marketing mix can provide invaluable information to marketers and for new investors.

Advantages of the marketing mix include its capability of providing business organizations with a standard for allocating resources. This helps company's plan their marketing based on selected criteria and effectively implement set objectives. Marketing mix allows companies to look at the different marketing considerations with a view to finding out how best to allocate the resources at their disposal.

A well designed and implemented marketing mix helps company's orient their marketing activities towards the satisfaction of their targeted customers and effectively promote the products and services they offer to the selected places or markets.

2.5. CRITICISMS AND LIMITATIONS OF MARKETING MIX

Although the concept of the marketing mix has contributed significantly in the management of marketing it has never been free of criticisms. Several authors have been suggesting that the four Ps frameworks should not be considered as the foundation of consumer marketing management any longer. The majority of these researchers and writers expressed serious doubts as to the role of the mix as a marketing management tool in its original form and then proposed alternative approaches such as adding new

parameters to the original mix or replacing it with alternative frameworks. (E. Constantinides, 2006)

According to E. Constantinides (2006), some of the areas considered as the weaknesses of the 4Ps include:

-Internal orientation- a frequent objection underlying the mix's explicit lack of customer orientation.

-Lack of consumer interactivity- some researchers argue that allowing better interaction with customers reduces that the customer defection rates and increases customer trust. However, the mix ignores the evolving nature of the consumer who demands not only higher value but also more control on the communication and transaction process.

-Lack of strategic elements- researchers like Ohmac (1982), Vignali and Davies (1994), argue that lack of strategic content is a major deficiency of the framework making it un fit as a planning instrument in an environment where external and uncontrollable factors define the firm's strategic opportunities and threats. (E. Constantinides,2006)

The mix does not take into consideration the unique elements of services marketing and does not mention relationship building and/or experience sharing with customers which has become a major focus of modern marketing. (Chai Lee Goi, 2009)

Although marketing mix modeling helps to isolate effects, it is less effective at assessing how different marketing elements work in combination. (Philip K et.al. 2009). Wharton's Dave Reinbstein also notes three other shortcomings:

- 1) Marketing mix modeling focuses on incremental growth instead of baseline sales or long-term effects
- 2) Despite their importance, the integration of metrics such as customer satisfaction, awareness and brand equity into marketing mix is limited
- 3) Marketing mix modeling generally fails to incorporate metrics related to competitors, the trade, or the sales force and trade promotion than on advertising or consumer promotion

Other critics of the 4-Ps approaches to the marketing mix argue that it oversimplifies the reality of marketing management. As described in Jobber (2001), for instance, Booms and Bitner argue for 7-Ps approach to services marketing. Their argument is that the 4-Ps does not take sufficient account of people, process and physical evidence. The same author, also stated, the argument of Rafiq and Ahmed that this criticism of the 4-Ps can be extended to include industrial marketing (Jobber, 2001). Despite the fact that marketing mix analysis is used as a synonym for 4-Ps of marketing, it is criticized on the point that it caters seller's view of market analysis, not customers view. To tackle this criticism Lauterborn (1990), attempted to match 4-Ps of marketing to address consumer view:

- Product- Customer solution
- Price- Customer cost
- Placement- Convenience
- Promotion- Communication

However, with all these criticisms and limitations, because of its simplicity perhaps, the use of this framework remains strong and many marketing text books have been organized around it. In spite of its deficiencies the 4-Ps remains to be major elements of the marketing mix. (Chai Lee Goi, 2009).

The purpose of this study is therefore, to analyze the marketing of Pepsi-cola at Moha Soft Drinks Industry shareCompany within the framework of marketing mix

2.6 MARKETING MIX OF PEPSICO

PepsiCo is one of the world's largest food and beverage companies with 2007 annual revenue of more than 39 billion US dollars. The company employs approximately 185000 people worldwide, and its products are sold in approximately 200 countries through its marketing mix which are the following: Product, price, promotion and place (www.docstoc.com)

2.6.1 PRODUCT

PepsiCo's beverage products are: Diet Pepsi, Gatorade, Mountain Dew, Thirst Quencher, Tropicana, Aquafina, Bottled Water, Sierra mist. It also produces, Savory and Snacks such as Fritos corn chips, Cheetos, Ruffles potato chips, Lays potato chips, Tostitos, Doritos. Other food products in the list are breakfast cereals, cakes and cake mixes. PepsiCo recently created Baked Snacks North America Business Unit to meet consumers' interest in more nutritious snacks and foods. (www.marketingteacher.com)

The Pepsi-Cola drink contains basic ingredients in most of other similar drinks including carbonated water, high fructose corn syrup, colorings, phosphoric acid, caffeine, citric acid and natural flavors. The caffeine free Pepsi-Cola contains the same ingredients but no caffeine. (www.scrib.com). Pepsi follows one quality standard across the globe. It has a long standing commitment to protecting the consumers whose trust and confidence in its products is the bedrock of its success.(www.docstoc.com).

In order to ensure the consumers' stay informed about the global quality of all Pepsi products sold in the world, Pepsi products carry a quality assurance seal on them. PepsiCo analyze water, sugar, and flavorings in accordance with the best international guidelines. Therefore, Pepsi products are safe and comply with most stringent international regulations, including the new regulations for carbonated soft drink. (www.docstoc.com).

2.6.2 PRICE

PepsiCo's drink pricing strategies may be heavily influenced by its working relationship with Wal-Mart, whose low price themes put pressure on PepsiCo to hold down prices. (www.marketingteacher.com). Pricing decisions are almost always made in consultation with the marketing management. Price variables such as dealers' price, retail price, discounts, allowances, credit terms etc. influence the development of marketing strategy, as price is a major factor that influences the assessment of value obtained by customers. Pepsi being a company which emphasizes product quality, it intends to sell its products with price range from moderately low to high prices depending on the use and the targeted customers. (www.docstoc.com).

Expenses related to transportation, ingredients and labor continue to pressure the beverage industry towards price increases. However, the company strives to cut or maintain current price by cutting overhead, re-engineering the manufacturing process, and expanding its use of inexpensive and recyclable plastic bottles. (www.marketingteacher.com). PepsiCo uses the competition from rivals as a basis for price decision. The best thing about the company is that it is very flexible and it can come down with the price very quickly. The company is renowned to bring the price down even up to half indeed. (www.scrib.com)

But, this risk taking attitude has brought a loss to the company. Even though lowering the price would attract the customers but it would not help them cover up the cost incurred in production and hence causing losses. This was the situation in earlier periods of the company but now PepsiCo is a full-fledged and rapidly growing company. (www.scrib.ccom).

2.6.3. PROMOTION

Promotion is a key element in the marketing mix of PepsiCo and is concerned with effectively and efficiently communicating the decisions of marketing strategy to favorably influence target customers perceptions and satisfy their needs, thereby achieve the objectives of the company. PepsiCo has advertised its products through many different ways and media. Through TV, for instance different advertisement of Pepsi has been televised. (www.docstoc.com).

It also advertises its products by targeting those favorable television programs, like sports and other programs presented to viewers in series. Besides, PepsiCo uses events, newspapers and posters to promote its products and make people aware of its offers. (www.docstoc.com). PepsiCo instituted a so called Pepsi stuff promotion whereby customers could accumulate Pepsi points from buying various products and use these points to buy another product. In 2009 Pepsi launched its “Pepsi Throwback” campaign offering a drink with the sugar content of its original product. (www.marketingteacher.com).

2.6.4. PLACE

PepsiCo is primarily a US based company with approximately 52% of its revenue located in the states. Today, it has spread in the world. It is in the midst of making a \$1000 million investment in China and a \$500 million investment in India. Both initiatives are part of its expansion into international markets and a lessening of its dependence on US sales. In addition, PepsiCo plans on major capital initiatives in Brazil and Mexico and also acquiring Russia's leading Juice Company, Lebedyansky, and V Water located in the United Kingdom. When entering a new market the company does not go in alone but it looks for partners and mergers. ([www.marketingteacher](http://www.marketingteacher.com)).

Until now, Pepsi has collaborated with companies like Quaker Oats, Frito-Lays, Lipton, and Starbucks etc. (www.scrib.com). Decisions with respect to distribution channel focus on making the products available in adequate quantities at places where customers are normally expected to shop for them to satisfy their needs. Depending on the nature of the product the marketing management decides to put into place an exclusive, selective or intensive network of distribution while selecting the appropriate dealers or wholesalers. (www.docstoc.com).

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

This particular chapter deals with how the research was designed, population and sampling techniques considered, and types of data as well as instruments employed for data collection. Moreover, procedures of data collection and methods of data analysis are also addressed in this chapter.

3.1. RESEARCH DESIGN

This is a survey type of research which followed mixed approach. Both quantitative and qualitative analyses are used to conduct the market study. Towards providing answers to the questions considered in the research and thereby achieving the objective of the study, data have been collected from randomly selected customers of Pepsi cola found in Addis Ababa. In addition qualitative information have also been gathered from the management and employees of the plants under the study and analysis has been carried out using the four Ps of marketing mix as a framework.

3.2 POPULATION AND SAMPLING TECHNIQUES

The population for the study was customers in the sales territories of the two factories under study. According to the list of sales outlets of the two plants considered in this particular study, the total number of customers in their sales areas reached 12033. From these customers, 200 (two hundred) samples were randomly selected and considered in the study.

