

**EFFECT OF PROMOTIONAL MIX STRATEGIES ON NON-FINANCIAL
PERFORMANCE OF SUPERMARKETS IN KISUMU CITY, KENYA.**

BY

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DECLARATION

Declaration by student

I declare that this project is my original work and has not been presented for examination by anyone in any institution of learning. No part of this work should be reproduced without my consent and or that of Maseno University.

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Declaration by the Supervisor

This project has been submitted for examination with my approval as the student supervisor of Maseno University.

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DEDICATION

I would wish to dedicate this research work to my family; my dear wife Lydia, my daughter Leora and son Lemuel who remained my pillars and source of inspiration during the entire period of the research work.

ABSTRACT

Retail sector in Kenya contributes averagely 10% of GDP to the economy according to Cyton survey, 2017. Oxford business group report, Kenya 2016 showed that performance of retail sector in Kenya is still low in terms of sales units, brand preference, customer share and take rate, suggesting that there is an ineffective determination of an appropriate combination and application of promotional mix strategies in the sector. Kisumu city, due to its location in East African region is one of the best cities to invest in, boosted by the recent establishment of the Lake Region Economic Block (LREB). The purpose of this study was to analyze the effect of promotional mix strategies on non-financial performance of supermarkets in Kisumu city. The study adopted cross-sectional research design and correlational approach which targeted a population of 110 respondents. The study applied purposive sampling technique in collecting data and analyzed using inferential statistics methods. Reliability of the research yielded a Cronbach's Alpha of 0.901. The findings revealed that sales promotion strategies had a positive significant effect on non-financial performance at ($B=0.082$, $p=0.031$), meaning that every unit change in application of sales promotional strategies leads to a 0.082 change in non-financial performance of supermarkets in Kisumu city, implying that when resources and efforts are applied in enhancing sales promotion there is high chance of significance increase in non-financial performance of supermarkets in Kisumu city. The finding also revealed that personal selling had a positive significant effect on non-financial performance at ($B=0.682$, $p=0.000$), meaning that every unit change in the application of personal selling strategies leads to 0.682 change in non-financial performance in Kisumu city. This finding implies that personal selling strategies are significant determinant of non-financial performance of supermarkets in Kisumu city. The findings further revealed that public relations was found to have negative significant effect on non-financial performance in supermarkets with sponsorship and advertorials strategies being the negative factors ($B= -0.984$, $p=0.000$), meaning that every unit change in the use of public relations strategies leads to -0.984 change in non-financial performance, implying that when applying public relations strategies, organizations and managers are to be careful and consider a mix which produces positive outcomes and avoid sponsorships and advertorials since they contribute to negative results. The study concluded that sales promotion, personal selling and public relations significantly affect non-financial performance of supermarkets in Kisumu city. The study therefore recommends use of appropriate mix of sales promotion, personal selling and public relations by the retail managers.

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ABBREVIATIONS AND ACCRONYMS

LREB – Lake Region Economic block

SPSS - Statistical Package for Social Sciences

GDP – Gross Domestic Product

CSR – Corporate Social Responsibility

ANOVA – Univariate analysis of Variance

NFPM- Non-financial performance measures

ROI – Return on investments

ROA – Return on assets

ROE – Return on Equity

POS – Point of sales

NFP – Non – financial performance

SPS – Sales Promotional Strategies

PSS – Personal Selling Strategies

PRS – Public Relations Strategies

OPERATIONAL DEFINITION OF TERMS

Promotion strategies: These are actions undertaken by firms to attract, persuade, inform and retain customers in a bid to fight competition and improve sales.

Performance: This is a measure of achievement by an organization through the application of resources effectively and efficiently.

Customer: This is an individual who buys a product for own use or for use by others

Non-financial performance: this is the measure of achievement by an organization measured not in monetary terms.

Supermarkets: These are one stop retail outlets which stocks variety of goods and serves an average of 500 customers daily.

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CHAPTER ONE

INTRODUCTION

This chapter contains the background information of the study, statement of the problem, the objectives of the study, research hypothesis, justification of the study, conceptual framework, study limitations and the scope of the study.

1.1 Back ground of the Study

Promotion is one of the marketing mix concepts organizations apply in achieving their marketing objectives. It is considered as a pathway which organizations choose in reaching their customers, achieved through the application of various strategies that includes, advertising, personal selling, sales promotion, public relations/ publicity and direct marketing(Czinkota & Ronkainen, 2004). Promotion creates an opportunity that enables organizations to interact with customers and products albeit minimally before purchase, during purchase and after the purchase, in essence it tracks the consumers all through until after consumption giving an assurance to a consumer of the best choice he/ she made to purchase a given brand at a given time in a given outlet and encouraging them to continue using the same brand from the same outlet. Promotional strategies plays important part in marketing whose significance increases with an increase in competition in the marketing environment and the success and failure of organizations is gauged by the measure and extent of promotion and communications conducted by organizations (Chen, 2009). It involves the passage of information about a product, product line, brand or company, it seeks to inform, remind and persuade consumers(Adetayo, 2006). Well-developed promotional strategies practically creates awareness of the existence of a product an organization offers,

motivates, instills desire for want as well as communicating the benefits and features of a product and company to the general public. Because of competition, firms are obligated to focus more on measures of winning loyal customers as well as trying to attract more, for it has been established that it is more profitable and less costly to retain existing customers than to attract new ones (Doyle, 2002). Promotional activities should be aimed at accomplishing a specific marketing goal (Gold, 1994), because of its impact on the organizations budgets, consumers response and relationships measured by loyalty to both product and outlets, however it has not been practically true depending on the strategy applied, the product promoted, the stage of product life cycle and the counter promotional strategies by the competitors.

In the recent past, retail sector has experienced a lot of promotional activities as a result of liberalization of the market and increased competition, thus increasing promotional applications and emphasis in the retail sector by both major and small industry players. Because of intense promotion, retail businesses have been exposed into the international arena of competition, implying that firms not only face competition locally but also globally, through the various promotional mix strategies applied in the markets (Charles & Gareth, 1998). This makes retail sector an area where there is more urgent need of building brand loyalists, otherwise switching to alternative brands becomes an option an action usually accelerated by promotional strategies, which in turn would cost many firms in the sector. Promotional mix strategies provides greater avenue for attracting and retaining consumers thereby expanding market share translating into high sales volume and increased sales revenue.

Loyal customers do not easily switch their allegiance from preferred brands to other even when promotional activities are conducted to lure them (Schiffman & Kanuk, 1994). Promotion re-enforces loyalty to brands; loyal customers are normally cheaper to serve and are unconscious brand ambassadors, communicating positive benefits of the brand through word of mouth during their interactions with potential buyers which leads into increased market share, brand preference, take rate and sales volume which in essence is an improvement in performance.

Accordingly it has been established that in the U.S, through promotion, companies and to a large extent retail firms loses half of their customer base after every five years to switching or defections (Reichbeld, 1996). The trend projects challenges resulting into slow growth and staggering performances of many firms, however the performance has been measured only in financial metrics which may not give the true picture of performance.

Studies conducted on the effect of promotional elements on sales volume in the service industry, have shown that services which are on promotion, tend to pull demand during periods of promotion than those products/ services which are not promoted thereby improving sales volume (Kivuva, 2003).

1.1.1 Promotional Mix Strategies

Promotional mix strategies are actions and organizational management sub-systems or plans meant to inform, provoke and persuade current and potential future customers into purchase action(Asikhia, 2000). The promotional mix strategies employed in business to stimulate performance primarily include; sales promotion (competition, gift vouchers, clearance sale), advertising (Television ads, posters), personal selling (Follow

ups, discount policy, POS merchandising), direct marketing, public relations (social media, community relations, CSR) and publicity (advertorials, news release) (Kotler & Armstrong , 2009).

Sales promotion is a short term series of marketing activities aimed at attracting and stimulating products demand and influencing consumer buying pattern and retail effectiveness(Achumba, 2002). It prompts immediate impulse and sometimes bulk purchase thus increasing sales of certain product brands, especially products which do not experience regular high volume purchases. It acts as a competitive tool by providing an incentive to purchase a given product, higher volume purchase and avoidance of related competitive brands. It is a media or non- media marketing initiative used by organizations within a given specific period of time to induce demand, productivity and influence product trial, increase customer loyalty, increase product usage, create interest, improve brand awareness and increase repeat purchase(Kotler & Armstrong , 2010) and (Mullin , 2010). Sales promotion strategies mostly applied may include competitions, free gifts, loyalty programs, discounts and gift vouchers.

Studies examining the relationship between sales promotion and business performance indicates that there is a positive significant impact of sales promotion on product and general business performance, (Pembi, Umaru, & Adamu, 2017),(Gituma, 2017) and (Syeda & Malik, 2011). However the studies looked at sales promotion in isolation of other promotional mix strategies, the studies also did not exhaustively look at the contributions of the sales promotional elements such as bonus packs, gift vouchers

and clearance sale and failed to establish the effect of a combination of the three elements of sales promotion on performance. Furthermore these studies were conducted in a factory setting and performance measured in financial terms which although is the commonly applied measurement aspects but lack comprehensiveness and misses non-monetary angle of performance (Ekawati, 2014) , in contrast the current study will be carried out in the retail sector, specifically in supermarkets in Kisumu city and measured in non – financial terms. The studies applied random sampling, stratified random sampling and stratified sampling techniques respectively while the current study will apply saturated sampling technique.

Personal selling is defined as personal presentation of sales staff to current and potential consumers of a company's' product in order to make a sale and create relationship(Kotler & Armstrong , 2009). In other words, it is a one on one interaction between sales person and a customer or communication between two or more people close to one another or face to face with a view of sealing a sales deal (Enikanselu, 2008). Personal selling affords the seller an opportunity to control the conversation and receive instant response in which the sales force is able to amend and defend the presentation if he realizes there is resistance to the approach(Jobber, 2007). Personal selling promotional strategies includes; following up customers by increasing call rates, developing discount policy, improvement of customer relationships and developing and improving customer relations through creating orders, taking orders.

Studies on the influence of personal selling on performance of products and organization as a whole, pointed out that personal selling practices actually improves performance and those organizations which practices any form of personal selling as a

promotional mix strategy experience more sales which translates into high sales volume hence profitability (Mbiti, 2018), (Kinoti, Nkari, & Kathuni, 2019) and (Muchina & Okello, 2016). Although both studies concentrated on personal selling mix as a strategy of promotion they failed in linking up follow ups, discount policy and point of sale merchandising elements of personal selling to performance, furthermore their conclusions were based on the understanding of application of personal selling on performance in diverse industries rather than retail industry. (Mbiti, 2018) looked at the financial performance measures in the logistical industry, (Kinoti, Nkari, & Kathuni, 2019) also viewed performance in terms of financial metrics but in the insurance industry while (Muchina & Okello, 2016) did his research in the shoe making industry in Nairobi CBD. The current study will however be conducted in the retail sector specifically in supermarkets of Kisumu City and evaluate the performance of follow ups, discount policy and point of sale merchandising elements of personal selling and also show corresponding relationship/ effects of a combination of sales promotion, personal selling and public relations and the study will focus more on the non-financial aspect of performance and conclusions drawn on the basis of the findings. The study will apply cross sectional research design and apply purposive sampling technique in collection of data.

Public relations/ publicity involves development of relationships with various publics an organization associates with by obtaining positive publicity, building positive corporate image and shedding off negative opinions and stories (Kotler & Armstrong, 2005). Public relations is concerned with peoples attitude towards a product or an organization and

aims at building trust and open communication between the organization and the public who are the main stakeholders.

On the other hand, publicity is an external rewarding communication acknowledgement of the performance of an organization, product or brand which an organization cannot control its content and timing. Publicity is defined as the use of a medium to receive and report stories linked to a product or a firm, in essence it's a favourable perception the public has on a product or organization (Grasby, Crossan, Frost, Pearce, Purdy, & Haywood-Farmer, 2000). Public relations strategies include; advertorials, social media, newsletters, sponsorships/ partnerships, business events and community relations.

There is a general agreement from various studies, that proper and articulate employment of promotional mix strategies influence performance in terms of market share, sales volume and profitability,(Seukindo, 2017), (Afande & Mathenge, 2015),(Adefulu, 2015) and (Aliata, Opondo, Aila, Ojera, Abong'o, & Odera, 2012). However these studies have failed to link the influence of community relations, social media interactions and corporate social responsibility elements of public relations with performance in the retail industry. Although these studies differ from one another in some aspects which includes research design, variables, industry, geographical area of study and performance measurements their results were conclusive ; whereas (Seukindo, 2017) had similar findings, the study evaluated all the five known strategies and did not point out the effect of a combination of any of the five and its varied elements, moreover the study was conducted in soft drink industry in Tanzania, and assessed performance only in terms of sales.(Afande & Mathenge, 2015) carried out their study in financial institution set up in Nairobi Kenya. (Adefulu, 2015) , on the

other hand conducted his study in coca-cola and 7up factories in Nigeria and interviewed marketing staffs of the two factories examining the performance of consumer goods, applying survey research design. All these studies showed no link between performance and community relations, social media interactions and corporate and social responsibility elements of public relations and a combination of sales promotion, personal selling and public relations in relation to performance of supermarkets. Moreover, the current study will be in the retail sector of the economy and performance being measured in non-financial terms with Kisumu city being the area of consideration.

Studies on promotion have considered all the major promotional mix strategies namely; advertising, personal selling, sales promotion, direct marketing and public relation in different industries and established that there is a positive relationship between promotion and performance, however the current study will concentrate on only three promotional mix strategies in isolation of the rest, with specific relevant elements of the mixes in supermarket, retail sector in Kisumu City and measure the non-financial aspect of performance.

1.1.4 Performance

There are various measurements of organizational performance which includes; financial and non-financial such as profitability, gross profit, return on investments(ROI), return on equity(ROE), return on assets(ROA), sales growth, market share, and revenue growth and non – financial performance measures such as sales units, customer share, product take rate and brand preference. However, most organizations do not put

emphasis on the non-financial measures which to a greater extent are the key pointers to performance.