The following statistical formula has been applied to determine the sample size:

$$n = \frac{N}{1 + N(e)^2}$$

Where n is the sample size, N is the population size, and e is the level of precision. (Glenn D. Israel, 1992)

The sample size for this particular research was determined using the above formula and it is believed to be representative at 93% level of confidence and 0.07 precision level.

3.3 TYPES OF DATA AND INSTRUMENTS OF DATA COLLECTION

Primary sources of data were utilized to undertake this research. To this end, multiple instruments such as self-administered questionnaire, focus group discussion guideline have been designed and implemented for the purpose of generating first hand data for the study. In addition, secondary sources of information such as books, articles, journals, annual reports and other relevant company documents have also been used in the research.

3.4 PROCEDURES OF DATA COLLECTION

For the primary data collection 200(two hundred) self-administered questionnaires were distributed to the randomly selected samples of customers in Addis Ababa. In addition to the English version of this instrument, an Amharic version has been developed and distributed so as to facilitate easy understanding and response of the questions for those respondents who are not able to read the English version. Of the total distributed questionnaires 197 had been collected after being filled by the respondents and the data generated were entered into a computer and as a result the raw data set for the study has been created.

Furthermore, the focus group discussion with the members of the management and employees were conducted based on the guideline prepared by the researcher. The discussion was moderated by the student researcher and the information obtained has been summarized.

3.5 METHODS OF DATA ANALYSIS

3.5.1. Quantitative data analysis

The primary data generated through the self- administered questionnaire has been categorized in a way that suits to address the research questions raised in the study.

The categorization includes:

- Product dimension
- Price dimension
- Promotion dimension
- Distribution dimension
- Demand state

It was based on this categorization that the data entered into Microsoft excel and the raw data set has been established. Following this, the raw data has been imported to SPSS and then frequency tables have been produced for all response variables in the data set. Therefore, descriptive analysis has been carried out using the frequency tables and on the basis of the categorization mentioned here above.

3.5.2. Qualitative data analysis

Discussions have been carried out with the managers and employees in the marketing division as well as the focus group members. Qualitative information obtained from the discussions has been summarized and analyzed.

3.6 ETHICAL ISSUES

Marketing research require a serious ethical consideration. Cognizant of this fact the researcher has taken all precautions while securing the necessary information for the accomplishment of the project objective. The researcher has exerted effort to get the consent of the organization under study prior to the collection of the data. Besides, the

employees who participated in the interview and focus group discussions have been informed in advance about the objective of the study so as to insure their voluntariness.

Customers who are the subject of the survey conducted were briefed about the importance of the study and their valuable contribution in providing information. These people have been treated with respect and care as the same time they were assured that the data obtained from them kept confidential and only be used for academic purpose. The attempt here was to foster trust in the research process and get honest opinion from the respondents.

Finally, the data has been collected with strict adherence to the aforementioned research ethics and code of conduct of the organization. The researcher took maximum care to avoid the conflict of interest that may arise as a result of working in the organization under consideration and made a report of the information collected from all the participants in the study objectively and honestly.

CHAPTER 4

RESULTS AND DISCUSSION

In this chapter data that have been collected through questionnaires and focus group discussion are presented, interpreted and discussed. The data collected from customer survey were analyzed using descriptive statistics whilst the information from the focus group discussion is presented in a narrative form.

4.1. RESULTS

4.1.1. Analysis of Data Pertaining to the Study

Product Dimension

Table 3:- Quality of Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Excellent	3	1.5	1.5	1.5
Fair	42	21.3	21.3	22.8
Good	73	37.1	37.1	59.9
Poor	39	19.8	19.8	79.7
Very Good	40	20.3	20.3	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

According to the summary in table 3, 73(seventy three) respondents have evaluated the quality of Pepsi cola as good. Others 42(forty two), customers or 21% of the total respondents forwarded their judgment as fair. This is followed by the response from some 40(forty), participants who chose to have expressed their view by saying the quality of Pepsi cola is very good.

Whereas, out of the 197(one hundred ninety seven) sample customers, close to 20% have answered the early mentioned question by rating the quality of Pepsi cola as poor. Only three have provided excellent rank for the quality of Pepsi cola.

Table 4:-Quality of Pepsi cola VS Coca cola

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	About the same	39	19.8	19.8	19.8
	Much better	28	14.2	14.2	34.0
	Much worse	20	10.2	10.2	44.2
	Somewhat better	55	27.9	27.9	72.1
	Somewhat worse	55	27.9	27.9	100.0
	Total	197	100.0	100.0	

Source: Survey, 2013

Concerning the quality of Pepsi cola as compared to Coca cola, about 28% responded somewhat better and somewhat worse, respectively. Nearly 20% had the opinion that both cola drinks have the same quality. However, 14% and 10% of the total respondents reacted by making a much better and a much worse choice among the alternatives, respectively (see table 4).

Table 5:- Package of Pepsi cola

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Attractive	77	39.1	39.1	39.1
	Less attractive	38	19.3	19.3	58.4
	Not attractive	43	21.8	21.8	80.2
	Somewhat attractive	27	13.7	13.7	93.9
	Very attractive	12	6.1	6.1	100.0
	Total	197	100.0	100.0	

Source: Survey, 2013

With regard to the package of Pepsi cola, 39% of the respondents have formed the opinion of attractive. In contrast, 22% have responded not attractive and 19.3% have described it as less attractive. The remaining 14% and 6% of respondents have

suggested that the Pepsi cola's package is somewhat attractive and very attractive, separately (see table 5).

Table 6:- Attributes of Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	9	4.6	4.6	4.6
Appearance	6	3.0	3.0	7.6
Brand	27	13.7	13.7	21.3
Package	8	4.1	4.1	25.4
Safety	29	14.7	14.7	40.1
Taste	118	59.9	59.9	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

About the question asked to the sample customers as regards to what influence them more to buy Pepsi cola, of the 188(one hundred eighty eight) respondents who responded to this particular question, significant portion or about 60% them have chosen taste of the product. This was followed by 15% respondents who expressed that safety of the product is what influences their buying. Others, 14% of the total respondents are found to be influenced by the brand image of Pepsi cola. The rest 4.1% and 3% have considered package and appearance as their influential attributes (see table 6).

Table 7:- Customers likelihood of continuing to buy Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	.5	.5	.5
Extremely likely	8	4.1	4.1	4.6
Most likely	103	52.3	52.3	56.9
Most unlikely	26	13.2	13.2	70.1
Not likely	32	16.2	16.2	86.3
Unknown	27	13.7	13.7	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

As can be understood from the table 7, out of the respondents who have responded of their likelihood to continue buying Pepsi cola, 52% have responded most likely , 16% answered not likely and 14 % have said that their reaction is unknown now. Some 13.2 % have made a response of most likely and the remaining 4% extremely likely.

Price Dimension

Table 8:- Current price of Pepsi cola

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Cheap	2	1.0	1.0	1.0
	Exorbitant	1	.5	.5	1.5
	Expensive	57	28.9	28.9	30.5
	Fair	91	46.2	46.2	76.6
	Very expensive	46	23.4	23.4	100.0
	Total	197	100.0	100.0	

Source: Survey, 2013

As can be seen from table 8, a total of 197(one hundred ninety seven) respondents expressed their view about the current price of Pepsi cola. Out of these, 91(ninety one) respondents or 46% rated the prevailing price as fair and 29% considered it expensive. On the other hand, 46 (forty six) respondents which accounted for 23% of the total, labeled it as very expensive. But, few numbers of respondents called the price cheap and exorbitant.

Table 9:- Value of Pepsi cola

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		2	1.0	1.0	1.0
	Average	71	36.0	36.0	37.1
	Excellent	6	3.0	3.0	40.1
	Good	55	27.9	27.9	68.0
	Poor	48	24.4	24.4	92.4
	Very poor	15	7.6	7.6	100.0
	Total	197	100.0	100.0	

Source: Survey, 2013

From the table 9, one can understand that how Pepsi cola is being perceived in terms of value it has provided to customers against its price. In this aspect, of all the respondents 36% of them confirmed that, it has average value, 28% rated the value as good, 24% of them perceived the value as poor, 7.6% described it as very poor and finally 3% of them have forwarded their judgment of value as excellent.

Table 10:- Price of Pepsi cola as compared to coca cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	1.0	1.0	1.0
Expensive	22	11.2	11.2	12.2
Less expensive	8	4.1	4.1	16.2
Same	152	77.2	77.2	93.4
Very expensive	13	6.6	6.6	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

With respect to the comparison between the prices of Pepsi cola and the price of Coca cola, 77% of the respondents confirmed that they are the same. However, 11.2% and 6.6% have evaluated the price of Pepsi cola as expensive and very expensive, respectively. Only 4.1% of the respondents have described the price of Pepsi- cola less expensive than the Coca cola's price. (see table 10)

Table 11:- Importance of price in deciding to buy Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	.5	.5	.5
Important	84	42.6	42.6	43.1
Neither imp nor unimp	21	10.7	10.7	53.8
Relatively Important	29	14.7	14.7	68.5
Un important	36	18.3	18.3	86.8
Very important	26	13.2	13.2	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

As depicted in table 11, out of the total respondents considered, 84(eighty four) of them, which accounted for 42.6%, responded that price an important factor in making decision to buy Pepsi cola. But, 36(thirty six) respondents or 18.3% have said that price is unimportant in their view to make decision about the purchase of Pepsi cola.