Performance involves the ability and pace in which an organization achieves its desired objectives (financial and non-financial) through the application of the available resources efficiently and effectively(Ongeti, 2014). It can also be viewed as the achievements met by a business in one particular trading period measured in financial terms as well as in non-financial terms; non-financial performance is measured using non-financial parameters to evaluate performance (Scanlon, 2009). Non- financial measures are not expressed in value terms but are descriptive in nature using measurement variables such customer satisfaction, customer rate of buying, quantity of units sold at particular trading period and brand preference (Malgharni, Soomasundaram, & Multaiyah, 2010). Non-financial performance measurements explains relationships or occurrences which are not evident from financial statements, for example an organizations statements does not show the organizations coexistent relationship with the general public while it is obvious that firms with good community relationships attract many shoppers, it does not also show much about an organizations competitive advantage, its weaknesses, market share, customer satisfaction level etc. Non-financial performance measurements provide organization with full and comprehensive picture of the performance as it complements the financial measures thereby providing full and balanced picture of an organizations performance(Franko, 2013). The wholesome understanding and evaluation of the financial and non-financial performance measures (NFPM) projects total corporate performance(Ekawati, 2014). Performance measurements in financial and non- financial metrics such as profitability, take rate, brand

preference, market share, sales volume etc is deemed comprehensive and provides the right parameter for growth judgment thus ignoring one of them is denying the management and public the correct lens for making decisions(Kaplan & Norton, 2012).

Non-financial performance measurement is sometimes viewed as a management tool in measuring the effectiveness, efficiency, financial viability and relevance of objectives(Carton & Hofer, 2006), it creates perception in the minds of people who desire to associate themselves with an organization and its products especially where there is perceived organization success, thereby motivating them to remain loyal to the same firm and recommend the same to others including friends, relatives and colleagues. Non-financial business performance is observable, it does not require much expertise to report and provides a basis for decision making by management in an anticipation of positive outcome tomorrow(Lebas & Euske, 2002).

Researches have established that there is a relationship between promotion and business performance in different industries/sectors(Amine & Cavusgil, 2001), on the contrary this study will instead investigate this relationship in the context of non – financial performance of supermarkets (retail sector) in Kisumu city with the indicators including; take rate, sales units, brand preference and customer share.

1.1.2 Global Retail Sector

According to a report which identified 250 retail businesses globally and analyzed their performance, it showed that retail business is quickly growing amidst the challenges which they regularly face in the global market (Delloite, 2019). The report looked at the 50 fastest growing retailers and the retail new entrants; it showed positive retail

growth with Walmart retaining its number one spot improving its revenue by 3.0% from the previous reported performance. All the 250 retail companies reported positive growth in the FY2017, regionally it's recorded that almost 100% of the total revenue generated by these retail outlets were from the region where these companies are headquartered, though at times some sales are generated from outside parent region. According to this report, Fast moving consumer goods industry, generated 66.2% of the retail revenue in FY2017 of the 250 companies captured in this report. As compared to other sectors, retailers of this sector, have the largest retail revenue, (US\$ 1.7 billion in FY2017), consequently the report also captured many retail entrants in the same year.

However there are noticeable changes in the global retail business due to rapid changes as a result of the developments of new business models replacing the old traditional business concepts. Competition has completely changed how the retail industry is operated thus calling on the players to enhance their promotional activities and customer oriented strategies to attract new and retain already existing loyal clients. Retailing has taken over in all modern economies and according to some studies, it re-enforces the fact that a retailer is an important party playing an integral part in the supply chain and who sits at the bottom of the business chain linking producers and consumers (Cullen & Newman, 2002).

1.1.3 Kenya's Retail Sector

The retail industry contributes to Kenya's economy to the tune of 10% of the total gross domestic product (GDP), according to (Cyton Survey, 2017) indicating that the retail sector forms a greater part of the GDP. In Kenya, Retail stores comprises of

well-established and structured retail chains to independent owned popularly referred to as “ stand alone” stores or supermarkets. Supermarkets in Kenya began in the early 1970’s (Njiiru, 2010),thereafter Kenya has seen tremendous growth and expansion of supermarkets across the country with chains of supermarkets dominating the retailing space. Although Nairobi has been the main location/ hub for major supermarkets in Kenya, many other major towns such as Mombasa, Eldoret, Kisii, Nakuru and many others have also become targets for supermarket outlets with Kisumu city emerging strongly as a lucrative hub for supermarkets if the opening up of medium and small mini supermarkets are anything to go by. Reports such as (Oxford Business Group, 2016) indicated that performance has not been optimal because of economic and political/ legal constraints the country experiences suggesting that there is more to be done to improve business performances .

Though for the last few years there has been tremendous growth experienced in the retail sector, it has also opened up the sector to competition eventually threatening the very growth trajectory of the sector due to hostility of the environment business wise. In the past few years, many supermarket chains in Kenya, including, Nakumatt, Uchumi and more recently Choppies supermarket have exited the market, reasons being attributed to competition, poor government business regulations and poor promotional strategies among others (Kibuchi, Mwita, & Letting, 2015). Many people have also perceived supermarkets as high end retail chains/outlets which are somehow expensive for their budgets especially going by the location of most outlets, there by denying them customer base(Neven, Reardon, Chege, & Wang, 2006). Mismanagement of most supermarkets is also another concern to the success and survival of

supermarkets. Mismanagement practices such as skewed employment of unqualified personnel, over and understatement of financial position, conflict of interest in management where managers also become suppliers and misapplication of models/ approaches such as promotional strategies which are inappropriate and ineffective have also contributed to serious loss to most retail firm. Competition aggressiveness of most players have also kicked out non- strategic players out of business because they cannot respond faster and appropriately in equal measure to strategies of promotion and management decisions made by rivals to sustain business. The compounded challenges experienced by supermarkets can be minimized or reversed by appropriate mix of promotional strategies to enhance survival, fight competition and avoid further close down and guarantee continuity thus need for emphasis on continuous promotions, formulation of working strategies aimed at reinforcing the product and organization into the minds of consumers is key management decisions (Kamau & Oloko, 2015).

1.2 Statement of the Problem

The retail sector in Kenya contributes to the economy approximately 10% of the total gross domestic product according to Cyton survey 2017. It is one of the fastest growing sectors of the economy in Kenya, creating employment for many and providing a link in the value chain. However the Oxford Business group, Kenya report 2016, shows that retail sector performance is still low in comparison to its potentiality in terms of take rate, sales units, brand preference and customer share, suggesting an ineffective determination and application of appropriate combination of promotional mix strategies. Studies have focused on the performance of promotional

mix strategies as a unit and sometimes one promotional mix strategy independent of the others in various sectors but have not looked at a combination of sales promotion, personal selling and public relations promotional strategies in relation to performance. Furthermore their effect on non-financial performance in the retail sector in Kisumu city has not been quite well established. Kisumu city is becoming a business hub especially with the revival and upgrading of Kisumu port and the establishment of the Lake Region Economic Block (LREB) with Kisumu city as the headquarter, retail sector business is expected to rise with promotional mix strategies playing greater roles in the retail business. The purpose of this study therefore was to establish the effect of promotional mix strategies on non-financial performance of supermarkets in Kisumu city, Kenya.

1.3 Objectives of the Study

1.3.1 General Objective

The main objective of the study was to analyze the effect of promotional mix strategies on the non-financial performance of supermarkets in Kisumu city.

1.3.2 Specific Objectives

This study was guided by the following specific objectives;

- i. To establish the effect of sales promotion on non-financial performance of supermarkets in Kisumu city
- ii. To determine the effect of personal selling on non-financial performance of supermarkets in Kisumu city

- iii. To examine the effect of public relations/publicity on non-financial performance of supermarkets in Kisumu city

1.4 Research Hypotheses

The above objectives were guided by the following hypotheses.

H₀₁ There is no significant relationship between Sales Promotion and non –financial performance of supermarkets in Kisumu city

H₀₂ There is no significant relationship between Personal Selling and non-financial performance of supermarkets in Kisumu city

H₀₃ There is no significant relationship between Public Relations and the non- financial performance of supermarkets in Kisumu city

1.5 Scope of the Study

This study was meant to determine the effect of promotional mix strategies on the non-financial performance of supermarkets in Kisumu city. The study was meant to survey all of the known supermarkets operating in Kisumu city between September 2020 to April 2021. Kisumu City is situated in Kisumu County and covers three sub-counties namely; Kisumu central, Kisumu East and Kisumu West. It lies between latitude of -0.10221 and longitude of 34.7617111 in the southern hemisphere.

1.6 Significance of the Study

By providing information and describing promotional strategies applied by supermarkets in Kisumu city, managers of these retail outlets will be able to gain insight on how various promotional strategies influences consumer purchase pattern which obviously have impacts in their overall business performances.

The study will also add more valuable literature to the current pool of literature for future researchers who may be interested in conducting similar studies.

1.7 Justification of the Study

Supermarkets like many other small retail outlets are facing challenges which impacts performance. Many of these supermarkets have even folded and closed shop mainly due to their inability to predict the behavior pattern of their customers and what role promotion plays in the performance of supermarkets. The study will also enable managers of these supermarkets understand non- financial metrics/ measurements of performance and link them with financial to determine the overall business performance. This study will provide information which will guide the retail sector in mitigating the adverse effects posed by competition and economic stagnation caused by many factors including pandemics such as Covid-19 which has created a scenario where there is minimal economic growth with individuals lacking economic power to purchase just any product unless it is necessary and well promoted.

The study will provide information which will help supermarkets to develop good and customized promotional strategies which attracts consumers hence help in fighting competition. It will also provide information which will allow the supermarket owners and managers to serve customers satisfactorily by understanding their behaviours, change trigger buying factors and characteristics. The study will also provide information for developing customer relationship.

1.8 Conceptual Framework

This is a diagrammatic presentation of the study showing the independent and dependent variable of the study. In this study, the promotional strategies are the independent variables while non-financial performance is the dependent variable. The independent variables include sales promotion and its varied elements such as bonus packs, gift vouchers and clearance sale, personal selling with the elements such as follow ups, discount policy and point of sale merchandising and public relations with its relevant elements which includes; community relations, social media interaction and corporate social responsibility and their effects on non-financial performance on supermarkets in Kisumu city measured in terms of take rate, sales units, brand preference and customer share. Fig.1.1 shows the relationship that exists between the independent and dependent variable and the nature of the relationship. This is supported by the hierarchy of effects theory which explains the cumulative benefits which an organization enjoys from a consumer when it is first exposed to a product or outlet brand through promotion. The figure shows that an increase in application of various promotional strategies which includes sales promotion, personal selling and public relations leads to an increase in take rate of various product brands, increase in the number of product units being sold at particular times, increase in preference for brands in the market and increase in the number of customers for a product as well as customers of a particular outlet thus leading to a change in the performance of various supermarkets. The hierarchy of effects represents the progression of learning and decision making consumers' go through when they are subjected to any form promotional mix. It therefore helps in setting up or developing a message and

progressively building it up at every stage until a sale is realized which thus lead to some incremental level of performance.

Fig 1.1: Conceptual framework

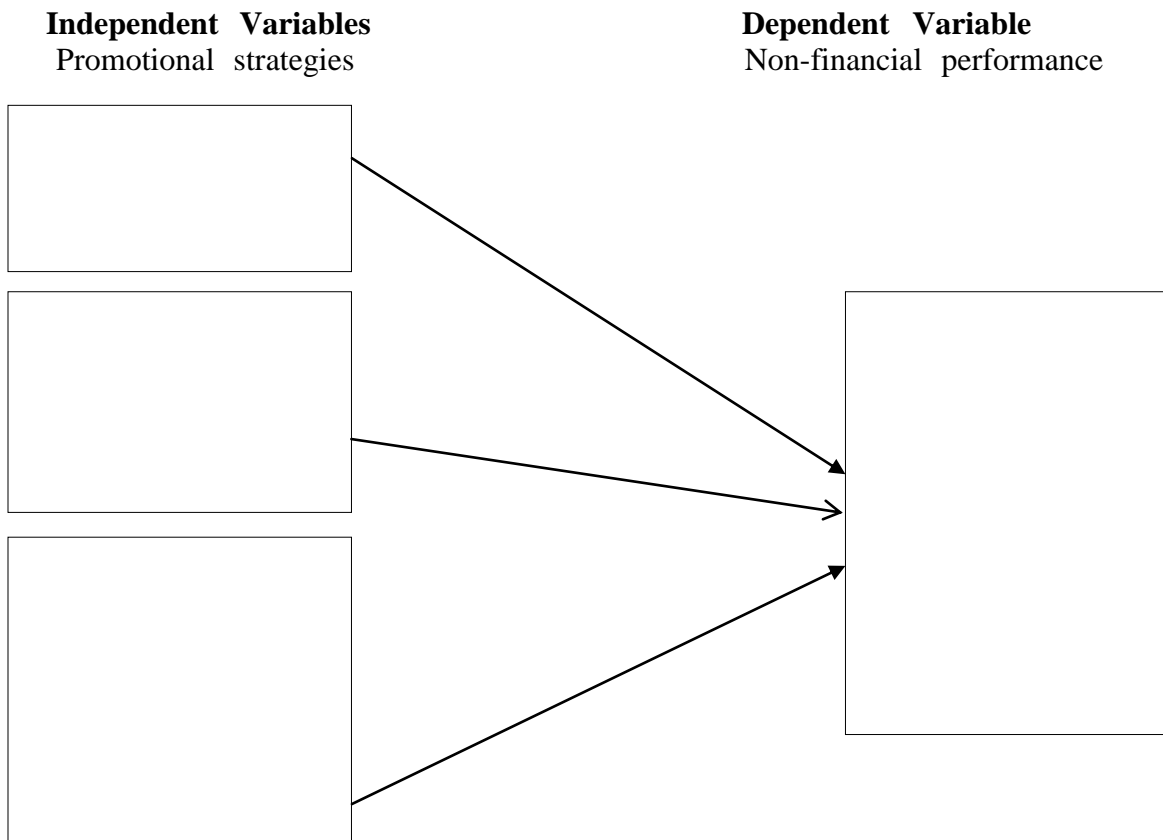


Figure 1.1: Conceptual Framework – Effect of promotional strategies on non-financial performance of supermarkets in Kisumu City

Source: Adapted (Kotler, 2006)

Majority of studies on promotion often consider all the major promotional mix strategies namely; advertising, personal selling, sales promotion, direct marketing and public relation in different industries and established that there is a positive relationship between promotion and performance. However the current study concentrated on only three promotional mix strategies in isolation of the rest, with specific relevant elements of the mixes in supermarket, with an aim of establishing the effect, the three could have non-financial aspect of performance and further determine the extent of the effect the three strategies could have on non-financial performance of supermarkets in Kisumu city, Kenya

CHAPTER TWO

LITERATURE REVIEW

This chapter contains the theoretical literature review and empirical literature review which guided this study.

2.1 Theoretical Literature Review

The review explains the theoretical foundations of the study. It advances the theories that guided the study and defined the concepts and provides the dimensions of the variables. The concepts of the promotional strategies and performances are anchored in the hierarchy of effects theory and socio- judgment theory.