It can also be learnt from the table mentioned here above that, 14.7 and 13.2% of the whole respondents have the opinion of price to be relatively important and very important, separately. Whereas, some 10.7% of the participants in the survey described price neither important nor unimportant while deciding to buy Pepsi cola.

Table 12:- Customers reaction to the discount in the price of Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	.5	.5	.5
Extremely high	11	5.6	5.6	6.1
High	59	29.9	29.9	36.0
Less	57	28.9	28.9	65.0
Moderate	46	23.4	23.4	88.3
Very high	23	11.7	11.7	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

Summarized in table 12, is the data regarding the level of reaction customers could made to the discount in the price of Pepsi cola. Based on the tabulated information, close to 30% have answered that their reaction would be high, nearly 29% have responded that the reaction of them would be less and 23.4% have chosen to react moderately. Furthermore, the reaction from some 11.7% and 5.6% of the respondents expressed to be very high and extremely high, respectively.

Promotional Dimension

Table 13:- Customers source of information about Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	5	2.5	2.5	2.5
Billboards	30	15.2	15.2	17.8
Magazine	14	7.1	7.1	24.9
News papers	9	4.6	4.6	29.4
Radio	27	13.7	13.7	43.1
TV	112	56.9	56.9	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

In accordance with the summary in table 13, out of the total respondents, about 60% have responded that their source of information about Pepsi cola is television. Next, 15.2% and 13.7% of sample customers have given their opinion that they often obtain information on Pepsi cola from billboards and radio, respectively, Following, 7.1% have said that magazine is their favorite means to be informed of Pepsi cola. Finally, 4.6% of the respondents used to get information from newsletters.

Table 14:- Promotional Activities favored by customers

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	1.0	1.0	1.0
Allowance	42	21.3	21.3	22.3
Credit Term	5	2.5	2.5	24.9
Free gifts	19	9.6	9.6	34.5
Lottery	71	36.0	36.0	70.6
Price discount	58	29.4	29.4	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

As shown in table 14, customers were asked to respond about their favorite promotional activity on Pepsi cola. Accordingly, 36% or 71 of the participants in the survey have chosen lottery followed by 29.4% of respondents who favored price discount. The same table has revealed that, 21.3% of the total preferred to obtain allowance in their

purchase. The rest of the respondents who have accounted for 9.6% and 2.5% Of the total, have taken a position in favor of free gifts and credit term, respectively.

Table 15:- Attractiveness of Pepsi cola’s advert compared to the coca cola’s

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	.5	.5	.5
Attractive	40	20.3	20.3	20.8
Indifferent	23	11.7	11.7	32.5
Less attractive	80	40.6	40.6	73.1
More attractive	15	7.6	7.6	80.7
Unattractive	38	19.3	19.3	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

It can be learnt that, of all the customers participated in answering the question summarized in table 15, 40.6% have evaluated the advertisement of Pepsi cola as compared to the Coca cola as less attractive. However, 20.3% of the respondents considered the Pepsi cola’s advertisement as attractive. In contrast, 19.3% of them described it as unattractive. Yet, others 11.7% of the respondents have preferred to take an indifferent position.

Table 16:- Complaint handling as a measure of effectiveness of personal selling

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	8	4.1	4.1	4.1
Excellent	3	1.5	1.5	5.6
Good	99	50.3	50.3	55.8
Poor	29	14.7	14.7	70.6
Satisfactory	38	19.3	19.3	89.8
Very good	20	10.2	10.2	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

Complaint handling was one of the variables in the category of promotion dimension. In this regard, over 50% of the respondents rated the service as good, and 19.3% of them also considered it as satisfactory. Close to 15% of the respondents judged the

customer complaint handling service as poor. But, more than 10% and nearly 2% of the respondents have respectively evaluated the service as very good and excellent. (see table 16)

Table 17:- Brand Image of Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	1.0	1.0	1.0
Extremely popular	8	4.1	4.1	5.1
Less popular	46	23.4	23.4	28.4
Popular	90	45.7	45.7	74.1
Unpopular	15	7.6	7.6	81.7
Very Popular	36	18.3	18.3	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

The last parameter under this dimension was the popularity of the Pepsi cola brand itself. Sample customers were asked how popular Pepsi cola is and responded as follows.

About 46% of the respondents have witnessed that Pepsi cola is popular. Some 23% of them labeled it as less popular. On the other hand, out of the total respondents 18% have described it as very popular. But, there were respondents accounted for about 8% of the total, who perceived the popularity of Pepsi cola as unpopular. (See table 17)

Distribution (Place) Dimension

Table 18:- Customers who make or not ever make a complaint

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid No	72	36.5	36.5	36.5
Yes	125	63.5	63.5	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

As can easily be seen from the table 18, 125(one hundred twenty five) or 63.5% of the total respondents, responded yes to the question that was asking whether they have so far made a complaint about the marketing of Pepsi cola. Whereas, 72(seventy two) customers or 36.5% have responded no in this regard.

Table 19:- Customer complaint handling by the company

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	72	36.5	36.5	36.5
Indifferent	7	3.6	3.6	40.1
Satisfactory	38	19.3	19.3	59.4
Somewhat satisfactory	35	17.8	17.8	77.2
Unsatisfactory	32	16.2	16.2	93.4
Very satisfactory	13	6.6	6.6	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

Following this, table 19, is showing the summary of how the customers' complaint has been handled. Out of the 125(one hundred twenty five)who responded to yes, 38, 35,and 32 customers have expressed their satisfaction about the way their complaints have been handled as satisfactory, somewhat satisfactory and unsatisfactory, respectively. Some 13(thirteen) sample respondents have judged the manner their complaints were managed as very satisfactory and the remaining 7(seven) took indifferent position.

Table 20:- Evaluation of the service from the customer representative (CR)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	4	2.0	2.0	2.0
Average	5	2.5	2.5	4.6
Excellent	9	4.6	4.6	9.1
Good	83	42.1	42.1	51.3
Poor	20	10.2	10.2	61.4
Very good	76	38.6	38.6	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

As shown in table 20, customers responded about the quality of the service they have obtained from sales personnel of the plants. Of the total respondents, 42.1% have evaluated the service quality as good, 38.6% as very good, 4.6% as excellent, and 2.5% as average. But, 10.2% have evaluated the service as poor.

Table 21:- Evaluation of customers call handling of the CR

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	1.0	1.0	1.0
Neutral	41	20.8	20.8	21.8
Somewhat agree	62	31.5	31.5	53.3
Somewhat disagree	20	10.2	10.2	63.5
Strongly agree	60	30.5	30.5	93.9
Strongly disagree	12	6.1	6.1	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

In addition to this, customers were asked to respond on whether they have obtained a quick response or not, to the telephone calls they use to make to the customer representative. Their answers to this question are summarized in table 21. From the table, one can understand that 31.5% of the respondents have responded as somewhat agree and 30.5% strongly disagree But, 20.8% have remained to be neutral and 10.2% have taken the strongly disagree position.

Table 22:- Availability of Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	.5	.5	.5
Always available	62	31.5	31.5	32.0
Mostly available	55	27.9	27.9	59.9
Occasionally available	28	14.2	14.2	74.1
Often available	9	4.6	4.6	78.7
Often unavailable	3	1.5	1.5	80.2
Rarely available	39	19.8	19.8	100.0
Total	197	100.0	100.0	

Source: Survey, 2013.

In table 22, the summary for product availability variable is presented as follows. Out of the total respondents, 62(sixty two) have acknowledged that Pepsi cola is always available in their stock. Close to 28% or 55(fifty five) customers agreed that Pepsi cola is available most of the time in their stores. However, close to 20% have disclosed that it is rarely available and the rest of the respondents have mentioned that Pepsi cola is often unavailable.

Table 23:- Delivery of Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	.5	.5	.5
Excellent	2	1.0	1.0	1.5
Good	108	54.8	54.8	56.3
Poor	46	23.4	23.4	79.7
Very Good	32	16.2	16.2	95.9
Very poor	8	4.1	4.1	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

As stated in table 23 of this category, about 55% of the respondents rated the delivery of Pepsi cola as good. But, 23.4% of the respondents have evaluated the delivery as poor. Again, 16.2% of them have provided the recognition for Pepsi cola delivery by rating it as very good. Finally, 4.1% of the respondents have given a score of very poor.

Demand State Dimension

Table 24:- Customers buying frequency for Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	1.0	1.0	1.0
1-2 days	59	29.9	29.9	31.0
3-4 days	49	24.9	24.9	55.8
5-6 days	3	1.5	1.5	57.4
Everyday	13	6.6	6.6	64.0
Once in a week	71	36.0	36.0	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

As can be understood from the statements in table 24, 36% of the customers participated in the survey have responded that they buy Pepsi cola once in a week. Some 30% have expressed their willingness to buy Pepsi cola from 1-2 days and others 25% from 3-4 days a week. The rest of the respondents who are 6.6% and 1.4% respectively, answered that their current buying frequency have reached from 5-6 days to every day in a week.