2.1.1 Hierarchy of Effects Theory

This theory describes the effective route/ path which promotional strategists develop for a customer until a consumer buys and consumes the product eventually making an organization achieve its marketing goal which is usually a sale translating into performance (Osuagwu, 2002). The theory describes five steps which includes; Awareness – this is the creation of a consumers' knowledge to an existence of a product, its availability and what benefits the product offers. It brings into picture what one may not have known even if it exists and creates wide knowledge of the products and all available brands in the market. At this stage, most products are at the introductory phase and serious need for awareness creation is done with the help of well-planned strategies such as sales promotion, personal selling and public relation mainly meant to pull consumers to the product. Liking – this is the development of a consumers' attitude of favour to a product and willingness to recommend the same to others. Liking involves showing more attention to a given product/ brand and not

to another, feeling motivated to continue associating oneself with the same brand. This stage requires strategies will capture the imaginations and attention of the customer and allow them to settle their thoughts on a specific product. This is the stage where organizations need to use strategies which will reinforce and create an assurance because it is forms the first stage of decision making. Preference – the graduation of a consumers liking into a preference where an individual or group of individuals will only purchase the same product over and over again when a similar need of a product occurs. Preference is also noticed where an individual is faced with several choices but will obviously choose the favourite, notwithstanding the alternative's benefits and general attributes. Conviction – the development of a strong and firm desire or faith and a push to buy the product convinced that the product will fulfill the intended satisfaction. It involves a deeper feeling/ motivation to associate and continuously purchase a specific brand for a fulfillment. Purchase – the final phase which leads to possession of a product as a result of occurrence of an exchange. It arises from the development of an attitude which turns into a behaviour and involves an exchange of the desired product with money.

The theory simply helps in understanding the phases a consumer passes before the final purchase thus enabling decision making on the part of marketers to carry along consumers in development and execution of promotional activities. This theory shows the phase upon which a given promotional strategy is appropriately applicable before final product purchase. This theory creates an opportunity to understand when a particular promotional strategy such as sales promotion, personal selling and public

relation is to be applied within the phases and which strategy yields much in terms of performance than the other.

2.1.2 Socio–Judgment Theory

Socio-judgment theory is a self-persuasion theory which compares the current state with the anticipated outcome foreseeable and which consumers use in evaluation them based on perception. This theory appreciates that individuals have options when making purchases and tries to look at how individuals weighs new options and ideas, comparing these ideas/ options with what he has always believed and for long time experienced and ranks them in the mind in order of own evaluation of importance. It thus involves the sorting out of ideas and alternatives out of own perception(Griffin , 2012). This theory considers the opinion that individuals will always take time to assimilate new ideas in the light of past and present knowledge which actually acts as the point of reference. The socio-judgment theory is helpful because it explains why it is difficult to persuade people through various promotional strategies to change their opinion and at the same time it explains why it is necessary to persuade in this competitive economic world, the outcome of which relies on the consumer based on promotional strategies he is subjected to(Solomon M. , 2011). This theory underscore the fact that consumers have previous experiences which influences their current behaviour with different product brands but with additional available options in the market, an interaction is created through promotional strategies and many consumers switch their allegiance to new brands and options available in the market. This theory help in evaluating which strategy is appropriate for persuasion, reminding and provoking a consumer's action. It explains where and when to apply sales promotion,

personal selling and public relations/ publicity and still maximize returns in terms of sales units, take rate, brand preference and customer share.

2.1.3 Promotional mix strategies

Promotional mix strategies are combination of planned actions and firms systems and sub systems meant to persuade, motivate and create in consumers a desire to make purchases. It can be viewed as a tool that various organizations use to communicate the benefits of their products and services(CIM, 2004). They have formed a great part of any marketing activity and which no serious organization can afford to ignore. They have been mostly applied in combinations and not in isolation because it's believed not one single tool works (CIM, 2004). Promotional mix strategies include; sales promotion, personal selling, advertising, public relations/ publicity and direct marketing (Kotler & Armstrong , 2009).

Sales promotion is a collection of related activities aimed at attracting, pulling and inducing consumers to make a purchase decision. It is mainly used to offer buyers additional value, to shift a buyers' loyalty, to get more market share and to maintain and sustain market share (Kotler & Armstrong , 2010). Sales promotion strategies applied by most organization include; competitions, gift vouchers, free samples, loyalty programs, competition and discounts.

Personal selling is personal/ one on one presentation of a product/service to a customer by a sales person in order to make a sale and create relationship(Kotler & Armstrong , 2009). It involves communication / exchange between two or more people (Enikanselu, 2008). Personal selling provides the seller with an opportunity to control

the conversation and receive instant response in which the sales force is able to amend and defend the presentation if he realizes there is resistance to the approach (Jobber, 2007). Personal selling promotional strategies includes; following up customers by increasing call rates, developing discount policy, improvement of customer relationships and developing and improving customer relations, taking orders, creating orders etc.

Public relations/ publicity is the creation of relationships between a firm and its neighbours. These neighbours are referred to as public and comprises of customers, competitors, government agencies etc. Development of proper relationships involves creating positive corporate image and avoiding negative stories hence creating an open communication channel between the public and the organization thus understanding people's attitude and perception on the products/ services (Kotler & Armstrong, 2005).

2.1.4 Non-financial performance

Non- financial business performance are measures which are not expressed in money terms but are descriptive in nature using measurement variables such customer satisfaction, customer rate of buying, quantity of units sold at particular trading period and brand preference (Malgharni, Soomasundaram, & Multaiyah, 2010). Non-financial performance is measured using non-financial parameters to evaluate performance (Scanlon, 2009). Non-financial performance measurements explains relationships or occurrences which are not evident from financial statements, Non-financial performance measurements provide organization with full and comprehensive picture of the performance as it complements the financial measures thereby providing full and balanced picture of an organizations performance (Franko, 2013). The wholesome

understanding and evaluation of the financial and non-financial performance measures (NFPM) projects total corporate performance(Ekawati, 2014).

Non-financial business performance is observable, it does not require much expertise to report and provides a basis for decision making by management in an anticipation of positive future outcome(Lebas & Euske, 2002).

2.2.Empirical Literature Review

2.2.1Sales Promotion and Performance

According to a study on the impact of sales promotional strategies on performance of organizations it was found out that sales promotion has a positive significant impact on the performance of organizations in terms of increased sales volume leading to profitability (Pembi, Umaru, & Adamu, 2017). The study employed random sampling technique in sampling twenty low level, middle level and high level staffs of flour mills of Nigeria, Maiduguri, Borno state. The questionnaires were administered in collection of primary data which were then subjected to descriptive analysis as well as regression statistical analysis. A study on the effects of marketing mix on sales performance reveals that sales promotion influences sales volume . The study was carried out at a factory setting and descriptive research was used in the study targeting a population of 127 middle level staffs and a sample size of 96 respondents were selected using stratified random sampling technique. An amalgamation of descriptive and inferential statistics was used for analysis and results presented in tables and figures.

In the study done on the impacts of sales promotion on organizations profitability and consumers preferences in Pakistan shows that there is positive relationship between sales promotion and profitability and that there are increased sales during periods of sales promotion and also that brand loyalty is enhanced by continuous promotion (Syeda & Malik, 2011). The survey was conducted in the shoe industry in Pakistan. The study was conducted in two companies in the shoe industry and stratified random sampling technique was applied in selecting 100 respondents for each company. Analysis of data was done using descriptive and inferential statistics where regression and correlation was carried out to show the relationship and the extents of such relationships.

Studies that were conducted looking at the impacts of sales promotion on the performance of organizations, the study found out that indeed sales promotion has a positive impact on performance, the studies were all conducted in a factory setting and performance measured in financial terms (Pembi, Umaru, & Adamu, 2017),(Gituma, 2017) and (Syeda & Malik, 2011). All the studies adopted stratified random sampling technique and applied an amalgamation of descriptive and inferential statistics in data analysis, however (Pembi, Umaru, & Adamu, 2017) did his study in Nigeria,(Gituma, 2017) did his study in Kenya while (Syeda & Malik, 2011) conducted their study in Pakistan. The current study will be conducted in the retail sector specifically in supermarkets of Kisumu city and will apply purposive sampling technique in data collection and will endeavour to investigate the effect of bonus packs, gift vouchers and clearance sale elements of sales promotion on non- financial aspect of performance.

2.2.2 Personal Selling and Performance

In a study done on the promotional strategies on marketing performance of logistical companies, it was observed that personal selling plays a greater role in increasing market share and sales volume, reduces costs and builds longtime relationship with customers hence assurance of future sales (Mbiti, 2018). The study adopted descriptive research and case study was used. The targeted study population was 554 employees of DHL ltd. Stratified random sampling technique was applied in selecting 166 respondents who were issued with questionnaires to fill on their own. The questionnaires were collected and analyzed using statistical packages for social sciences (SPSS) and results presented in tables and figures. In the study on the promotional strategies and performances in insurance companies it is observed that personal selling improves performance in terms of sales and that when personal selling is employed, there is increased uptake of insurance products (Kinoti, Nkari, & Kathuni, 2019). The study adopted descriptive research design and the target population comprised of branch managers, unit managers and sales people of insurance companies operating in Embu County, Kenya. The sample size was 175 respondents with a response rate of 85.7% and the analysis was done using descriptive and inferential statistics.

In the study conducted to examine the influence of personal selling on brand performance, results showed that personal selling significantly improves brand performance of the shoe companies. It is observed that personal selling is a reliable strategy in promoting brands thus increasing the market share of given brands hence higher sales volume resulting into profitability (Muchina & Okello, 2016). The study adopted the survey research design targeting the marketing management and sales

staffs of all the three shoe companies in the CBD of Nairobi. The research used the primary data which was collected from the respondents using a questionnaire; data was then analyzed using descriptive and inferential statistical analysis methods.

According to a study on the impact of marketing mix on sales performance, findings showed that there is a positive impact of product quality on sales and general organizational performance (Gituma, 2017). The study followed descriptive research approach. Stratified random sampling technique was adopted to select sample size of 96 respondents who were staffs of Unga ltd. Structured questionnaires were used collection of data and descriptive and inferential statistics was used in data analysis. The study indicates that when a product is regarded as quality by consumers they will pay premium price and will never switch to another brand because quality product guarantees satisfaction.

Studies by (Mbiti, 2018), (Kinoti, Nkari, & Kathuni, 2019) and (Muchina & Okello, 2016) all looked at the influence of personal selling on performance of products and organization as a whole. The studies pointed out that personal selling actually improves performance and those organizations which practices personal selling as a promotional strategy experience more sales which translates into profitability. Although both studies concentrated on personal selling as a strategy of promotion, (Mbiti, 2018) looked at the financial performance measures in the logistical industry, (Kinoti, Nkari, & Kathuni, 2019) also viewed performance in terms of financial metrics but in the insurance industry while (Muchina & Okello, 2016) did his research in the shoe making industry in Nairobi CBD. The current study will concentrate on the effect of follow ups, discount policy and point of sale merchandising elements of personal selling and

will be conducted in the retail sector specifically in supermarkets of Kisumu City, the respondents will be determined by purposive sampling technique unlike the other studies and furthermore, the study will focus more on the non-financial aspect of performance.

2.2.3 Public Relations/Publicity and Performance

In the study done on the effects of marketing communication mix on the sales performance of soft drinks companies, the finding showed that there is a positive insignificant effect of publicity on sales performance (Seukindo, 2017). The study adopted explanatory and descriptive research designs targeting a population of 37 soft drink companies in Dar-es-salaam, Tanzania. The study applied the use of structured and unstructured questionnaire in collection of data from the respondents and analysis done using descriptive and inferential statistics. The study considered all the five known promotional mix strategies but failed to consider all the elements/indicators of publicity/public relations to draw a conclusion, furthermore the researcher only considered sales performance indicator as measure of performance in the manufacturing industry. The current research will consider only three promotional mix strategies as a set touching on all the elements of each and evaluate their performance using non-financial metrics in the retail sector in Kisumu city

According to the study on the effect of promotional mix elements on sales volume on financial institutions (post office savings bank) showed that indeed there is significant increase in sales volume when promotional mix elements are employed in business(Afande & Mathenge, 2015). The analysis showed that sales promotion has more effect followed by personal selling, advertising, public relations and direct marketing

in that order. The study was conducted at the headquarter of the post office and savings bank in Nairobi on a population of 240 staffs being the respondents and descriptive research design was adopted. A sample size of 96 respondents were selected and data was collected by use of questionnaires which was analysed using (Statistical Package for Social Sciences) SPSS as an aid in analysis. Content analysis was used in analysing qualitative data while quantitative data was analysed using descriptive statistics. The study found out that indeed sales promotion improves sales volume, however no indication of its influence on non-financial measurements such as take rate, brand preference and customer share. Furthermore the study was conducted in the banking sector, in Nairobi.

In the study carried out on the effects of promotional strategy on profitability and market share, it was established that profitability and market share are affected by promotional strategies to certain degree at different percentage rates of advertising, publicity and sales promotion while personal selling does not affect profitability and market share (Adefulu, 2015). The study was conducted by use of questionnaire and survey research was adopted. The study population was marketing staffs of coca-cola and 7up companies in Lagos, Nigeria and research findings were analysed using the univariate analysis of variance (ANOVA). On analysing the influence of promotional strategies on the performance of banks, it was established that there is a positive relationship between promotional strategy expenditure and bank performance (Aliata, Opondo, Aila, Ojera, Abong'o, & Odera, 2012). The study showed that an increase in the level of promotional strategies as a result of increased expenditure leads into increase in sales volume in the bank. It also showed that the different promotional strategies

are more effective when applied simultaneously and not independently. The study adopted a descriptive research design and employed simple random sampling technique in administering a questionnaire which given to bank managers as the respondents. Data was analysed using SPSS and correlation analysis was conducted to show the relationship between promotional strategies and performance while regression was conducted to explain the performance. This study considered the element of expenditure on promotional strategies in relation to performance and applied the five promotional mix strategies in contrast the current study will ignore the element of expenditure and consider only three promotional mix strategies, considering specific parameters and evaluate their effectiveness in the retail sector of Kisumu city. Furthermore the current study will consider performance in non- financial terms

Both studies agreed in their independent works that indeed employment of promotional strategies influence performance in terms of market share, sales volume and profitability(Seukindo, 2017), (Afande & Mathenge, 2015),(Adefulu, 2015) and (Aliata, Opondo, Aila, Ojera, Abong'o, & Odera, 2012). However their studies differ in some aspects; whereas (Seukindo, 2017) had similar findings, the study was conducted in soft drink industry in Tanzania, while(Afande & Mathenge, 2015) carried out their study in financial institution set up in Nairobi Kenya. (Adefulu, 2015), on the other hand conducted his study in coca-cola and 7up factory in Nigeria and mainly interviewed only marketing staffs of two factories.