Table 25:- Quantity of Pepsi cola customers buys in a day

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	6	3.0	3.0	3.0
1-25 cases	156	79.2	79.2	82.2
26-50 cases	24	12.2	12.2	94.4
51-75 cases	2	1.0	1.0	95.4
76-100 cases	1	.5	.5	95.9
Over 100cases	8	4.1	4.1	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

With respect to how many cases they buy at a time, significant number or 79% of the sample customers have responded they use to buy 1-25 cases, followed by 12% of respondents who buy 26-50 cases every time they make a purchase for Pepsi cola. Only 4.1 % of them buy over 100 cases at one purchase in a week. Also, there existed very few respondents who at a time buy 51-75 cases and 76-100 cases. (See table 25)

Table 26:- Factors that influence customers demand for Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	4	2.0	2.0	2.0
Delivery and distribution	58	29.4	29.4	31.5
Price	43	21.8	21.8	53.3
Price of substitute	18	9.1	9.1	62.4
Promotion	26	13.2	13.2	75.6
Taste	48	24.4	24.4	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

The response of customers under this survey as to what influence them to buy Pepsi cola is summarized in table 26. As mentioned in the table, out of 193(one hundred ninety three) respondents 58(fifty eight) have expressed their opinion that distribution and delivery of the product influenced them more to buy Pepsi cola. More than 24% have chosen taste of the product as an influential factor to decide on buying Pepsi cola. Others which accounted for close to 22% of the group have preferred price as a determinant factor in their buying. The remaining 13.2% and 9.1% of the respondents have selected promotion and price of substitute product, respectively, as more contributing factors to make decision of purchasing Pepsi cola.

Table 27:- Interest of customers to continue buying Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	1.0	1.0	1.0
No	18	9.1	9.1	10.2
Yes	177	89.8	89.8	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

Concerning the question about customers' interest to continue buying Pepsi cola, about 90.5% of the respondents have suggested that they are willing to continue buying Pepsi cola. But, 9.1% of them expressed their feeling by saying no to the question mentioned earlier. (See table 27)

Table 28:- Level of customers interest to continue in buying Pepsi cola

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	1.0	1.0	1.0
Average	71	36.0	36.0	37.1
High	73	37.1	37.1	74.1
Minimum	34	17.3	17.3	91.4
No interest	17	8.6	8.6	100.0
Total	197	100.0	100.0	

Source: Survey, 2013

As described in table 28, out of 177(one hundred seventy seven) participants who have shown interest to continuously buy Pepsi cola, 73(seventy three) of them have said that their level of interest is high and for the 71(seventy one), it is found to be average. However, the level of interest for the others 34(thirty four) respondents has remained to be minimum.

4.2 DISCUSSION

Product

As one of the four elements in the marketing mix framework, the product dimension has been dealt with considerable depth in this study. Initially in the design of the project, one of the research questions raised was “what are the major features of Pepsi cola?” The intention was not merely to deal with the function of the product but to address product aspects such as quality, package, taste, brand name and etc.

To this effect, customers were asked questions in relation with issues of Pepsi cola. As can be inferred from the description made earlier in the preceding section of this chapter, quality, package and taste of Pepsi cola are found to be major factors that contribute for the product to be chosen by the customers. This is the overall finding reached from the customer survey conducted. However, there existed results that may affect the product aspects. For instance, considerable portion of the respondents rated the quality of Pepsi cola as poor. In addition, when asked about the quality of Pepsi cola as compared to coca cola, significant number of respondents responded against Pepsi cola. All this shows that the issue has to be seriously investigated and appropriate measures have to be taken to improve the quality of the product. Unless the problem is properly addressed, offering the product in the market would be very difficult.

As in the case mentioned above, quite a number of respondents have expressed their disapproval about the attractiveness of the package of Pepsi cola. From the table 2.3, it can be understood, those who have described the package as not attractive and less attractive respectively, accounted for more than 41% of the total. This result seems to be indicative of the need for improvement in this particular aspect of the product.

Price

In many marketing literatures price is described as a key element of marketing mix. It is believed to be a means of creating value to owners of business organizations and at the same time benefits customers. A well designed strategy is required to decide on the pricing of a product and follow up its practical implementation in the market.

In setting price for a product careful considerations of the objective of the company, the nature of the market and customer demand as well as competition are needed. It is in consideration of this fact that questions assumed to generate appropriate information that can help understand the current price strategy and also be used as an input to design a pricing strategy have been asked to customers.

In the analysis of the data mixed results have been obtained. In one hand the current price viewed by notable number of respondents as fair and on the other it has been considered as expensive and very expensive, respectively. With regard to the value to customers in terms of the price they are paying to the product, respondents perceived that Pepsi cola has average value followed by those whose perception about its value is good. This implies that the value rating in aggregate can be considered favorable but extra efforts need to be made in order to set a price that is value creating to the customers as well.

Another point to be discussed here is that, the response from sample customers to the inquiry about the price of Pepsi cola in comparison with what they are paying for coca cola. Almost, 80% of them responded that they are paying the same price for both drinks. The result seems impressive despite the less competitive nature of the soft drink market. The market for carbonated soft drinks in Ethiopia has a duopoly nature i.e. there are only two sellers.

Therefore, neither price maker nor taker existed in this market. In such a market, one of the companies may take the lead to decrease or increase the prevailing price of a product or certain products. In such a situation, the reaction from the rival company should be to follow or not to follow, respectively, for the previously mentioned actions by the leader. This is what the theory suggests based on the assumption that the products of both companies can be closely substituted.

Although the products, Pepsi cola and coca cola, are close substitutes, the real practice in pricing the products does not resemble what is described in the theory. Most of the time, coca cola take the lead in altering the price and Pepsi cola often follow suit. No price warring. I think that is why the same price exists currently in the market.

This part of the discussion further considered the views customers expressed in intent to respond to the question they have been asked about the importance attached to price in deciding to buy Pepsi cola. Except for the few customers who have responded unimportant in this regard, most of them stood in favor of the notion that price is important to make decision of buying Pepsi cola. Therefore, it is better to give attention and consider pricing issue seriously while designing a marketing mix strategy.

In connection to this, customers were also asked to respond about their reaction if discount in the price of Pepsi cola is being made. The summary of the result for this particular inquiry have shown that, large portion of respondents forwarded their opinion labeling their reaction high, very high and extremely high. The result in aggregate could be considered significant. However, more than half of the respondents expressed that their reaction for a discount in the price of Pepsi cola will be less and moderate. In fact, this result may contradict with what the respondents expressed about the importance of price in their decision. But, this is what is obtained from the analysis made earlier based on the information gathered.

Place (distribution)

Place or distribution includes all activities to make products available to customers with the required quantity as well as, quality, at the right time and place. This requires the management of available resources (human, physical and financial) to move the products to the target customers so as to satisfy their needs and thereby achieve the goal of profit making of the company.

In general, while designing a product distribution strategy within the framework of marketing mix, companies should consider different conditions in choosing the best way or channel to place the product in order that serve the customers properly. Cognizant of all this and assuming that the human involvement in this particular aspect

of marketing mix is central, customers were asked about the service they obtain from employees involved in the product distribution activities.

The intention here was to measure their overall satisfaction in the distribution service. In dealing with this, customers were asked whether they have ever made a complaint or not and significant number of them responded yes. Those who said yes were asked a subsequent question with regard to the way their complaints were handled. And these customers have expressed their evaluation calling it as satisfactory and somewhat satisfactory. The result has shown that there existed both satisfied and unsatisfied customers in this particular aspect.

Still emphasizing on the human element and in an attempt to evaluate the efficiency of the sales force, customers were asked about the quality and effectiveness of the service rendered to them, in terms of quick response for their telephone call, product delivery and availability. For all inquiries in all aspects of the distribution issues raised, customers responded positively by expressing their satisfaction and agreement on the service. This being the overall result, however, there were small number of customers who have evaluated the service as poor and also expressed their disagreement particularly on the responsiveness of the customer representatives, product delivery and availability. The implication here is that improvement is needed in the quality of the service in order to fully satisfy and retain the existing customers as well as attract the new ones.

Promotion

It is a means of persuading customers to buy a product or service. Also, promotion is the ability of business companies to communicate their target markets. The activity includes sales promotion, advertising, personal selling, public relations and direct marketing. For a company to register success in its promotional undertakings there has to be coordination in executing each activity in the overall mix. Carefully designed strategy is required to combine every activity described earlier into an integrated communication system.

Promotion is a crucial element in the marketing mix of Pepsi cola. The concern here is to make appropriate decisions of marketing to communicate the target customers about

what the company is offering to them to satisfy their needs and thereby achieve the objectives of the company.

Promotion as a key element in the marketing mix, has a very significant role to play in influencing the perceptions, beliefs, and attitudes of customers towards buying a given product or service. And the rationale behind every promotional activity is to sell as much as a product that is being promoted. But, the success in this regard is very much dependent on the type, design and appropriateness of the promotional mix. The same holds true in the case of Pepsi cola.

Therefore, to learn more from the practical application of the theory and investigate how Pepsi cola is being practically promoted, questions which have taken elements of promotional mix into account have been asked to customers. The queries in this connection were comprised of issues like advertisement, sales promotion, public relation and branding.

Based on the responses of customers, Pepsi cola's advertising on television is the source of information for many of them. However, in terms of attractiveness, considerable number labeled the advertisement from Pepsi cola less attractive than the coca cola. In responding to sales promotion, lottery found the most favored activity among the mix followed by price discount. With regard to the public relations aspect measured in terms of customer complaint handling, more than half of the respondents rated this service as satisfactory. Finally, customers have witnessed that Pepsi cola is a popular brand.

Generally, the findings seem to have shown that the company is trying to apply different methods of promoting Pepsi cola. However, the result found in terms of the attractiveness of its television advert, which is less attractive than the competitor, seem to show that hard work is needed to reverse such perception of the customers. Otherwise, this will have a negative impact on the demand for Pepsi cola by these customers.

Besides, extra efforts are also required in selecting appropriate sales promotion activity to strategically and continuously promote Pepsi cola. Finally, even if the brand, Pepsi cola, found to be popular, practically it is not the most preferred drink than other brands

within the company and its close substitute, coca cola. I think, this also requires further investigation and effort to maintain the flagship status of the brand.

Demand condition

Demand for a product can be defined as the ability and willingness to buy it. In general, demand can be influenced by several factors such as price, taste, quality, income of customers and advertisement. The successful company, therefore, need to understand the factors that specifically determine the demand of its products. An understanding of such factors is vital to the overall wellbeing of the company. (Ian Worthington, Chris Briton, and Andy Ries, 2005)

It is on the basis of such knowledge that Pepsi cola is being marketed and as a result the demand for it has been increasing in absolute terms. But, its demand as measured by the market share from the overall product mix has been declining. This market situation has been an issue of great concern for the management of the company. To examine the problem and learn about the situation, demand state of the product has been incorporated and responses were provided by the customers.

The result has shown that, customers are not willing to buy Pepsi cola frequently. Most of the respondents buy Pepsi cola once in a week. The reason they have attached to this is that, the product is not often demanded by the consumers. Again, the quantity these customers buy at a time found to be the least among the alternative categories. For instance 79% of them buy 1-25 cases of Pepsi cola during their one time purchase in a week. This shows less quantity of demand for the product.

According to the survey, most of the customers are found to be influenced to buy Pepsi cola, by the distribution and delivery as well as the taste of the product. This implies that more demand could be created by further improving the distribution activity and thereby alleviates the existing low demand situation. Lastly, in the demand state, customers have expressed their interest in continuing to buy Pepsi cola. The result seen in this particular aspect is quite encouraging in that customers have shown not only their interest but significant of them proved that their interest is high. This seems to have implied that there existed huge potential demand in the market.

4.3 QUALITATIVE ANALYSIS AND DISCUSSION

This is a section where qualitative information are analyzed and discussed. As per the design of the study, in addition to the customer survey conducted, focus group discussions were also carried out with a view to generate qualitative data from employees and managers engaged in the marketing activity of the company. These personnel, who are knowledgeable in the strategy and execution of the marketing mix of the company, have been assembled to make discussions based on the guidance and questions from the student researcher. The information obtained from the discussion is summarized as follows.

About the product and production

In the discussion, the participant expressed their views about product quality including physical appearance and package of the product are the major attributes of Pepsi cola. Besides, the goodwill of the company and the familiarity of the brand are considered important product aspects, in their view. Members of the discussion group stated that they have little knowledge about the production planning of the plant.

However, they have pointed that the planning is dependent on the availability of required inputs and strictly consider the profit objective of the company. Also, they have spoken out that the planning is not based on the demand from the market mainly due to internal problems.

About the price of the product

Overall the pricing strategy followed by the company is cost based as well as competition based, according to the participant of the discussion. In setting the market price the company is often follower to the competitor's action. In fact this action is influenced by the market demand for the products and the subsequent interest and actions from wholesalers and retailers to sale the products with a price higher than the previous one.

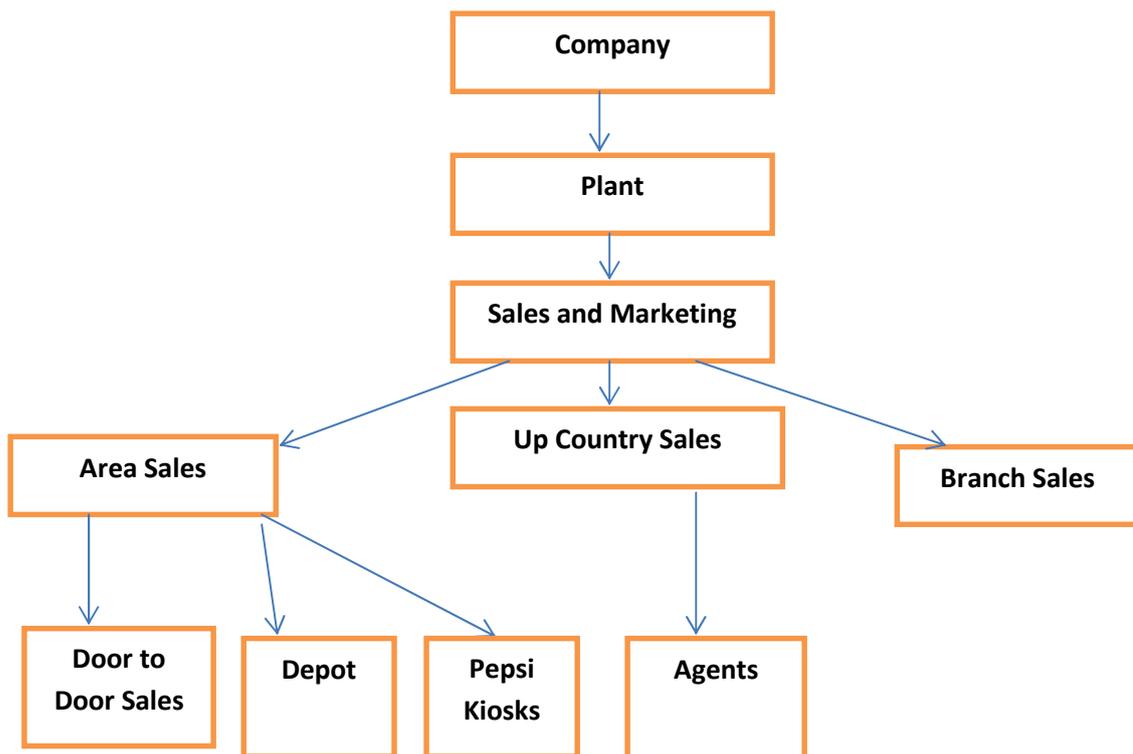
Another point to be noted here is that, there is no price war among rivals and no different pricing strategy currently practiced in the company in the marketing of Pepsi cola, based on the discussion.

About the promotion

The promotional mix of the company comprises personal selling, price discount, lottery, media advertising and signage. In fact these are activities of promoting products at plant level. There are also corporate level promotions. In the view of the members of the sales crew at plant level who are participants of the discussion, there must be integration among the activities undertaken by both parties. According to the discussion, assistance for social and community based projects, and sponsorship of special events as well as festivals are also in the list of the promotional mix most of which are performed at company level.

About the distribution (place)

The group members have expressed that, the company is distributing its products through the channels described hereunder.



Points to be noted here are, area sales mean sales in Addis Ababa and its periphery. But, up country sales mean sales outside Addis Ababa and branch sales mean sales through warehouses under the plants in the company and located in different regional cities.

According to the discussion, the company is applying a Territory University (TU) system of distribution in Addis Ababa. It is a program by which Front Line Manager's acquire the capability, process and tools to successfully drive execution. The system is built upon four pillars:

1. Clarity of responsibilities, accountabilities and measures (RAMs)
2. Setting objectives
3. Tracking key performance indicators (KPIs)
4. Coaching

Based on the discussion, under this TU system there are sales routes. Every route in the system must get products 3-7 days a week and each customer in a route has to be visited by the concerned sales personnel every week. Participants in the discussion believed that they have the best distribution system and explained the benefits from applying such a system as follows.

- It allows timely delivery and follow-up
- Facilitates good tracking and recording
- Permits two way communication between the customers and the plants
- It increases sales force productivity
- It allows better sales area coverage and new customer attraction
- It provides better way to manage complaint handling
- It helps control and regulate product prices

Addressing the issue of declining market share of Pepsi cola, members have pointed out that; inability to avail Pepsi cola and other products in the mix as needed by customers, poor quality of package, and less promotion on Pepsi cola thereby consumer are less familiar to it, as internal problems.

As to the causes for the problems stated earlier, the group members have suggested that, low plant capacity, high profit orientation, old and scratched bottles in the system and ineffective promotion are major ones. Following, members have finally raised the aggressive advertisement and other campaigns by the rival company and after the discussion considered it as external problem or threat.

With regard to the possible solutions for the problem described above, the participant in the discussion suggested that, improvement in production capacity, development of appropriate marketing strategy, sufficient finance for marketing, continuous training for the sales crew staff, and motivation as well as well-designed incentive and rewarding scheme for the sales force are needed.