Similarly there are other studies that revealed negative/ decrease in performance when certain strategies of public relations were applied. According to a study conducted by (Tinderet , 2018) on the effects of sports marketing on sales performance of

manufacturing firms in Kenya revealed that a unit increase in sports sponsorship results into a decrease in performance of manufacturing firms. The study revealed that a unit increase in sports sponsorship causes a 0.058 unit decrease in performance of manufacturing firms. The study adopted descriptive research design with a target population involving all individuals in marketing and financial departments from five manufacturing companies in the country that are involved in sports marketing. Data was collected using structured questionnaires and analysis was done with the help of SPSS. Another study by (Runsbech & Sjolin, 2011) on the negative effects of sponsorship revealed that negative sponsorship affects consumers attitude which then lead to image transfer thereby decreasing the organizations financial and non – financial performance. The study was a quantitative study which adopted use of questionnaires having 26 questions. Still another study by (Iqbal, Saira, Siddiqui, & Ahmed, 2019) on the impacts of deceptive advertising on customer loyalty revealed that deceptive adverts have negative influence on customer loyalty hence low level performance. The research study was quantitative nature with a sample size of 250. Questionnaires were designed and distributed electronically and manually. Exploratory Factor Analysis (EFA) was used to analyse the data with the help of SPSS. Confirmatory Factor Analysis (CFA) and Structural Equation Modelling (SEM) using AMOS were used to ensure the model and test the hypothesis. The current study concentrated on supermarket, retail sector in Kisumu City concentrating on community relations, social media interactions and corporate social responsibility aspects of public relations, furthermore the focus of measurement were non-financial aspect of

performance in relation to public relations. The study also adopted the purposive sampling technique and applied inferential statistics for analysis.

2.3 Summary of Literature

The studies reveal the relationship existing between promotional strategies usually employed and corresponding performance measures. They indicate that companies enjoy more profits because of increased sales during periods of sales promotion and brand loyalty is enhanced as well during the same period. Personal selling strategies are also found to be pro performance where it promotes the improvement of market coverage, increase in market share, increase in sales volume as well as reduction in cost of sales while at the same time supports the building of business relationships. Further personal selling strategies are found to be significantly improving brand performance especially outlet brands where individual users will be glued to a specific outlet. Public relations and publicity strategies revealed a mix of positive and negative relationships with performance.

The studies reviewed were done in different geographical areas and sectors of the economy with specific strategies in focus and measurement of performance done in terms of financial metrics, which to some degree shows the actual performance, however, many organizations ignore the non-financial aspects of performance which also is great pointers to performance(Franko, 2013). The study will generate the significance and emphasize the need for understanding the value of non-financial aspects of measurements in any business operations. The studies were not conducted in the retail sector which were the area of the current study and in Kisumu city. The current study focused on specific elements of sales promotion (bonus packs, gift vouchers and clearance), personal selling (follow ups, discount policy and point of sale merchandising) and public relations (community relations, social media interactions and corporate social responsibility). The study also applied purposive sampling technique

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter explains the methods and procedures that was used to carry out the research study; which included research design, research population, sampling techniques, identification and description of tools for data collection, analysis and presentation.

3.1 Research Philosophy

The study adopted the post positivist worldview/ paradigm holding to the assumptions that there is always room for improvement and investigation of causes and effects of phenomenon thus there is no absolute truth or knowledge and that knowledge is progressive and discoveries can still be made on subjects and phenomenon which can then lead to varied outcomes. In other words post positivist philosophy points to the need to identify and assess the causes that influences outcomes in relationship between variables. This philosophy argues that problems studied have causes which bring out outcomes and there is therefore need to identify and assess these causes. In this study, post positivism dimension provided an opportunity to understand the contributions of promotional strategies on non-financial performance of supermarkets, where performance was measured as an outcome caused by application of various promotional strategies.

3.2 Research Design

A research design acts as a research structure or framework for collection, measuring and analysis of data to be used in answering research questions and answering research objectives (Bryman, Bell, & Teevan, 2012). It is a plan, scheme or an outline

which will help in generating answers to the research problem(Orodho, 2003). It is seen as an adhesive which holds every aspect of the study together to achieve the intended objective of answering the problem of the study(Donald, 2006). This study used cross - sectional survey research design and applied correlational approach, it is deemed appropriate for it enables researchers to collect data and make inferences about a population of interest, understand the relationship that exist between the independent variables and dependent variable. A survey is a method which attempts to collect data from a population in order to determine the current situation of the population with respect to one or more variables (Mugenda & Mugenda, 2003). The study in general tried to assess the effect of promotional mix strategies on non-financial performance in supermarkets of Kisumu City.

3.3 Research Study Area

The study was carried out in all the supermarkets in Kisumu City. Kisumu is the head quarter of former Nyanza province and currently the head quarter of Kisumu County which comprises of seven sub – counties; namely Kisumu East, Kisumu Central, Kisumu West, Nyakach, Muhoroni, Seme and Nyando. Kisumu City lies between a latitude of -0.10221 and a longitude of 34.7617111 in the southern hemisphere. Kisumu city in the last few years has attracted business and other investment opportunities due to its geographical location in the region, upgrading of the port, establishment of the lake region economic block (LREB) an entity which coordinates economic activities within the counties around Lake Victoria. Kisumu city is also preparing to host global Africity conference hence heightening commercial activities attracting more investments within and without the borders.

3.4 Target Population

Study population is an aggregate or totality of all the objects, subjects or members that conform to a set of specifications (Polit & Hungler, 1999), it refers to entire group of individuals in which researcher is interested in generalizing his conclusions (Mugenda & Mugenda, 2003). It is a well - defined set of people, services, events, elements or group of things or households that are being investigated and which share common characteristics. The target population for this study comprised of all the line attendants, stores officers, purchasing officers, floor supervisors and branch managers and any other employee of the supermarkets operating in Kisumu city who was deemed useful. This population is 1,050 employees, according to the supermarket records, Kisumu, August, 2020

3.5 Sample frame and Sampling Procedure

A research sampling frame is the list of the research study target population, from where the research study selects or picks the sample size (Kothari, 2008). In this study purposive sampling technique was applied to extract information from those who are deemed to be helpful in generating the required information. From the entire population of 1,100, 10% of the total study population (110 respondents), was used as a sample which is regarded as a good size for analysis and thus giving reliable information for the study (Mugenda & Mugenda, 1999). The study got information from respondents in groups of branch managers, store officers, floor supervisors, line attendants and supply officers, (see Appendix 5).

Table 3.1: Population of respondents

Name of supermarket	Respondents			
	Branch managers	Supply officers	Floor managers	Store Keepers
Tuskys Lolwe	1	2	2	2
Tuskys United	1	2	2	2
Quickmart Nyalenda	1	2	1	2
Quickmart Kondele	1	2	1	2
Quickmart Mayfair	1	2	1	2
Quickmart Kenshop	1	2	1	2
Chandarana Westend	1	2	2	2
Shivling Kondele	1	2	1	2
Shivling Foamart	1	2	1	2
Kibuye mart	1	1	1	1
Appmart Nyamasaria	1	2	2	2
Appmart Nyalenda	1	2	2	2
Khetias Dala	1	2	2	2
Khetias Victoria	1	2	2	2
Naivas city	1	2	2	2
Naivas	1	2	2	2
Game	1	2	2	2
Total	17	33	27	33
Percentage %	15	30	25	30
Grand Total	110			

Source: Supermarket records as of August 2020

3.6 Data Collection Methods

3.6.1 Sources of Data

The study relied on primary data which was collected from the respondents using structured questionnaires. Primary data are pieces of information a researcher is collecting for the first time from the original source which is considered more accurate and reliable.

3.6.2 Data Collection Procedures

A letter authorizing the researcher to conduct research in the supermarkets was provided by Maseno University, Department of Business Administration, School of Business. The researcher then assembled all the required data collection materials necessary for the exercise. There was a prior or initial visit done by the researcher to the supermarkets for familiarization as well as identification of potential challenges which may hamper the research process.

3.6.3 Data Collection Instrument

A questionnaire was the primary instrument for data collection; which was designed by the researcher in a manner which enabled the collection of all the relevant issues/information pertaining to the study topic and purpose. Although the use of questionnaire is common in collection of valuable information, it was the most appropriate tool to capture the various specific objectives of the study. Data collection is usually the way of obtaining information from various selected and specific subject of investigation (Mugenda & Mugenda, 2003).

3.6.4 Research Questionnaire

A questionnaire is a research instrument containing series of questions and promptings directing/guiding a respondent for the purpose of gathering information/data in order to address a problem(Dillman, Smyth, & Christian, 2014). The questionnaires was developed and structured in a way that addressed the objectives of the research. It had a 5 point Likert Scale where (1) strongly disagree, (2) disagree, (3) Neutral, (4) agree and (5) strongly agree. The questionnaire was divided into sections with open and closed ended questions containing the demographic information of the respondents and each

study objective had questions addressing it in each section. The questionnaire was administered by the researcher.

3.6.5 Reliability Tests

Reliability is the measure of the degree to which a research instrument would yield the same results or information after repeated trials for believability purposes (Mugenda & Mugenda, 2003).

Table 3.2 Reliability Test

Cronbach's Alpha	N of Items
.901	7

Source: (Survey Data, 2021)

Cronbach's alpha was used to measure the reliability of the data before carrying out the actual study. A total of 7 questionnaires were used for the pilot study. The measurement yielded alpha coefficients of 0.901 which showed that the data had a very high consistency level. The test was significant in generalizing the consistency of the collected data and to minimize random errors which may have appeared and to increase the reliability and stability of the data collected.

3.6.6 Validity Tests

Validity is defined as the degree to which an instrument of research measures what it is supposed to measure and not any other (Mugenda, 2008). In other words, any instrument developed for a study must actually address the phenomenon in question for it to be deemed valid, thus establishing the relationship between data and relevant

variables of study. The instrument developed must be able to contain questions that test the content of the study i.e content validity. Opinions of the research supervisor was sought in the process of designing and developing of the instrument to validate the content and face validity was applied to check the appearance just to confirm the instrument was likely to measure what it claims to. For this study the researcher mainly relied on content validity; which is the measure of degree of accuracy with which an instrument is able to capture and accurately measure the variables (content). Validity is concerned with the accurate measure of results and generalization of the same to the population.

3.7 Data Analysis and Presentation

All the information collected was checked for consistency and accuracy of responses by the respondents and thorough cleaning was done to eliminate potential errors. The data was analyzed using regression statistical model.

The study applied the use of regression analysis technique and specifically applied multiple regression model in the form of;

i.
$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_n X_n + \varepsilon$$

Where;

Y= Dependent variable: Non-financial performance measured in terms of take rate, sales units, brand preference and customer share

X_{1-n} = Independent variables: Promotional mix strategies applied in terms of sales promotion, personal selling and public relations

β_{1-n} = Regression coefficients or change induced in Y by each X

β_0 = Constant

ε = Error

Source: (Mugenda & Mugenda, 2003).

3.8 Ethical Considerations

Ethical considerations were observed during the study by minimally involving external parties in the research except where there was serious need. And where such needs arose the parties involved were trained and advised on what to do at what stage, though most of the processes were carried out by the researcher with the help of the supervisor.

The questionnaires that were used were developed by the researcher addressing the research problem and those who were involved as participants/ respondents were asked to volunteer by self-consenting and the data collected from them were treated as confidential and not shared by any other party and their identities were concealed. The findings will be shared by agencies which will make meaning out of the findings in solving related problems or who will enrich it for reference in future studies.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

This chapter presents the findings on the effects of promotional mix strategies on the non-financial performance of supermarkets in Kisumu City. It entails the response rate, reliability test, background information of the respondents, descriptive statistics, and inferential statistics. The results are presented in tables and charts.

4.2 Response Rate

The researcher sought to establish the response rate of the sampled respondents. The results are presented in Table 4.1.

Table 4.1: Response Rate

Questionnaires	Frequency	Percent
Response	97	88
Non-response	13	12
Total	110	100

Source: (Survey Data, 2021)

Out of the 110 questionnaires issued, a total of 97 were collected. The response rate was found to be 88%. The study was found to be successful and data was considered sufficient to be used for analysis according to (Babbie, 1995) who considered 70% response rate and above to be very sufficient for analysis.

4.4 Back ground information of the respondents

Table 4.2 Background information

4.4.1 Supermarket name	Respondents per supermarket	
Variables	Frequency	Percentages (%)
AppMatt	11	11.3
Chandarana	8	8.3
Game	9	9.3
Khetias	17	17.5
KibuyeMatt	10	10.3
Naivas	13	13.4
Quickmart	18	18.6
Shivling	11	11.3
Total	97	100.0

Source: (Survey Data, 2021)

4.4.2 Gender		
Male	59	60.8
Female	38	39.2
Total	97	100.0

Source: (Survey Data, 2021)

4.4.3 Duration of working in the supermarket		
Less than 1 year	20	20.6
1-5 years	58	59.8
6-10 years	14	14.4
More than 10 years	5	5.2
Total	97	100.0

Source: (Survey Data, 2021)

4.4.4 Position in the supermarket

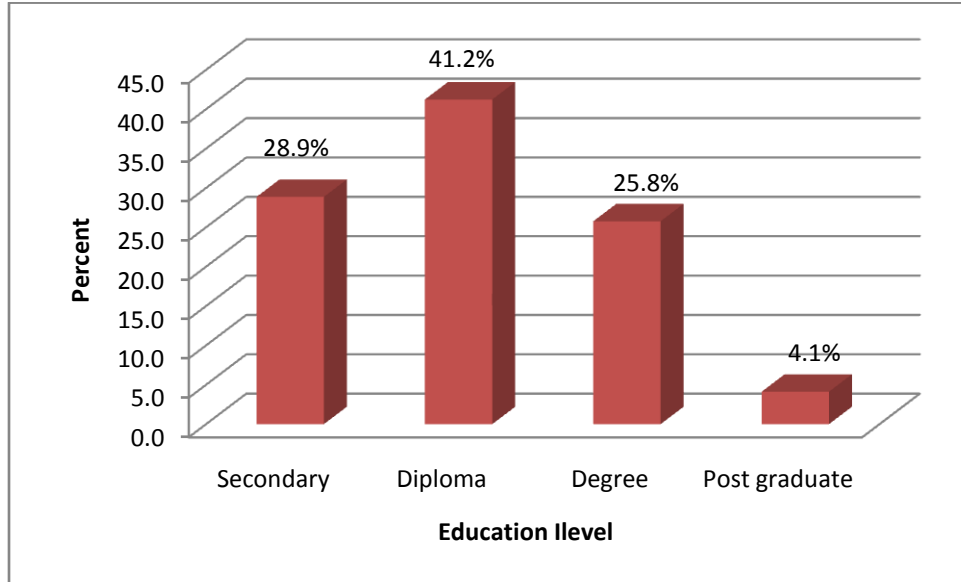
Branch manager	4	4.1
Stores Officer	22	22.7
Floor supervisor	29	29.9
Procurement officer	6	6.2
Cashier	3	3.1
Line attendant	25	25.8
Other	8	8.2
Total	97	100.0

Source: (Survey Data, 2021)

The findings revealed that majority 18(18.5%) of the study participants were from Quickmart supermarket, 17(17.5%) from Khetias, and 13(13.4) from Naivas. Appmatt and Shivling supermarkets had equal number of respondents 11(11.3%). Kibuye matt had 10(10.3%) respondents while Game had 9(9.3%) respondents. The least number of respondents 8(8.3%) were from Chandarana. On gender, the bigger number was found to consist of male 59(60.8%) while female were only 38(39.2%). On duration of working in the supermarket, majority 58(59.8%) of the respondents had worked in the supermarket for 1-5 years, 20(20.6%) had worked for less than a year, 14(14.4%) had worked for 6-10 years, while the minority 5(5.2%) had worked for more than 10 years.