Finally, the focus group discussion members have commented on the overall marketing by making a remark that the company shall take the lead in setting price and properly use the owner's goodwill and other opportunities in the market to promote Pepsi cola.

4.4 COMPARISON OF RESULTS FROM THE TWO APPROACH

With regard to the product aspect, quality, package and taste are found to be major features in both approaches except for some differences. For instance, company goodwill and the brand popularity have been pointed as important aspects in the group discussion. These issues were not considered in the quantitative analysis. But, there were cases such as the less attractiveness of the package of Pepsi cola and lesser quality as compared to coca cola, obtained from the survey result.

The analysis in both cases has shown that there is less price competition in the market. As in the discussion, the market price is highly influenced by the market demand and the interest as well as the actions of the customers to sale the products with higher price than the prevailing one. The response from customers concerning the current price of Pepsi cola as fair in the survey seems to support this.

Basically, the promotion issues considered in both approaches are not far apart each other. Personal selling, sales promotion and advertising are in the mix in both cases. However, there existed difference in addressing the matter. In the survey, for example, promotion activities are investigated in detail where as in the discussion general and strategic points are emphasized. Therefore, slight differences have been observed in the results too. Assistance for social and community based projects and sponsorship of special events have been raised in the discussion which were not considered in the survey. Besides, the need for integrating the promotions at plant and company levels was another point taken into account only in the group discussion.

The results obtained from the survey have been positive in terms of delivery, product availability and overall customer service despite some dissatisfaction in the quality of the service. This can be related with the focus group members' suggestion in their assessment of the overall distribution system of the company. The group members believed that, the company has the best distribution system and benefited a lot from this. I think the survey result support the group's evaluation of the distribution system.

In respect to the declining market share of Pepsi cola, customers' reason attached for this is low preference for the product by the consumers. Customers' demand for Pepsi cola is highly influenced by the distribution and delivery as well as the taste of the product. Whereas, the discussion group members do not agree with the above statements. Rather, they have argued that inability to avail Pepsi cola and other products in the mix as needed by customers, poor quality of the package and less promotion on Pepsi cola contributed much to the decline. In their view, these are internal factors and external problems such as aggressive advertisement and other campaign to promote coca cola have impact on the demand for Pepsi cola.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1. SUMMARY

This section summarizes major findings of the study based on the analysis and discussion made thus far about the marketing of Pepsi cola within the framework of marketing mix.

Product dimension

- Based on the result from the customer survey, most of the respondents considered, evaluated the quality of Pepsi cola as good.
- Concerning the quality as compared to coca cola, the quality of Pepsi cola found to be somewhat better and somewhat worse.
- The package of Pepsi cola found to be attractive as per the survey result.
- The taste of the product found to be the most influential factor to buy Pepsi cola.
- Significant number of customers proved that they will continue buying Pepsi cola.
- Goodwill of the company and familiarity of the brand considered important product aspects.
- Members of the sales force have little knowledge about the production planning.
- Production planning is dependent on the availability of required inputs and strictly considers the profit making objective of the company, but not based on the market demand mainly due to internal problems.

Price dimension

- The price of Pepsi cola prevailing in the market viewed by the customers as fair.
- Pepsi cola is perceived by customers as a product that has average value in terms of the price paid for it.

- Customers assured that they are paying the same price for both Pepsi cola and coca cola.
- Price is considered as an important factor in making decision to buy Pepsi cola.
- The pricing strategy of the company is found to be cost based as well as competition based.
- The market price is highly influenced by the market demand and the interest of customers.
- No different pricing strategy for Pepsi cola and also there is no price war among rivals.

Promotion dimension

- Television is found to be the source of information about Pepsi cola for many of the customers.
- Lottery is the most favored sales promotion activity followed by price discount.
- The advertising on Pepsi cola is considered less attractive as compared to coca cola's advertising.
- Personal selling as measured in terms of the service to handle customers complaints rated as good.
- Pepsi cola is perceived as popular brand by customers.
- Promotion is being carried out both at plant and corporate levels.
- Promotional mix of the company comprises personal selling, price discount, lottery, media advertising, signage, assistance for social and community based projects, and sponsorship of special events as well as festivals.

Place (distribution dimension)

- Customers' complaint handling found to be satisfactory but there are customers who are unsatisfied with the service.
- The quality of the service from the sales personnel evaluated as good by large number of customers.
- Customers have agreed that they have obtained quick response for their telephone calls.
- Customers have acknowledged that Pepsi cola is always available in their stock.

- The delivery service found to be good.
- The company is distributing its product through different channels.
- The company is applying Territory University (TU) system for its door to door sales in Addis Ababa.
- The application of the TU system has benefited the company a lot

5.2. CONCLUSIONS

Marketing mix or four Ps of marketing, as a tool of offering a product and communicating customers about the product, had a wider application since the inception of the idea in the 1960s. The concept has contributing significantly in the management of marketing, even though criticisms have been raised on its application in the original form. The critics seriously expressed their doubt on the role the mix could play in marketing goods in general and services in particular.

This being the fact, however, the frame work still serves its purpose and considered by many as pillars of marketing. Companies analyze and manage their marketing activities using the elements in the framework. Marketing strategies are built upon such components of the marketing mix as product, price, promotion and place.

Therefore, it is possible to conclude that the same applies to Moha Soft Drinks Industry Share Company. Based on the findings of the study, the company is executing its marketing activity within the framework and applying fully every element in the mix. The results obtained from both quantitative and qualitative analysis in the study proved that the marketing of Pepsi cola basically considers these elements.

Consequently, the following conclusions have been reached from the analysis made earlier to address the research questions and specific objectives set in the study based on the dimensions considered in the framework.

- Quality, package and taste are major features of the product. This being the overall conclusion in the product aspect, however, there were customers who rated the quality of Pepsi cola as poor and even somewhat worse as compared to the quality of coca cola. Customers also expressed their disapproval about the attractiveness of the package of Pepsi cola by labeling it as less attractive. All these have contributions in creating negative effect on the acceptance of the product offered to the customers. Therefore, appropriate corrective measures have to be taken to enhance the existing perceptions about the product.

- With regard to the price of Pepsi cola, the prevailing price in the market viewed by customer as fair. But, considered by some as expensive. The value from consuming Pepsi cola in terms of the price paid for it proved to be average. The study reveals that, customers are paying the same price for both coca cola and Pepsi cola. This affirms that there is no price war, as such, among rivals in the current market situation. According to the study, price found to be an important variable to decide on buying Pepsi cola and price discount can influence more customers to buy Pepsi cola. This study has also shown that the company is following cost based as well as competitor based pricing strategies in setting price. But, it often follows the action from its rival in altering the market price.
- Based on the findings of the study, the company distributes its products using different channels and applying Territory University (TU) system particularly in Addis Ababa. Focus Group members, while discussing about the distribution issues, they have witnessed that, the company has benefited a lot from applying the TU system. The result from the customer survey supports this and proved that the distribution of Pepsi cola is satisfactory in terms of customer service, product availability and delivery. However, there are minor cases to be addressed in terms of quality of the service, availability of Pepsi cola as well as its delivery.
- The company is promoting its products using different promotional activities such as personal selling, price discount, lottery, media advertising and signage. The survey result confirms that, television advertisement is the source of information about Pepsi cola and lottery as the most favored sales promotion activity. In addition, the study proves that Pepsi cola is a popular brand but some customers have expressed their doubt about Pepsi cola being preferred by consumers. Advertisement on Pepsi cola found less attractive to customers as compared to the coca cola's advertising.
- The study reveals that there exists huge potential demand for Pepsi cola. The result from the customer survey about their interest in continuing to buy Pepsi cola has proved this. Yet, there existed customers considered in the survey, who have no interest to continuously buy Pepsi cola. The reason these customers attached to their stand is that Pepsi cola is not the preference of consumers.

Also, the study shows that, inability to avail Pepsi cola as and when needed by customers, poor quality of the package and less familiarity of customers to Pepsi cola could be possible causes for the decline in the demand for the product.

5.3. RECOMMENDATIONS

The following suggestions and recommendations are brought forward based on the conclusion made earlier so as to allow the management of the company to take appropriate actions to set the problems identified in the study right.

- Although the application of the four Ps principles is well under way, to manage the marketing of the company, there is no a written document in this regard to guide the overall marketing activity. Therefore. The company shall design a comprehensive marketing strategy that can help in serving its target customers well and thereby achieve its overall objectives.
- Even though most of the respondents said that the package of Pepsi cola is attractive, there existed considerable number of customers who responded less attractive and not attractive. Thus, appropriate technical and managerial actions should be taken in order to maintain the status of the product quality and further improve it through addressing the problems raised by customers regarding Pepsi cola's package.
- The company should review its pricing strategy and take measures that could enable the management set a price which is value creating for both the business and customers.
- As confirmed in the study, price is an important variable in making decision to buy Pepsi cola. Price discount also found to be the most influential factor for customers to buy more Pepsi cola. Thus, the company should seriously consider these situations in order that it could gain the advantage of setting fair market price. Because, doing so would enable the company to create additional demand for its product and thereby boost the market share.
- The company should sometimes take the lead in altering the market price rather than often following the competitor. If the company takes such action and register success the benefit would be high both in financial terms and image building as well. However, such a decision has to be supported by the evidence

based information obtained from a carefully designed and conducted market research.

- Continuous skills and development training should be given to employees engaged in marketing the product. This would definitely help in improving the quality of the service that these members of the company could provide to customers.
- Proper planning is required for producing and marketing Pepsi cola to address problems in the market concerning the availability and delivery of the product.
- Customers have expressed their doubt that Pepsi cola is less preferred by consumers. Therefore, further investigation is needed to prove this and take appropriate measures to make Pepsi cola the most preferred soft drink in the long term. But, as for the short term measure, a combination of aggressive advertisement and continuous campaign is required to familiarize the product and increase the consumers' level of awareness about its quality.
- Extra effort should be made to make the advert on Pepsi cola more attractive to customers and reverse the less attractive perception existing in the market.

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APPENDIX I

A SELF ADMINISTERED QUESTIONNAIRE ON MARKETING MIX FRAME WORK ANALYSIS(ENGLISH VERSION)

Dear respondent!

Prior to all I would like to extend my deepest gratitude for allotting your time to provide me with invaluable information. This is a questionnaire designed for data collection to conduct an academic research.

The information obtained will be kept confidential and used only for the purpose of achieving the objectives of the research.

I would like to bring to your consideration that as the quality of the research is highly dependent on the quality of the data to be generated, please answer the questions to the best of your knowledge.

Thank you very much!

Belay Alemayehu
(Student- Researcher).

Direction: - Please select your answer by encircling the appropriate response category from part I- part VI.

Part I. Demographic Profile

1. Gender
 1. Male
 2. Female
 3. Prefer not to say

2. Age category
 1. 15-25
 2. 26-35
 3. 36-45
 4. 46-55
 5. Above 55
3. Education
 1. up to grade 4
 2. 4 up to 8
 3. 9 up to 12
 4. Diploma
 5. Degree

Part II Product dimension of the product

1. How do you rate the quality of Pepsi- Cola
 1. Poor
 2. Fair
 3. Good
 4. Very good
 5. Excellent
2. Compared to Coca-Cola, Pepsi Cola is
 1. Much better
 2. Somewhat better
 3. About the same
 4. Somewhat worse
 5. Much worse
3. How do you rate the package of Pepsi Cola?
 1. Less attractive
 2. Somewhat attractive
 3. Attractive
 4. Very attractive
 5. Not attractive

4. What attributes of Pepsi-Cola influence you more?
 1. Package of the product
 2. The brand name
 3. Taste of the product
 4. Physical appearance
 5. Safety of the product

5. Based on your experience will you continue buying Pepsi-Cola?
 1. Most unlikely
 2. Not likely
 3. Unknown
 4. Most likely
 5. Extremely likely

Part III. Price dimension of the product

1. How do you rate the current price of Pepsi Cola
 1. Cheap
 2. Fair
 3. Expensive
 4. Very expensive
 5. Exorbitant

2. What is your perception about the value of Pepsi Cola as compared to its price is
 1. Excellent
 2. Good
 3. Average
 4. Poor
 5. Very poor

3. How do you evaluate the price of Pepsi-Cola against what you are paying for Coca-Cola?
 1. Less expensive
 2. Expensive
 3. Very expensive
 4. The same

4. How important is price to you in buying Pepsi - Cola
 1. Unimportant
 2. Neither important nor unimportant
 3. Relatively important
 4. Important
 5. Very important
5. How much would be your reaction to the discount in the price of Pepsi -Cola
 1. Less
 2. Moderate
 3. High
 4. Very high
 5. Extremely high

Part IV. Distribution dimension of the product

1. Have you ever made a complaint about Pepsi-Cola?
 1. Yes
 2. No
2. If your answer to questions 1 is yes how do you evaluate the customer handling service you have obtained?
 1. Unsatisfactory
 2. Somewhat satisfactory
 3. Satisfactory
 4. Very satisfactory
 5. Indifferent
3. Based on your recent experience how was the quality of the service you received from the Customer Representative of the company?
 1. Average
 2. Poor
 3. Good
 4. Very good
 5. Excellent
4. The Customer Representative handled your telephone call quickly
 1. Strongly disagree
 2. Somewhat disagree
 3. Neutral
 4. Somewhat agree
 5. Strongly agree

5. What is your comment on the availability of Pepsi cola?
 1. Always available
 2. Most of the time available
 3. Occasionally available
 4. Rarely available
 5. Often unavailable
6. Based on your experience how do you rate the delivery of Pepsi Cola?
 1. Very poor
 2. Poor
 3. Good
 4. Very good
 5. Excellent

Part V. Promotion dimension of the product

1. From where do you get information about Pepsi-Cola?
 1. Radio
 2. News papers
 3. Magazines
 4. Television
 5. Billboards
2. Which of the following promotional activities do you like?
 1. Free gifts
 2. Price discount
 3. Allowances
 4. Credit terms
 5. Lottery
3. How do you evaluate Pepsi's advertising against Coca Cola's?
 1. Unattractive
 2. Less attractive
 3. Attractive
 4. More attractive
 5. Indifferent

4. How do you rate the company's customer complaint handling?
 1. Poor
 2. Satisfactory
 3. Good
 4. Very good
5. How do you perceive the brand image of Pepsi-Cola?
 1. Unpopular
 2. Less popular
 3. Very popular
 4. Popular
 5. Extremely popular

Part VI. Demand state of the product

1. How often do you buy Pepsi - cola in a week?
 1. Once in a week
 2. 1 to 2 days a week
 3. 3 to 4 days a week
 4. 5 to 6 days a week
 5. Everyday
2. How many cases of Pepsi cola do you buy per day?
 1. 1 to 25 cases
 2. 26 to 50 cases
 3. 51 to 75 cases
 4. 76 to 100 cases
 5. More than 100 cases
3. What influences you to buy Pepsi cola?
 1. The taste of the product
 2. The price of the product
 3. The promotion on the product
 4. The price of close substitute
 5. The delivery and distribution of the product
4. Do you have an interest to continue buying Pepsi cola?
 1. Yes
 2. No
5. If your answer for question 4 is yes how much is your interest
 1. High
 2. Average
 3. Minimum
 4. No interest

APPENDIX I I

**A SELF ADMINISTERED QUESTIONNAIRE ON MARKETING MIX FRAME
WORK ANALYSIS (AMHARIC VERSION)**

በመልስሰጪው የሚሞላ የገበያ ጥናት መጠይቅ

ውድ መልስሰጪ

ከሁሉ አስቀድሜ ይህንን መጠይቅ ለመሙላት ውድገዬን/ህን ስለሰጣችሁኝ ክልብ አመሰግናለሁ። መጠይቁ የተዘጋጀው ትምህርታዊ ጥናት ለማድረግ መረጃ ለማሰብሰብ ነው።

በዚህ መጠይቅ አማካኝነት የሚሰበሰበው መረጃ ሚስጥራዊነቱ ተጠብቆ የሚያዝ መሆኑንና ለታሰበው ጥናት ብቻ እንደሚውል ላረጋግጥ እወዳለሁ።

ከሚደረገው የገበያ ጥናት የሚገኘው ውጤት ጥራቱ በሚሰበሰው መረጃ የሚወሰን በመሆኑ የቀረቡትን ጥያቄዎች በግልጽና በትክክል በመመለስት ብብር እንዲደረግልኝ እጠይቃለሁ።

በድጋሚክልብ አመሰግናለሁ።

በላይ አለማየሁ

እጩ ተመራቂ

ማሳሰቢያ፡-ክፍል 1 እስከ 6 ለቀረቡት ጥያቄዎች አንዱን መርጦ በማክብብ መልስ መስጠት ይቻላል።

ክፍል 1- ስለመልስሰጪው አጠቃላይ የግል መረጃዎች

1. ፆታ

- 1. ሴት
- 2. ወንድ

2. እድሜ

- 1. 15-25
- 2. 26-35
- 3. 36-45
- 4. 46-55
- 5. ከ55 በላይ

3. የትምህርት ደረጃ

- 1. እስከ አራተኛ
- 2. ከ 4-8
- 3. ከ 9-12
- 4. ዲግሎማ
- 5. ዲግሪ

ክፍል 2 - የፔንሲን ምርት በተመለከተ

1. የፔንሲን ጥራት እንዴት-ትመዘነዋለህ /ለሽ ?
1. ደካማ 2. በቂ 3. ጥሩ 4. በጣም ጥሩ 5. ጅም በጣም ጥሩ
2. ከኮከ ኮላ አንጻር ጥራቱ ምን ይመስላል?
1. በጣም የተሻለ 2. በመጠኑ የተሻለ 3. ተመሳሳይ
4. በመጠኑ ያልተሻለ 5. በጣም ያልተሻለ
3. ፔንሲ የሚቀርብበትን ጠርሙስ እንዴት ያዩ ታል?
1. በአነስተኛ ሁኔታ የሚሰብ 2. በመጠኑ የሚሰብ 3. የሚሰብ
4. በጣም የሚሰብ 5. የማይሰብ
4. የትኛው የፔንሲ ካላ መገለጫ ነው መጠጡን ለመግዛት የበለጠ ተፅዕኖ የሚያደርገው?
1. የመጠጡ አስተሻሻጫ 2. ፔንሲ የሚለው ሥም 3. የመጠጡ ጣዕም
4. አቀራረቡ /ገፅ ታው 5. የመጠጡ ምቹ መሆን
5. አሁን ባለሽ/ህ ልምድ መሠረት ፔንሲን በመግዛት ትቀጥያለሽ/ህ ?
1. በጣም አይመስለኝም 2. አይመስለኝም 3. አይ ታወቅም
4. በጣም ይመስለኛል 5. በላቀ ሁኔታ ይመስለኛል