The findings further revealed that a large proportion 29(29.9%) of the participants were floor supervisors followed by line attendants 25(25.8%), stores officers were 22(22.7%) while procurement officers were 6(6.2%) of the participants. There were 4 (4.1%) branch managers and 3 (3.1%) cashiers while the rest of the respondents 8(8.2%) held various positions like clerks, and other staff.

4.4.5. Education Level

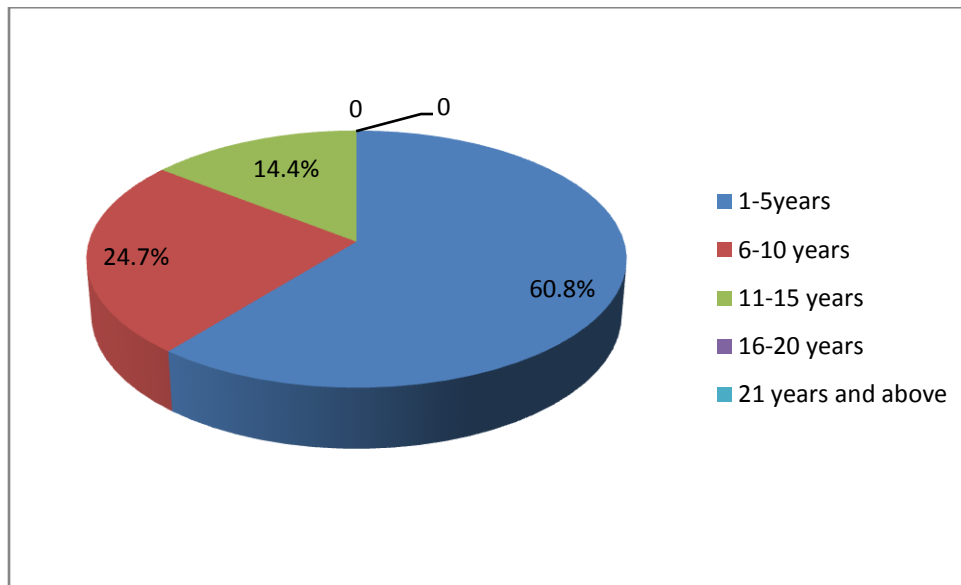


Source: (Survey Data, 2021)

Figure 4.1 Education level

Majority 40(41.2%) of the study participants had attained Diploma as their highest education level. This was followed by 28(28.9%) who had secondary education and 25(25.8%) who stated to have undergraduate degrees. The least number of respondents 4(4.1%) had post graduate education. This implies that almost all participants were knowledgeable and were able to respond to the questions from the point of understanding in regard to the study objectives.

4.4.6 Duration of operation in Kisumu



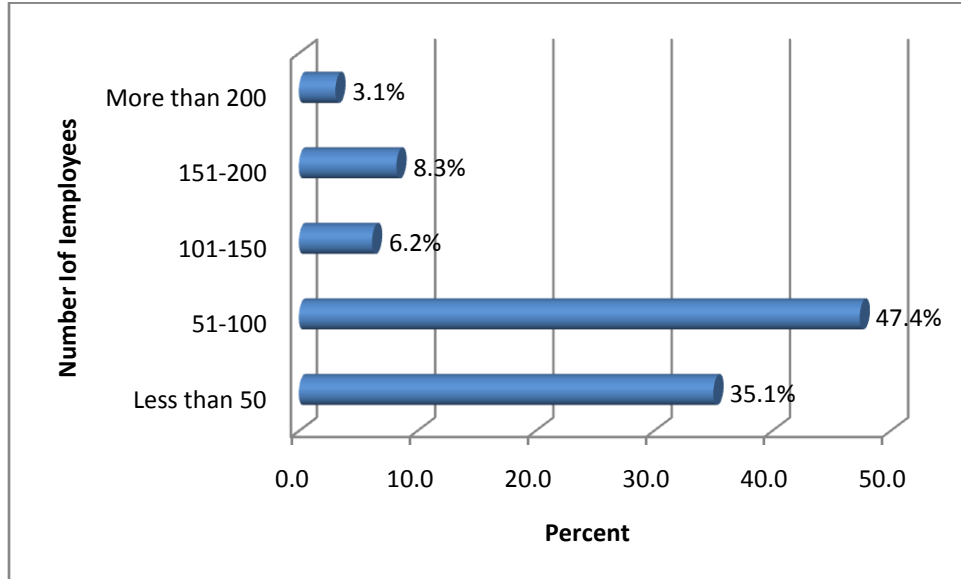
Source: (Survey Data, 2021)

Figure 4.2 Duration of operation

Most supermarkets had operated in Kisumu for 1-5 years according to 59(60.8%) of the respondents. Another proportion of 24(24.7%) stated that the supermarket had operated for 6-10 years. The minority 14(14.4%) indicated that the supermarkets had operated in Kisumu for 11-15 years. Figure 4.2 further indicated that no supermarket under study had its operations in Kisumu for 16-20 years or 21 years and above.

Its noticed from the respondents that supermarkets under study had been operation for at least more than one year, implying that the period they had existed was enough to practice some form of promotional strategies.

4.4.7 Number of employees

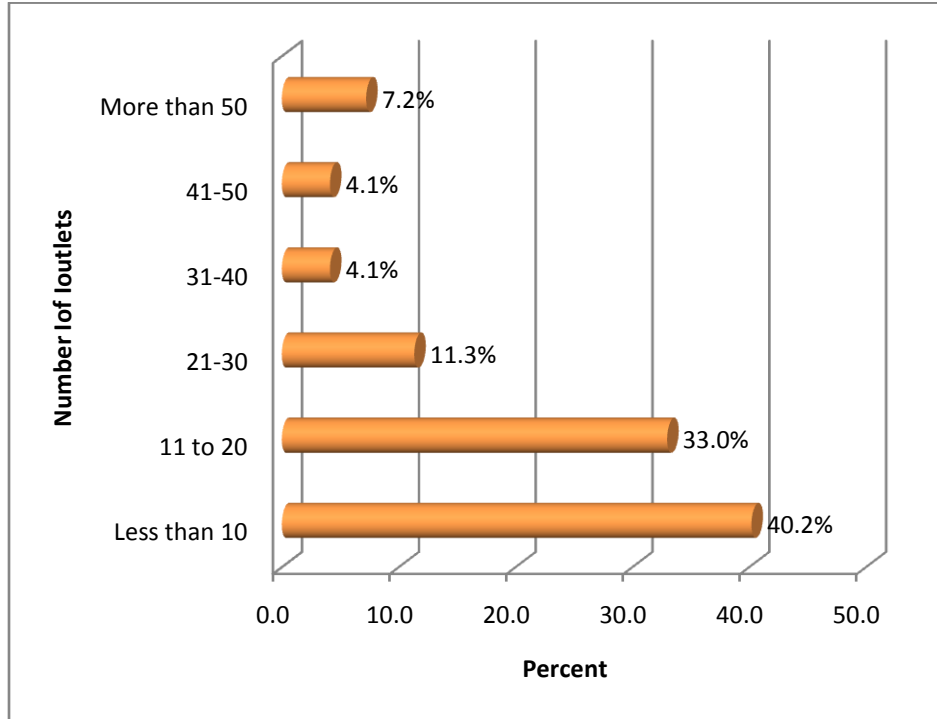


Source: (Survey Data, 2021)

Figure 4.3: Number of employees

The study results established that most supermarkets 46(47.4%) had 51-100 employees. Those that had less than 50 employees were 34(35.1%). The results also revealed that supermarkets had 151-200 employees as indicated by 8(8.3%) of the respondents. There were 101-150 employees as revealed by 6(6.2%) of the respondents. The minority 3(3.1%) states that the supermarket had more than 200 employees. The study revealed that the number of employees in each supermarket qualifies the outlets to be supermarkets hence the outcome of the study would be applied in a supermarket set up.

4.4.8 Number of outlets in Kenya



Source: (Survey Data, 2021)

Figure 4.4 Number of outlets in Kenya

The study findings revealed that the biggest number 39(40.2%) of the supermarkets had less than 10 outlets in Kenya. The supermarkets that had 11-20 outlets in Kenya were supported by 32 (33.0%) responses. And a further 11(11.3%) participants stated that the supermarket they worked in had 31-30 outlets and 7(7.2%) indicated that the supermarket had more than 50 outlets. Those that had 21-30 and 31-40 outlets in Kenya were recorded by 4(4.1%) of the respondents. In indicating the number outlets of the supermarkets, the study results suggested the scope which would be affected by any application of any promotional strategy at any given time.

4.5 Descriptive Analysis on promotional mix strategies application in supermarkets in Kisumu city.

4.5.1 Application of sales promotional mix strategies in the supermarkets in Kisumu city.

Table 4.3: Respondents responses

Promotional strategies	Not all	at Small extent	Moderate extent	Great extent	Very great extent
Competition	18 (18.6)	25 (25.8)	25(25.8)	16 (16.4)	13 (13.4)
Discounts	0 (0)	6 (6.2)	19 (19.6)	49 (50.5)	23 (23.7)
Rebates	41 (42.3)	25 (25.8)	15 (15.5)	8 (8.2)	8 (8.2)
Give aways/ free samples	6 (6.2)	14 (14.4)	37 (38.1)	28 (28.9)	12 (12.4)
Gift vouchers	15 (15.4)	18 (18.5)	33 (34.0)	17 (17.5)	14 (14.4)
Bonus packs	12 (13.9)	10 (11.6)	24 (27.9)	25 (29.0)	15 (17.4)

Source: (Survey Data, 2021)

When respondents were asked about the extent to which sales promotional mix strategies are applied by the supermarkets, they reported that, competition was used to a small extent as reported by 25 (25.8%) of the respondents and 18 (18.6%) who stated that it was not used at all. At the same time 16(16.4%) felt that competition was used to a great extent while 13 (13.4%) had the opinion that it was being used to a very great extent. Those who felt that competition was being used to a moderate extent were 25 (25.8%) of the respondents.

None of respondents stated that discount was not used at all, while 6(6.2%) indicated that discount was used as a form of sales promotion. The respondents who stated

that discount was used moderately were 19(19.6%) while those who stated that discount was used to a great extent were 49(50.5%) and those who had the opinion that discount was used to a very great extent were 23(23.7%) of the respondents.

In consideration of rebates as a strategy of sales promotion, 41(42.3%) of the respondents stated that rebates is not used at all, while 25(25.8%) of the respondents indicated that rebates is used to a small extent, at the same time 15(15.5%) had the opinion that rebates is usually used moderately, while 8(8.2%) of the respondents stated that rebates is used to great extent and very great extent.

Give aways/ free samples as a strategy of sales promotion was used to a small extent as indicated by 14(14.4%) of the respondents while 6(6.2%) of the respondents stated that give aways/ free samples were not used at all. Of the total respondents, 37(38.1%) stated that give aways/ free samples were used to moderate extent, while 28(28.9%) of the respondents had the opinion that give aways/ free samples were used to a great extent and 12(12.4%) indicated that give aways/ free samples were used to a very great extent.

On the application of gift vouchers,15(15.4%) of the respondents stated that gift vouchers was not used at all, while 18(18.5%) were of the opinion that gift vouchers were used to a small extent. At the sametime 33(34.0%) of the respondents stated that gift vouchers was used to a moderate extent as a strategy of sales promotion, while 17(17.5%) of the respondents indicated that gift vouchers were used to a great extent and 14(14.4%) of the respondents were of the opinion that gift vouchers were used to a very great extent as a strategy of sales promotion.

Regarding the bonus packs, 12(13.9%) of the respondents indicated that bonus packs was not used at all as a strategy of sales promotion, while 10(11.6%) of the respondents stated that bonus packs was used but to a small extent, another 24(27.9%) of the respondents stated that bonus packs was used to a moderate extent, at the same time 25(29.0%) stated that bonus packs was used to a great extent as a strategy of sales promotion and 15(17.4%) had the opinion that bonus packs was used to a very great extent as a strategy of sales promotion.

Table 4.4: Respondents responses on the extent of frequency of application of sales promotional activities in supermarkets.

Sales promotion	Strongly disagree	Disagree	Not sure	Agree	Strongly agree
Regular in sales promotional activities	8 (8.2)	12 (12.4)	12 (12.4)	48 (49.5)	17 (17.5)
Rarely conduct sales promotion within the outlet	13 (13.4)	53 (54.6)	8 (8.2)	13 (13.4)	10 (10.3)
No sales promotional activities	22 (22.7)	55 (56.7)	7 (7.2)	7 (7.2)	6 (6.19)
The management has a program for sales promotion	2 (2.0)	5 (5.1)	25 (25.8)	38 (39.2)	27 (27.8)

Source: (Survey Data, 2021)

From the table above, 8(8.2%) of the respondents strongly disagreed that they conduct regular promotional activities, 12(12.4%) stated that they disagree that they regularly conduct sales promotion, while 12(12.4%) of the respondents were not sure. At the same time 48(49.5%) of the respondents however agreed that they regularly conduct

sales promotion within their outlets and 17(17.5%) strongly agreed that they are regular in conducting sales promotion.

On whether they rarely conduct sales promotion in their outlets, 13(13.4%) of the respondents strongly disagreed, while 53(54.6%) disagreed that they rarely conduct sales promotion, another 8(8.2%) of the respondents were not sure while 13(13.4%) agreed that they rarely conduct sales promotion within their outlets, additionally 10(10.3%) strongly agreed that they rarely conduct sales promotion.