ክፍል 3 - የፔንሲን ዋጋ በተመለከተ

1. በአሁኑ ወቅት ያለውን የፔንሲ ዋጋ እንዴት-ትመዘኝዋለሽ/ህ ?
1. ርካሽ 2. መጠነኛ 3. ውድ 4. በጣም ውድ 5. እጅግ የተጋነነ
2. ከዋጋው አንጻር ምርቱ የሚሰጠውን ጠቀሜታ እንዴት ታይዋለሽ/ህ ?
1. እጅግበጣም ጥሩ 2. ጥሩ 3. መካከለኛ 4. ደካማ 5. በጣም ደካማ
3. የፔንሲ ዋጋ ከኮከኮላ ዋጋ አንጻር እንዴት ነው?
1. ያነሰ ውድ 2. ውድ 3. በጣም ውድ 4. ተመሳሳይ
4. ፔንሲን ለመግዛት በምታደርገው ውሳኔ ዋጋ ምን ያህል ጠቃሚ ነው?
1. የማይጠቅም ነው 2. የሚጠቅምም የማይጠቅምም አይደለም
3. በአንጻራዊነት የሚጠቅም ነው 4. ጠቃሚ ነው 5. በጣም ጠቃሚ ነው
4. በፔንሲ የመሸጫ ዋጋ ቅናሽ ቢደረግ ያንተ/ቺ የመግዛት ፍላጎት ምን ይሆናል?
1. ይቀንሳል 2. በመካከለኛ ሁኔታ ይጨምራል 3. በከፍተኛ ሁኔታ ይጨምራል 4. በጣም በከፍተኛ ሁኔታ ይጨምራል 5. በላቀ ሁኔታ ይጨምራል

ክፍል አራት - የፔትሮል ምርት ስርዓት ተጠቃሚዎች ተጠቃሚዎች

1. ስለ ፔትሮል ምርት ቅሬታ አቅርቦት/ህ ታወቂያለሽ/ህ ?
 1. አዎ
 2. የለም
2. ከላይ ለቀረበው ጥያቄ መልስሽ/ህ አዎ ከሆነ የቀረበው ጥያቄ የተስተናገድክበት ሁኔታ እንዴት አየሽው/ሽው?
 1. አርኪ አይደለም
 2. በመጠኑ አርኪ የሆነ
 3. አርኪ
 4. በጣም የሚያረካ
 5. አቋም ለመያዝ የሚያስቸግር
3. እስካሁን ባለሽ/ህ ልምድ የደንበኞች ተወካይ የሚሰጠው አገልግሎት ጥራቱ እንዴት ይገለጻል?
 1. አማካይ
 2. ደካማ
 3. ጥሩ
 4. በጣም ጥሩ
 5. እጅግ በጣም ጥሩ
4. የደንበኞች ተወካይ የስልክ ጥሪ ሲደረግለት በአፋጣኝ መልስ ይሰጣል?
 1. አማካይ
 2. ደካማ
 3. ጥሩ
 4. በጣም ጥሩ
 5. እጅግ በጣም ጥሩ
5. ስለ ፔትሮል ምርት አቅርቦት ምን አስተያየት አለሽ/ህ ?
 1. ሁልጊዜ ይገኛል
 2. አብዛኛውን ጊዜ ይገኛል
 3. አልፎ አልፎ ነው የሚገኘው
 4. አንዳንድ ጊዜ ይገኛል
 5. ዘውትር ይገኛል
6. ያቀራረቡ ሁኔታ እንዴት ይመዘናል ?
 1. በጣም ደካማ
 2. ደካማ
 3. ጥሩ
 4. በጣም ጥሩ
 5. እጅግ በጣም ጥሩ

ክፍል 5 - ስለ ፔትሮል ምርት የሚደረጉ የገበያ ማነቃቂያዎችን በሚመለከት

1. ስለ ፔትሮል ምርት መረጃ ከየት ታገኛለህ/ሽ ?
 1. ከሬድዮ
 2. ከጋዜጣ
 3. ከመጽሔት
 4. ከቴሌቪዥን
 5. ከቢልዎርድ
2. የትኛውን የገበያ ማነቃቂያ ትመርጫለሽ/ህ?
 1. የቁሳቁስ ስጦታ
 2. የዋጋ ቅናሽ
 3. ጉርሻ
 4. የዱቤ አገልግሎት
 5. ሎተሪ/አጣ
3. የፔትሮል ማስታወቂያ ከኮከብ ማስታወቂያ አንጻር ምን ይመስላል?
 1. የማይሰብ
 2. በአንስተኛ የሚሰብ
 3. የሚሰብ
 4. በጣም የሚሰብ
 5. የሚሰብ ወይም የማይሰብ ለማለት የሚያስቸግር

4. የፋብሪካውን የደንበኞች ቅሬታ አያያዝ እንዴት ታይታለች/ህ?

- 1. ደካማ
- 2. በቂ
- 3. ጥሩ
- 4. በጣም ጥሩ
- 5. ጅግ በጣም ጥሩ

5. የፔፕሊን ብራንድ ገፅ ታንዴም እንዴት ተረጋጅቷል/ህ?

- 1. የማይታወቅ
- 2. በአነስተኛ የሚታወቅ
- 3. በጣም የሚታወቅ
- 4. ታዋቂ
- 5. በላቀ ሁኔታ የሚታወቅ

ክፍል 6 - የፔፕሊን የገበያ ፍላጎት ሁኔታ በሚመለከት

1. በሣምንት ስንት ጊዜ ፔፕሊን ትገዛለች/ህ?

- 1. በሣምንት አንድ ጊዜ
- 2. ከአንድ እስከ ሁለት ጊዜ
- 3. ከሶስት እስከ አራት ጊዜ
- 4. ከአምሥት ስኩድስት ጊዜ
- 5. ሁልጊዜ /በየቀኑ/

2. በአንድ ጊዜ ስንት ሣጥን ትገዛለች/ህ?

- 1. ከ 1 ስኩድስት 25
- 2. ከ 26 ስኩድስት 50
- 3. ከ 51 ስኩድስት 75
- 4. ከ 76 ስኩድስት 100
- 5. ከመቶ በላይ

3. ፔፕሊን ኮላን ለመግዛት የበለጠ ተፅዕኖ የሚያሳድርብህ የትኛው ምክንያት ነው?

- 1. ጣዕሙ
- 2. ዋጋው
- 3. የገበያ ማነቃቂያው
- 4. የተመሳሳይ ምርት ዋጋ
- 5. አቅርቦቱና ስርጭቱ

4. ፔፕሊን ኮላን በመግዛት የመቀጥል ፍላጎት አለች/ህ?

- 1. አለኝ
- 2. የለኝም

5. ከላይ ለቀረበው ጥያቄ መልስሽ/ህ አለኝ ከሆነ ፍላጎትሽ/ህ ምን ያህል ነው?

- 1. ከፍተኛ
- 2. መካከለኛ
- 3. ዝቅተኛ
- 4. በጣም ዝቅተኛ

APPENDIX III

QUESTIONS FOR FOCUS GROUP DISCUSSION

Dear participants!

Prior to all, I would like to extend my deepest gratitude for your willingness and cooperation to participate in the group discussion and thereby provide me with an opportunity to learn many of you.

The discussion is organized to secure valuable information that is needed for the purpose of undertaking an academic research on the marketing mix of Pepsi cola. The information obtained from the discussion will be kept confidential and only be used for the accomplishment of the set research objectives.

Please, forward your ideas freely, and to the best of your knowledge.

Thank you in advance for your active participation!

1. In your understanding what are the major features of Pepsi cola?
2. What is the production strategy of the company?
3. What do you know about the pricing strategy of the company?
4. Is there any different pricing currently in practice for the marketing of Pepsi cola?
5. Would you please explain the promotional mix of Pepsi cola?
6. Please reflect on the distribution strategy of the company.
7. What is your assessment of the current distribution system in the company?
8. What do you think are the causes for the recent market share decline of Pepsi cola?
9. What do you suggest to solve the early mentioned problem?
10. Please comment on the overall marketing mix of the company.

APPENDIX IV

GUIDELINE FOR FOCUS GROUP DISCUSSION

- Every member has equal right of participating in the discussion.
- Please, forward your opinion, idea, and/or experiences freely but in the order of one person at a time.
- There is no right or wrong answers for the questions. Differing points of view are welcomed.
- What is raised in the discussion will remain confidential.
- Please, follow the discussion attentively and do not have side talks or discussions
- You are not expected to agree with the opinions of others but you should listen to other's opinions with due respect.
- You are kindly requested to turn off your cell phones if possible.