On whether they have not conducted any sales promotional activity since the beginning of the year 22(22.7%) of the respondents strongly disagreed and 55(56.7%) disagreed while another 7(7.2%) were not sure. 7(7.2%) of the respondents agreed that they have not conducted any sales promotional activity since the beginning of the year while 6(6.19%) strongly agreed that they have not conducted any sales promotion since the beginning of the year.

On the same note, 2(2.0%) of the respondents strongly disagreed that the management has sales promotion program while 5(5.1%) disagreed that the outlet management has sales promotion program. 25(25.8%) of the respondents were not sure whether the management has any sales program in place, further 38(39.2%) of the respondents agreed that the managements have programs for sales promotions in their respective outlets and 27(27.8%) strongly agreed that indeed managements have sales promotional plans.

Table 4.5: Respondents responses on extent of effect of sales promotional mix strategies in supermarkets.

Statement	Strongly disagree	Disagree	Not sure	Agree	Strongly agree
More shoppers traffic	3 (3.1)	3 (3.1)	7 (7.2)	45 (46.4)	39 (40.2)
Mix of sales promotion	3 (3.1)	7 (7.2)	0 (0)	64 (66.0)	23 (23.7)
Customers prefer your outlet	1 (1.0)	7 (7.2)	25 (25.8)	38 (39.2)	26 (26.8)
Supermarket communicates to customers	6 (6.2)	14 (14.4)	13 (13.4)	42 (43.3)	22 (22.7)

Source: (Survey Data, 2021)

As shown above on the table, 3(3.1%) of the respondents strongly disagreed that there are more shoppers during sales promotion, 3(3.1) disagreed while a further 7(7.2%) were not sure whether sales promotion enhances shopper traffic in their outlets. Those respondents who agreed that sales promotion enhances shopper traffic were 45(46.4%) and a further 39(40.2%) strongly agreed that there is more traffic in the supermarkets when there is sales promotional activity.

On whether supermarkets practice a mix of sales promotion, 3(3.1%) of the respondents strongly disagreed that they practice a mix of sales promotion, while 7(7.2%) disagreed that they practice multiple sales promotional strategies, also 64(66.0%) of respondents agreed that indeed they conduct a mix of sales promotion, while 23(23.7%) strongly agreed that they practice many forms of sales promotion and none of the respondent was not sure

On as to whether customers prefer the outlet as a result of frequent promotions 1(1.0%) of the respondents strongly disagreed while 7(7.2%) disagreed while 25(25.8%)

were not sure whether promotional activities makes shoppers prefer their outlets. However, 38(39.2%) of the respondents agreed that indeed sales promotional activities attracts customers and makes customers prefer their outlets while 26(26.8%) of the respondents strongly agreed.

As to whether supermarkets communicate to customers about various promotional activities they conduct 6(6.2%) strongly disagreed, while 14(14.4%) disagreed that supermarkets communicate to customers about current and future promotional activities to be carried out. At the same time 13(13.4%) of the respondents agreed that supermarkets communicates to their customers and 43(43.3%) usually pass information to their customers regarding promotions being conducted. Further 22(22.7%) of the respondents strongly agree that most supermarkets communicate to their customers about promotions they conduct.

Table 4.6: Descriptive statistics on the application of sales promotional mix strategies in supermarkets in Kisumu city.

Statement	N	Minimum	Maximum	Mean	Std. Deviation
Competition	97	1	5	2.82	1.377
Discounts	97	1	5	3.07	1.409
Rebates	97	1	5	2.56	1.384
Give aways /free samples	97	1	5	2.91	1.393
Gift vouchers	97	1	5	2.84	1.397
Bonus packs	97	1	5	2.92	1.434
Regular in sales promotional activities	97	1	5	3.56	1.163
Rarely conduct sales promotion within this outlet	97	1	5	2.53	1.191
No sales promotional activities so far conducted since the beginning of the year	97	1	5	2.18	1.061
The management has a program and budget for sales promo	97	1	5	3.86	0.957
The supermarkets experience more shoppers traffic during promotion	97	1	5	4.18	0.924
The supermarket practices a mix of sales promotion strategies regularly	97	1	5	4.07	0.767
Many customers prefer your outlet because of regular sales promotional activities you conduct	97	1	5	3.84	0.943
The supermarket usually communicate to customers about sales promotion activities at a time	97	1	5	3.62	1.168
Overall mean	97			3.211	1.183

The results for descriptive statistics as shown in table 4.6 above, with N = 97 as the total number of respondents indicate the following as the findings; sales promotional strategies are applied to a moderate extent by the supermarkets as shown

by the overall mean value of 3.211 and a standard deviation value of 1.183. This response implies that the supermarkets apply sales promotional strategies to a relatively moderate extent.

4.5.2 Application of personal selling strategies in the supermarkets in Kisumu city

Table 4.7: Respondents responses on the form of personal selling strategies applied in supermarkets in Kisumu city.

Statement	Strongly disagree	Disagree	Not sure	Agree	Strongly agree
Customer follow up	10 (10.3)	40 (41.2)	21 (21.6)	17 (17.5)	9 (9.3)
Order taking for customers	10 (10.3)	20 (20.6)	29 (29.9)	28 (28.9)	10 (10.3)
Customer tracking	6 (6.2)	46 (47.4)	7 (7.2)	16 (16.5)	22 (22.7)
Merchandising	5 (5.1)	9 (9.3)	4 (4.1)	36 (37.1)	43 (44.3)
Customer engagement	6 (6.2)	21 (21.5)	29 (29.9)	24 (24.7)	17 (17.5)

Source: (Survey Data, 2021)

The table above shows that 10(10.3%) of the respondents strongly disagreed that customer follow up as a strategy of personal selling was applied by supermarkets, while 40(41.2%) of the respondents stated that they disagree. Another 21(21.6%) of the respondents were not sure while 17(17.5%) of the respondents agreed that supermarkets practice follow up as a personal selling strategy, further 9(9.3%) of the respondents strongly agreed that they practice follow up strategy.

10(10.3%) of the respondents interviewed strongly disagreed that supermarkets practice order taking, 20(20.6%) disagreed while 29(29.9%) of the respondents were not sure whether the supermarkets practice order taking. 28(28.9%) of the respondents agreed

that order taking is practiced as a personal selling strategy while 10(10.3%) strongly agreed. Customer tracking strategy of personal selling was used by supermarkets as stated by 6(6.2%) of the respondents who strongly disagreed, 46(47.4%) disagreed while 7(7.2%) were not sure. Further 16(16.5%) of the respondents agreed that supermarkets practice customer tracking strategy of personal selling, while 22(22.7%) strongly agree. Merchandising as a strategy of personal selling is practiced by supermarkets as indicated by 43(44.3%) who strongly agreed that supermarkets practice merchandising, 36(37.1%) agreed while, 4(4.1%) of the respondents were not sure. Of the respondents 9(9.3%) disagreed and 5(5.1%) strongly disagreed that merchandising is practiced in their supermarkets. In reference to customer engagement, 6(6.2%) strongly disagreed that supermarkets engages their customers, 21(21.5%) disagreed while 29(29.9%) were not sure. 24(24.7%) of the respondents agreed that supermarkets engages their customers while 17(17.5%) strongly agreed that supermarkets engages their customers.

Table 4.8: Respondents responses

Personal selling strategies	Not at all	Small extent	Moderate extent	Great extent	Very great extent
Order taking	11 (11.3)	31 (32.0)	17 (17.5)	18 (18.5)	20 (20.6)
Order creation	14 (14.4)	29 (29.9)	23 (23.7)	20 (20.6)	11 (11.3)
Order getting	10 (10.3)	35 (36.1)	26 (26.8)	14 (14.4)	12 (12.4)
Customer follow up	30 (30.9)	29 (29.9)	20 (20.6)	12 (12.4)	6 (6.2)
Customer feedback tracking	35 (36.1)	12 (12.4)	20 (20.6)	18 (18.5)	12 (12.4)
Point of sale merchandising	7 (7.2)	4 (4.1)	6 (6.2)	41 (42.3)	39 (40.2)

Source: (Survey Data, 2021)

Order taking personal selling strategy is not practiced at all as stated by 11(11.3%) of the respondents while 31(32.0%) stated that order taking was practiced to a small extent, 17(17.5%) stated that order taking is practiced to a moderate extent, a further 18(18.5%) of the respondents stated that order taking is practiced to great extent and 20(20.6%) stated that order taking is practiced to a very great extent. Order creation is practiced to a small extent as stated by 29(29.9%) of the respondents, 14(14.4%) stated that order creation is not used at all, while 23(23.7%) indicated that order creation is moderately applied as personal selling strategy. Further 20(20.6%) of the respondents stated that it's practiced to a great extent and 11(11.3%) stated that order creation is used to very great extent. Order getting is practiced to small extent by supermarkets as indicated by 35(36.1%) of the respondents while 10(10.3%) of the respondents stated that order getting is not used at all. Another 26(26.8%) stated that it is applied moderately, 14(14.4%) on the other hand stated that order getting is used to a great extent and 12(12.4%) indicated that order getting is applied to a very great extent. Customer follow up is not used at all according to 30(30.9%) of the respondents, 29(29.9%) stated that customer follow up is practiced to small extent while 20(20.6%) stated that it is used to a moderate extent. A further 12(12.4%) stated that customer follow up is practiced to a great extent and 6(6.2%) indicated that it is used to a very great extent. Customer feedback tracking is practiced to a very great extent according to 12(12.4%) of the respondents, 18(18.5%) of the respondents stated that it is used to a great extent. Also 20(20.6%) of the respondents stated that customer tracking system is applied to a moderate extent while 12(12.4%) stated that

it is used to a small extent and a further 35(36.1%) of respondents stated that it is not used at all.

Point of sale merchandising is used as a strategy to a great extent according to 41(42.3%) of the respondents, on the other hand 39(40.2%) stated that it is used to a very great extent as a strategy of personal selling. 6(6.2%) of the respondents stated that point of sale merchandising is applied to a moderate extent while 4(4.1%) stated that it is used to a small extent and 7(7.2%) indicated that it is not used at all.

Table 4.9: Descriptive statistics on personal selling strategies applied by supermarkets in Kisumu city

Statement	N	Minimum	Maximum	Mean	Std. Deviation
The supermarket usually communicate to customers about sales promotion activities at a time	97	1	5	2.74	1.148
The supermarket practice order taking for customers who may not be coming to the outlet more often	97	1	5	3.08	1.152
The supermarket practice order taking for customers who may not be coming to the outlet more often	97	1	5	3.02	1.346
The supermarket does merchandising at the point of sales	97	1	5	4.06	1.153
The supermarket does merchandising at the point of sales	97	1	5	3.26	1.166
Order taking	97	1	5	2.84	1.434
Order creation	97	1	5	2.88	1.452
Order getting	97	1	5	2.85	1.431
Customer follow up	97	1	5	2.86	1.429
Customer feedback tracking system	97	1	5	2.82	1.443
Point of sale merchandising	97	1	5	2.95	1.496
Overall mean	97			3.033	1.332

Source: (Survey Data, 2021)

The results for descriptive study on the application of personal selling as a strategy by supermarkets in Kisumu city as shown in table 4.5 above, with N= 97 as the total number of respondents indicates the following as the findings. Overall use of personal selling strategies have been reported to a moderate extent as shown be the overall mean value of 3.033 and standard deviation value of 1.332 of the sampled respondents. This thus implies that supermarkets in Kisumu city apply personal selling strategies to a moderate extent.

4.5.3 Application of public relations strategies in supermarkets in Kisumu city

Table 4.10: Respondents responses on the form of public relations practices applied by the supermarkets in Kisumu city.

Public relations strategies	Not all	at Small extent	Moderate extent	Great extent	Very great extent
Community relationships	21 (21.6)	27 (27.8)	17 (17.5)	21 (21.6)	11 (11.3)
Sponsorships	41 (42.3)	19 (19.6)	17 (17.5)	13 (13.4)	7 (7.2)
Business events	29 (29.9)	19 (19.6)	23 (23.7)	11 (11.3)	15 (15.5)
Social media engagements	17 (17.5)	12 (12.4)	26 (26.8)	23 (23.7)	19 (19.6)
Advertorials	15 (15.5)	15 (15.5)	19 (19.6)	31 (31.9)	15 (15.5)

Source: (Survey Data, 2021)

On community relationships, 21(21.6%) of the respondents stated that community relationships is not applied at all by supermarkets as a form of public relations, while 27(27.8) stated that it is used to a small extent and a further 17(17.5%) of the

respondents indicated that it is used to a moderate extent, however 21(21.6%) of the respondents stated that it is used to a great extent and 11(11.3%) stated that community relationships was applied as a strategy of public relations. Sponsorship strategy of public relations was not practiced at all as stated by 41(42.3%) of the respondents by the supermarkets, while 19(19.6%) stated that sponsorships are used to a small extent. It was also indicated that sponsorship is used to a moderate extent according to 17(17.5%) and 13(13.4%) of the respondents stated that it is used to great extent, while 7(7.2%) stated it is used to a very great extent. Business events is not used at all by supermarkets as stated by 29(29.9%) while 19(19.6%) indicating that business events is used to a small extent and a further 23(23.7%) stating that business events is applied moderately. 11(11.3%) of the respondents indicated that business events is used to a great extent while 15(15.5%) were of the view that business events is used to a very great extent. Social media engagements is practiced by supermarkets to a very great extent according to 19(19.6%) of the respondents, another 23(23.7%) however stated that it is used to a great extent while 26(26.8%) indicated that social media engagements is used moderately. 12(12.4%) of the respondents were of the view that social media is used to a small extent while 17(17.5%) indicated that social media is not used at all. Advertorials are not used at all by supermarkets according to 15(15.5%) of the respondents, also another 15(15.5%) of the respondents stated that it is used to a small extent. It was also reported by 19(19.6%) of the respondents that advertorials are moderately used and 31(31.9%) stated that it is used to a great extent as a strategy of public relations. Further 15(15.5%) of the respondents indicated that it is used to a very great extent.

Table 4.11: Respondents responses on the specific strategies of public relations used by supermarkets in Kisumu city

Statement	Strongly disagree	Disagree	Moderate	Agree	Strongly agree
Our supermarket regularly engages in community activities	13 (13.4)	30 (30.9)	31 (32.0)	7 (7.2)	16 (16.5)
The supermarket conducts sponsorships in the community	13 (13.4)	49 (50.5)	19 (19.6)	7 (7.2)	9 (9.3)
The supermarket appears in the mainstream media due to community engagements	7 (7.2)	43 (44.3)	19 (19.6)	20 (20.6)	8 (8.3)
The supermarket has adopted social media engagements with customers	8 (8.3)	19 (19.6)	26 (26.8)	29 (29.9)	15 (15.5)
The supermarket often sponsors sporting activities in the region	13 (13.4)	55 (56.7)	11 (11.3)	12 (12.4)	6 (6.2)
The supermarket regularly conducts business events	7 (7.2)	37 (38.1)	24 (24.7)	13 (13.4)	16 (16.5)

Source: (Survey Data, 2021)

As to whether supermarkets engage in community activities 13(13.4%) of the respondents disagreed while 30(30.9%) disagreed and 31(32.0) stated that there is moderate engagement. 7(7.2) however agreed and 16(16.5) strongly agreed that supermarkets regularly engaged the community in various activities. Respondents had various views on the supermarket sponsorships strategy with 13(13.4%) strongly agreeing, while 49(50.5%) disagreeing and 19(19.6%) moderate in their responses regarding community sponsorships. 7 (7.2%) however agreed and 9(9.3%) strongly agreed that supermarkets conducts sponsorships in the community. 7(7.2%) of the respondents strongly disagreed that supermarkets appear in the mainstream media for engaging in community activities and 43(44.3%) disagreed while 19(19.6%) were moderate in their views. However 20(20.6%) agreed while 8(8.3%) strongly agreed

that indeed supermarkets appear in the mainstream media due to their engagements in community activities. Social media engagement strategy of public relation was adopted by supermarkets with 15(15.5%) of the respondents strongly agreeing while 29(29.9%) agreeing and 26(26.8%) were moderate in their responses. 19(19.6%) however disagreed while 8(8.3%) strongly disagreed that social media engagement has been embraced by the supermarkets. Although supermarkets often sponsor sporting activities as agreed by 12(12.4%) of the respondents and 6(6.2%) who strongly agreed, other respondents had contrary views as stated by 55(56.7%) who disagreed and further 13(13.4%) who strongly disagreed that supermarkets sponsors sporting activities within the region. 7(7.2%) of the respondents strongly disagreed that supermarkets regularly organize business events and 37(38.1%) disagreed, while 24(24.7) of the respondents were of the moderate view, on the same note 13(13.4%) of the respondents agreed and 16(16.5%) strongly agreed that indeed supermarkets regularly conduct business events.

Table 4.12: Descriptive statistics on the application of public relations strategies in the supermarkets in Kisumu city.

Statement	N	Minimum	Maximum	Mean	Std. Deviation
Community relationships	97	1	5	2.88	1.416
Sponsorships	97	1	5	2.82	1.436
Business events	97	1	5	2.92	1.441
Social media engagements	97	1	5	2.98	1.443
Advertorials	97	1	5	2.91	1.458
Our supermarket regularly engage in community activities/ events	97	1	5	2.82	1.25
The supermarket conduct sponsorship in the community	97	1	5	2.48	1.11
The supermarket appears in the mainstream media due to community engagements	97	1	5	2.78	1.111
The supermarket has adopted social media engagements with customers	97	1	5	3.25	1.182
The supermarket often sponsor sporting activities in the region	97	1	5	2.41	1.068
The supermarket regularly conduct business events	97	1	5	2.94	1.215
Overall mean	97			2.835	1.285

Source: (Survey Data, 2021)

In seeking to establish the use of public relations strategies by supermarkets in Kisumu city, the descriptive statistics as shown in table 4.12 above, with N=97 as the total number of respondents indicates the following findings. Overall application of public relations strategies by supermarkets is reported to prevalent to a moderate extent as shown by the overall mean value of 2.835 and standard deviation value of 1.285. This implies that supermarkets in Kisumu have applied public relations strategies as their sales strategies to a moderate extent.

4.5.4 Non–Financial performance of supermarkets in Kisumu city

The study sought to establish the extent of non- financial performance in the supermarkets of Kisumu city. This is was necessary since it laid the foundation for further subsequent analyses of the relationship between sales promotion, personal selling, public relations/ publicity and non- financial performance. The findings are as indicated below on Table 4.13

Table 4.13: Descriptive statistics on the non – financial performance of supermarkets in Kisumu city

Statement on Performance indicators	N	Minimum	Maximum	Mean	Std. Deviation
Customer traffic/ outlet visits	97	1	5	4.26	1.003
Reordering of different product items	97	2	5	4.13	0.786
Unit sales turnover	97	1	5	3.61	1.056
Purchase returns	97	1	5	2.71	1.207
Specific product stock out	97	1	5	2.77	1.15
Inquiries of various product items	97	1	5	3.13	1.086
Introduction of new brands within the outlet	97	1	5	3.7	0.926
Number of customers to our outlet	97	1	5	4.02	1.031
Number of working hours due to increased number of customers being served	97	1	5	3.58	1.24
Expiries in the store	97	1	5	4.08	1.152
Complaints from customers	97	1	5	3.76	1.375
Slow selling items in the store	97	1	5	3.63	1.349
Overall mean	97			3.615	1.113

Source: (Survey Data, 2021)

The results for descriptive statistics as shown in Table 4.13 above, with N=97 as the total number of respondents indicate the following as the findings. Overall, non-financial performance has been reported to be prevalent to a moderate extent as shown by the overall mean value of 3.615 and standard deviation value of 1.113. This implies that supermarkets in Kisumu city perform to a moderate extent in terms of non-financials.

4.6 Regression Analysis

In order to fully understand the study objectives, having determined the relevance of various elements of promotional strategies, linear regression analysis was done to establish the relationship, direction and magnitude of the effect of the independent variables on the non-financial performance of supermarkets in Kisumu city. The regression model used presented findings which are indicated on the Tables 4.14, 4.15 and 4.16.

The results are presented in the Tables below.

Table 4.14: Model summary

Model Summary											
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson	
					R Change	Square Change	F Change	df1	df2	Sig. Change	F
1	.879a	0.773	0.766	0.484	0.773	105.497	3	93	0	1.823	

Predictors: (Constant), PRS, SPS, PSS

Dependent Variable: NFP

Source: (Survey Data, 2021)

Table 4.14 above presents the model summary of the proportion of variance of non-financial performance that has been explained by the promotional mix strategies (sales promotional strategies, personal selling strategies, and public relations strategies). The R squared ($R^2 = .773$, $P=0.000$) indicates that the model captured 77.3% of the independent variables that had effect on the non-financial performance of supermarkets in Kisumu city. The model was also concluded as fit for use since the F-statistic was significant ($p\text{-value}=0.000$). This revealed that the promotional mix strategies jointly affected the dependent variable. The value of Durbin-Watson is 1.823. This indicated a strong positive autocorrelation.

Table: 4.15: ANOVA

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	74.022	3	24.674	105.5	.000b
	Residual	21.751	93	0.234		
	Total	95.773	96			

a Dependent Variable: NFP

b Predictors: (Constant), PRS, SPS, PSS

Source: (Survey Data, 2021)

The table 4.15 above presents the ANOVA results of the estimated model. The findings indicated that $F(3, 93) = 105.5$ and $p\text{-value}=0.000$. This revealed that the model fitted the research data well. It can be concluded that all the independent variables (sales promotional strategies, personal selling strategies, and public relations strategies) properly explained the dependent variable (Non-financial performance) in the supermarkets.

Table 4.16: Model coefficients

Model Coefficients		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
Model		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	4.475	0.42		10.646	0	3.641	5.31		
	SPS	0.082	0.037	0.112	2.191	0.031	0.008	0.156	0.938	1.066
	PSS	0.682	0.041	0.925	16.529	0.000	0.6	0.764	0.78	1.281
	PRS	-0.984	0.115	-0.464	-8.535	0.000	-1.214	-0.755	0.827	1.209

Dependent Variable: NFP

Predictors: (Constant), SPS, PSS, PRS

Source: (Survey Data, 2021)

The overall model as on the above table 4.16 revealed a significant strong negative relationship between public relations strategies and non-financial performance ($\beta = -0.984$, $t = -0.464$, ρ -value=0.000). The unstandardized values in the table indicated that the public relations strategies had a negative impact on the non-financial performance.

Where NFP= Non-financial performance, SPS= Sales promotional strategies, PSS= Personal selling strategies, and PRS= Public relations strategies

The regression model was in the form of $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$ and by applying the regression coefficients on the table 4.16, it's therefore transformed into;

i. $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$

ii. $Y = 4.475 + 0.082_{SPS} + 0.682_{PSS} + -0.984_{PRS}$

$R^2 = 0.773 (77.3\%)$

4.7.1 The effect I of sales promotional strategies on non– financial performance of supermarkets in Kisumu city

The first objective was to establish the effects of sales promotional strategies on non –financial performance of supermarkets in Kisumu city. In this objective, testing at 5% significant level, sales promotional strategies were found to have significant positive effect on non – financial performance of supermarkets in Kisumu city at ($B=0.082$, $p=0.031$). This finding rejects the null hypothesis H_{01} which states that there is no significant relationship between sales promotional strategies and non- financial performance of supermarkets in Kisumu city. This finding further means that a unit change in application of sales promotional strategies by supermarkets in Kisumu city causes a change in non- financial performance by 0.082 units. This therefore implies that when resources and efforts are applied in enhancing sales promotion, there is a high chance of significant increase in non-financial performance by supermarkets in Kisumu city.

This finding agrees with the theoretical literature and past empirical studies. For instance the study by (Pembi, Umaru, & Adamu, 2017) revealed a positive relationship between sales promotional strategies and performance especially in terms of sales volume. These findings are also similar to that of (Syeda & Malik, 2011) who also found a positive link between sales promotional strategies and performance, arguing that an increase in the application of sales promotional activities produces an increase in performance.

However, related studies by (Pembi, Umaru, & Adamu, 2017) , (Syeda & Malik, 2011) and(Gituma, 2017) revealed some weaknesses which included industry, methods

of analysis, samples sizes and study design. For example (Gituma, 2017) did a research in a factory setting which is not related to the retail sector under current study. The sample size of 96 respondents was used and applied descriptive research technique in analysis which did not establish clearly the cause and effect relationship between variables. The current study tried to contribute to knowledge by hypothesizing, empirically testing and revealing the link which exists between sales promotional mix strategies and non- financial performance of supermarkets in Kisumu city in the retail sector.

4.7.2 The effects of personal selling strategies on non-financial performance in supermarkets in Kisumu city

The second objective of the study was to determine the effect of personal selling on non- financial performance of supermarkets in Kisumu city. In this regard, personal selling strategies were found to have a significant positive effect on non-financial performance in supermarkets in Kisumu city at($B= 0.682$, $p=0.000$) thereby rejecting the second null hypothesis H_{01} which states that personal selling does not have significant relationship with non- financial performance in supermarkets in Kisumu city. The findings means that a unit change in the application of personal selling strategies causes 0.682 changes in the non –financial performance in supermarkets in Kisumu city and the change is significant. This thus implies that personal selling strategies are significant determinant of non- financial performance in the supermarkets in Kisumu city.

The study finding concurs with the study done by (Mbiti, 2018) who in his study on the promotional strategies and marketing performance established that personal selling

plays a greater role in increasing market share and sales volume, reduction of costs and building of long term relationships with customers. The findings further concurred with that of (Kinoti, Nkari, & Kathuni, 2019) who also found out that indeed promotional mix strategies are key factors to good performance in insurance industry. They observed that personal selling improves uptake of insurance products. The finding also agrees with the study by (Muchina & Okello, 2016) whose results revealed that personal selling significantly improves brand performance in the shoe companies.

However the reviewed studies were not without weaknesses, for instance study by (Muchina & Okello, 2016), mainly focused on the financial aspect of performance in the shoe industry in Nairobi Kenya and indicated that personal selling significantly improves brand performance but failed to point out brand performances in the retail sector. The study also adopted the survey research design which does not show cause and effect relationship between variables. (Mbiti, 2018) on the other hand conducted his study in one single firm in the logistics industry which may not give an adequate information for generalization purposes and application in other firms and industries. He also adopted descriptive design failing to indicate the cause and effect relationship between the variables. He also issued questionnaires to be filled by the staff of the organization on their own which raises the question of reliability and accuracy of the answers provided by the respondents in the study. (Kinoti, Nkari, & Kathuni, 2019), while carrying out their studies; looked at the four known traditional promotional strategies on sales alone and in the insurance industry in Embu county.

The new study therefore gives an angle of non-financial performance, furthermore all the reviewed studies were not done in the retail industry as was the current study.

4.7.3 The effect of public relations / publicity on non-financial performance in supermarkets in Kisumu city

The third objective was to examine the effect of public relations/ publicity on the non- financial performance of supermarkets in Kisumu city. The finding in this regard was that public relations/ publicity have a significant negative effect on non-financial performance in the supermarkets in Kisumu city at (B= -0.984, p= 0.000) thereby rejecting the third null hypothesis H_{02} , which states that there is no significant relationship between public relations/ publicity strategies and non –financial performance in supermarkets in Kisumu city. This finding means that a unit change in the application of public relations/ publicity strategies causes -0.984 unit changes in non- financial performance of supermarkets in Kisumu city and the change is significant. It also indicates that, in comparison with the first two variables; sales promotion strategies and personal selling, public relations exert a negative significant effect on non- financial performance in supermarkets in Kisumu city. This finding implies that practice and application of public relations mix of promotional strategies is a significant negative predictor of non-financial performance. However, the findings does not concur with reviewed empirical studies, for instance, the current findings is in variance with the study by (Afande & Mathenge, 2015) who established that there is a significant increase in sales volume when promotional mix strategies are applied though it identified public relation as having the least effect using different study designs and in a different industry. It does not concur with another study finding by

(Seukindo, 2017) which had a weak positive relationship with performance. This study is also at variance with the study by (Adefulu, 2015) whose finding indicated that there is significant increase in sales volume when organizations practice promotional mix strategies emphasizing on public relations.

With the study finding producing results which are at variance with the previous similar studies, a further in-depth analysis meant to understand the causes of negative relationship was done where public relations indicators were regressed independent of other promotional mix strategies against the dependent variable (Non- financial performance) as indicated on the tables below.

Table 4.17 Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.931a	0.867	0.86	0.532	0.867	118.92	5	91	0	1.86

a Predictors: (Constant), Advertorials, Sponsorships, Business events, Social media engagements, Community relationships

b Dependent Variable: NFP

Table 4.18: Model Coefficient

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1 (Constant)	0.207	0.126		1.638	0.105	-0	0.46		
Community relationships	0.559	0.192	0.557	2.915	0.004	0.2	0.94	0.04	25
Sponsorships	-0.037	0.104	-0.038	-0.361	0.019	-0.2	0.17	0.133	7.51
Business events	0.112	0.117	0.114	0.959	0.034	-0.1	0.35	0.103	9.66
Social media engagements	0.353	0.139	0.358	2.544	0.013	0.1	0.63	0.074	13.6
Advertorials	-0.037	0.166	-0.038	-0.225	0.023	-0.4	0.29	0.05	20

a Dependent Variable: NFP

The model revealed a significant relationship between Community relationships and non-financial performance ($\beta=0.559$, $t=2.915$, $p\text{-value}=0.004$, $CI=0.2, 0.94$). There was also a significant relationship between social media engagements and non-financial performance ($\beta= 0.353$, $t= 2.544$, $p\text{-value}=0.013$, $CI=0.1, 0.63$) as well as positive relationship between business events and non- financial performance ($\beta=0.112$, $t=0.959$, $p\text{-value}=0.034$, $CI=-0.1, 0.35$). The unstandardized values in the table indicated that the public relations strategies had both positive and negative impacts on the non-financial performance

The relationship was found to be significant; however, sponsorships and advertorials produced negative relationship as shown above. These can be concluded to be the variables which contributed to the negative relationship between public relations and non- financial performance, implying that sponsorship and advertorials are negative

predictors of non- financial performance. The findings here concurs with (Tinderet , 2018) whose findings indicated that there is a decrease in performance in terms of sales in manufacturing firms when sponsorship strategy of public relations is applied. The study revealed that a unit increase in sports sponsorship causes a 0.058 unit decrease in performance of manufacturing firms. The study further concurs with the study by(Runsbech & Sjolin, 2011) who revealed that negative sponsorship affects consumers attitude which then lead to image transfer thereby decreasing the organizations financial and non – financial performance. The study still concurs with the study by (Iqbal, Saira, Siddiqui, & Ahmed, 2019) on the impacts of deceptive advertising on customer loyalty. The study revealed that deceptive adverts have negative influence on customer loyalty hence low level performance.

The reviewed studies were not without limitations, for instance, most studies reviewed were not in the retail sector with (Afande & Mathenge, 2015) having his study in the financial sector while applying descriptive research design and analysis done using descriptive statistics, a technique which failed to determine the relationship between public relations and non-financial performance. The studies in review also failed to capture the various aspects of the independent variables and linking them to the variables of non- financial performance. (Seukindo, 2017) on the other hand tested sales aspect of performance as the only measure and failed to indicate the indicators of public relations. (Aliata, et al., 2012) though disagrees with this study by establishing that there is positive relationship between performance and public relations they introduced the element of expenditure arguing that increase in expenditure creates an increase in performance, the current study did not capture the element of expenditure. The current study has contributed to new knowledge in terms of hypothesizing, empirical testing and establishment of a link between public relations and non- financial performance.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter presents summary of the study findings, conclusions from the study and recommendations from the findings.

5.1 Summary of findings

Based on the main objective of the study which was to analyze the effect of promotional mix strategies on the non-financial performance in Kisumu city, the study derived specific objectives and their findings are indicated as below;

The first objective of the study was to establish the effect of sales promotional mix strategies on non-financial performance of supermarkets. The corresponding null hypothesis was that sales promotional strategies do not significantly affect non-financial performance in supermarkets in Kisumu city. The study finding in this regard revealed that sales promotion strategies have significant positive effect on non-financial performance.

The second objective was to determine the effect of personal selling on non-financial performance of supermarkets in Kisumu city. The corresponding null hypothesis was that there is no significant relationship between personal selling and non-financial performance of supermarkets in Kisumu city. In this regard, personal selling was found to have significant positive relationship with non-financial performance.

The third objective was to examine the effect of public relations/ publicity on non-financial performance of supermarkets in Kisumu city. The corresponding null hypothesis was that there is no significant relationship between public relations and

non- financial performance of supermarkets in Kisumu city. In this regard, public relations was found to have significant negative relationship with non-financial performance.

5.2 Conclusions

On the first objective which sought to examine the relationship/ effect of sales promotion strategies on the non- financial performance of supermarkets n Kisumu city, the study concludes that there is a significant positive relationship and that sales promotion is a critical component in enhancing performance of businesses. The study further concludes that the various elements/ indicators of sales promotion should be considered if performance is to be realized in the retail sector within Kisumu city.

On the second objective which sought to determine the effect of personal selling on non- financial performance of supermarkets in Kisumu, the study concludes that indeed there is significant relationship and such requires attention from the players in the sector and much more there is need to invest in the same line if organizations are concerned with performance. It also concludes that customers will always get attached to businesses where there is high level of interaction between the outlets and the customers thereby increasing performance.

On the third objective which was to analyze the effect of public relations on non- financial performance of supermarkets in Kisumu city, the study concludes that there is significant negative relationship and that application and investment on public relations should be minimized in optimizing performance in the retail sector especially on the application of advertorials and sponsorships as strategies of public relations

since they produce decrease in performance. The study further concludes that where a few strategies of public relations are effective it is better to restrict to the few effective forms and avoid the use of multiple strategies as much as possible.

Overall, the study outcomes has clearly revealed that promotional mix strategies (sales promotion, personal selling and public relations) are key determinant of non-financial performance since they all indicated significant relationships. It therefore shows that organizations in the retail sector should all work on these identified indicators to help in decision making when improvement in performance is the key objective.

5.3 Recommendations

Based on this study, it is clear that supermarkets must do more to enhance their performance since all the strategies proved significant. The study recommends that more emphasis should be put on how supermarkets relate with the general public because it has a serious negative bearing on performance. The study recommends that in application of public relations mix strategies, supermarkets should avoid the use of sponsorship and advertorials since they produce negative results on non-financial performance. The study also recommends that supermarkets, the management of these outlets should model their approaches and identify suitable strategic promotional mixes in enhancing their performances. The study recommends that management should identify specific and effective strategies and apply these strategies at different times and eliminate/ avoid strategies which are not effective in achieving performance objective.

Further, the study recommends that management of the supermarkets should develop a mixture of promotional strategies which favour and suits their circumstances, since its noted that there some forms of strategies are only effective when combined with another specific strategy and not any other and finally the study recommends that supermarkets should engage their customers often to create and enhance customer confidence/ relationships, this can be done by taking orders and engaging them where necessary.

5.4 Recommendations for further studies

The study sought to establish the relationship between three promotional mix strategies on non – financial performance leaving out many other promotional strategies/ elements, other studies may look at the other remaining strategies in relation to non – financial performance and in many other fields or industry. There is also need of studying this relationship in other sectors of the economy in Kisumu city and even beyond to establish variation in responses.

The study further recommends similar study in the same sector, in the same locality but avoiding the inclusion of sponsorships and advertorials as forms of public relations and compare the results with the current study.

5.5 Limitations of the study.

The study encountered a few challenges in the process of conducting the study which included; reluctance to fill the questionnaires by some of the respondents hence limiting the number of the respondents who later participated. The study also faced the challenge of restricted access to the supermarkets by the researcher to conduct the exercise due to the existence of restrictions

occasioned by the covid-19 pandemic. Additionally, the study faced the challenge of timing where the study data collection was done much earlier and report writing was done much later implying much could have changed in the setting. The study also faced the challenge of sometimes trying to explain the question to the respondents which to some extent could have influenced the outcome or directed the respondents to answer in a certain way.

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APPENDICES

Appendix 1: Letter of introduction

Dear Respondent,

I Lichin Obiero a student of Maseno University pursuing Masters Degree of Business Administration is carrying out a research in partial fulfillment of the requirements for Masters Degree of Maseno, do hereby request you to participate and support me in this exercise by feeling free to answer the below questions in this questionnaire guide.

This is purely for academic purposes and will not be used for any other purpose, and information Provided will be treated confidential and not shared with any other entity. Your participation is solely voluntary and requires your honest involvement for accuracy purposes and the questionnaires are anonymous and simple to answer.

I there look forward to your support.

Thank you

Yours Sincerely,

Lichin Obiero

Appendix 2: Questionnaire

Kindly fill this questionnaire which will help in establishing the effects of promotional mix strategies on the non-financial performance of supermarkets in Kisumu city.

N/B: The information obtained from you will only be used for academic purposes and not any other and will be treated with confidence.

Please tick in the right box where applicable.

SECTION A: PERSONAL INFORMATION OF RESPONDENTS

(Please tick where appropriate)

1. Name of the supermarket.....
2. Gender of the respondent Male [] female []
3. How long have you been working in this supermarket
 - a) Less than 1 year []
 - b) 1 – 5 years []
 - c) 6 – 10 years []
 - d) More than 10 years []
4. What is your position in this supermarket?
 - a) Branch manager
 - b) Stores officer
 - c) Floor supervisor
 - d) Procurement officer
 - e) Any other (Please indicate).....
5. Please indicate your highest educational level
 - a) Primary
 - b) Secondary
 - c) Diploma
 - d) Degree
 - e) Post graduate
6. How long has this supermarket been in operation in Kisumu?
 - a) 1 – 5 years []

- b) 6 - 10 years []
 - c) 11 – 15 years []
 - d) 16 – 20 years []
 - e) 21years and above
7. How many employees are there in this supermarket?
- a) Less than 50
 - b) 51 – 100
 - c) 101 – 150
 - d) 151 – 200
 - e) More than 200
8. How many supermarket outlets does your retail store have in Kenya?
- a) Less than 10
 - b) 11 – 20
 - c) 21- 30
 - d) 31 – 40
 - e) 41- 50
 - f) More than 50

SECTION B:Promotional mixstrategies

1. Sales promotion

9. What are some of the sales promotional strategies that your organization often apply
- A. Competition
 - B. Free samples
 - C. Give a ways
 - D. Coupons
 - E. Discounts
 - F. Gift vouchers
 - G. Bonus packs
 - H. Rebates
 - I. Any other.....

10. To what extent does this supermarket use the following sales promotional strategies? 1- Not at all, 2- small extent, 3- moderate extent, 4- great extent, 5- very great extent

Sales promotional strategies	1	2	3	4	5
Competition					
Discounts					
Rebates					
Give aways/free samples					
Gift vouchers					
Bonus packs					

11. To what extent do you agree or disagree with the following statement in relation to frequency of carrying out sales promotion in this outlet? Please indicate 1- strongly disagree, 2-Disagree , 3- Not sure, 4- Agree, and 5- strongly agree

Statement	Response				
	Strongly disagree	Disagree	Not sure	Agree	Strongly agree
Regular in sales promotional activities					
Rarely conduct sales promotion within this outlet					
No sales promotional activities so far conducted since the beginning of the year					
The management has a program and budget for sales promotion activities					

12. To what extent do you agree or disagree with the following statement in relation to the application of sales promotion strategies?

Please indicate if you agree or disagree with the statement below, Use 1- strongly disagree, 2- disagree, 3- moderate extent, 4- agree, 5- strongly agree

Statement	Strongly disagree	disagree	Not sure	Agree	Strongly agree
The supermarkets experience more shoppers traffic during promotion					
The supermarket practices a mix of sales promotion strategies regularly					
Many customers prefer your outlet because of regular sales promotional activities you conduct					
The supermarket usually communicate to customers about sales promotion activities at a time					

2. Personal selling

13. Please indicate if you agree or disagree with the below statement, Use 1- strongly disagree, 2- Disagree, 3-Moderate, 4- Agree, 5- Strongly Agree

Statement	Strongly disagree	Disagree	Moderate	Agree	Strongly Agree
Our supermarket usually carry out customer follow up					
The supermarket practice order taking for customers who may not be coming to the outlet more often					
The supermarket has customer feedback tracking mechanism to address inquiries and complaints					
The supermarket does merchandising at the point of sales					
The supermarket often engage customers both in the store and at the entrance hence creating customer interest to purchase					

14. To what extent does this supermarket use the following personal selling promotional strategies?

1- Not at all, 2- small extent, 3- moderate extent, 4- great extent, 5- very great extent

Personal selling strategies	1	2	3	4	5
Order taking					
Order creation					
Order getting					
Customer follow up					
Customer feedback tracking system					
Point of sale merchandising					

3. Public relations

15. To what extent does this supermarket practice the following forms of public relations as their promotional strategies? 1- Not at all, 2- small extent, 3- moderate extent, 4- great extent, 5-

very great extent

Public relations strategies	1	2	3	4	5
Community relationships					
Sponsorships					
Business events					
Social media engagements					
Advertorials					

16. Please indicate if you agree or disagree with the below statement, Use 1- strongly disagree, 2-

Disagree, 3- Moderate, 4- Agree, 5- Strongly Agree

Statement	Strongly disagree	Disagree	Moderate	Agree	Strongly Agree
Our supermarket regularly engage in community activities/ events					
The supermarket conduct sponsorship in the community					
The supermarket appears in the mainstream media due to					

community engagements					
The supermarket has adopted social media engagements with customers					
The supermarket often sponsor sporting activities in the region					
The supermarket regularly conduct business events					

Section C: Non-financial Performance.

17. In your opinion, to what extent do the following contribute to performance? Use 1- very low, 2- low, 3- moderate, 4- great, 5- very great

Performance Indicators	1	2	3	4	5
Customer traffic/ outlet visits					
Reordering of different product items					
Expiries in the store					
Unit sales turnover					
Purchase returns					
Specific product stock out					
Inquiries of various product items					
Slow selling items in the store					
Introduction of new brands within the outlet					
Number of customers to our outlet					
Complaints from customers					
Number of working hours due to increased number of customers being served					

THANK YOU FOR YOUR TIME AND PARTICIPATION

Appendix 3: Research Plan

Activity	Sept – Nov 019	Oct – Dec 019	Jan – March 020	April – June 020	July 020	August 020	Sept 020	October 020	
Research topic conceptualization									
Literature review									
Development of research problem and objectives									
Proposal writing									
Proposal Presentation									
Data collection instruments development									
Field data collection									
Data Analysis									
Report writing and submission									
Corrections									
Final Report Submission									

Source: Researcher (2020)

Appendix 4: Estimated Research Budget

S/No.	Item Description	Quantity	Rate (Ksh)	Total (Ksh)
	Research Assistants (2)	10 Days	500	10,000
	Transport costs		5,000	5,000
	Printing, photocopying and binding services		5,000	5,000
	Internet		3,000	3,000
	Stationeries		2,000	2,000
	Miscellaneous		5,000	5,000
	TOTAL			30,000

Source: Researcher (2020)

Appendix 5: List of Supermarkets in Kisumu City, Kenya

1. Tuskys United Supermarket
2. Tuskys Lolwe Supermarket
3. Chandarana Westend supermarket
4. Naivas Supermarket
5. Naivas city Supermarket
6. Quickmatt Kondele supermarket
7. Quickmatt Mayfair Supermarket
8. Quickmatt Nyalenda Supermarket
9. Quickmatt Kenshop Supermarket
10. Appmatt Nyamasaria Supermarket
11. Appmatt Nyalenda
12. Khetias Dala Supermarket
13. Khetias Victoria Supermarket
14. Shivling Kondele
15. Shivling Foamart
16. Kibuye mart
17. Game supermarket