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*The relationship between market share and corporate performance for firms in
the tea industry: case of Tanganda Tea Limited*

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DEDICATIONS

I dedicate this to my Parents for their wonderful support during my studies. Mom, Dad God bless you. Also my twin brother for the all the encouragements thank you so much.

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My appreciation goes to my project supervisor for his guidance, energetic encouragement and coaching on different issues which necessitated the viability and success of this project. A word of appreciation also goes to my family for their financial and moral support. I also acknowledge my fellow colleagues Fidelis, Ziko for their encouragement.

ABSTRACT

The majority of the Zimbabwean Industries were in the collapsing realm as indicated by a decline in the aggregate demand leading to the loss of market share. This unwelcome relapse has caused companies to defy the odds such as Tanganda by resorting to market share strategies in order to insulate itself. Faced with this situation prompted the researcher to carry out a research on the relationship between market share and corporate performance for firms in the tea industry: Case of Tanganda Tea Limited. The study objectives were to establish the relationship between market share and profitability, the relationship between sales promotion and the growth of sales (market share), the relationship between market share and competition. The other dominating firms were used in the comparison of the market share for the comparison of the sales occupied by each and every organization such as Insscor, Ariston, Lyons and Others .A case study approach was used with the use of descriptive and explanatory design. The qualitative and quantitative approach was also used. Questionnaires, Interviews and Observations were used in data gathering for both the management and customers for Tanganda. Theories, Scholars of various versions were reviewed in order to get mutual understanding of other authors and researchers about the impact of market share on the corporate performance of Tea industries on the basis of the study's objectives and research questions. Scholars and authors concurred that sales promotions , are better weapons that contributes to company performance intensively emphasis on sales revenue and market share of the company, whereas others argue against that they have negative effect. Primary sources such as questionnaires and interviews in conjunction with secondary sources were employed in data gathering. The study had a target population of 150 respondents which consisted of 110 consumers and 40 management of Tanganda. The researcher employed stratified sampling to choose the research area, companies and respondents in this study respectively. The response rates for customers and managers were 68%, 88% respectively and tables, graphs were used in data presentation for instance questionnaires response rate. The Stata 11 for regression was used to establish and explain the relationship between the variables from the researcher's objectives. The results concluded that there is a positive linear relationship between "sales promotions and market share", "sales promotions and market share", and "market share versus competition". The result also discloses that competition is strain to the company since it reduces the market share of the company. The quality of tea is also the most influential weapon that affects the demand of tea. Sales promotions are a useful weapon in gaining a huge market share. Results from this study point towards the need to put in place supportive measures for the company to solve this problem of market share. The recommendations are of product diversification, knowing the rival firms so as to apply strategies to compete, educating the customers about the health tea and sales promotions. Thus this can help Zimbabwe to resuscitate the tea industry and be a better field of doing business.

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LIST OF ACRONYMS

CZI:	Confederation of Zimbabwean Industries
TTC:	Tanganda Tea Company Limited
RA:	An international organization that monitors the production of tea according to production standards internationally. Its purpose is to conserve biodiversity and improve livelihoods by promoting and evaluating the implementation of the most globally respected sustainability standards in a variety of fields. Through RA-Certification, the Rainforest Alliance's auditing division, there is a provision to forestry, agriculture and carbon/climate clients with independent and transparent verification, validation and certification services based on these standards, which are designed to generate ecological, social and economic benefits.
Packeted Tea:	Tea packed in different packaging materials
Bulk Tea:	Tea not packed into different packing materials.

CHAPTER 1

INTRODUCTION

1.0 INTRODUCTION

The agriculture sector is one of the major foreign currency earning sectors of Zimbabwean Economy. The tea industry is one of the arms that contribute a significant figure towards the national income of Zimbabwe. In Kenya it is their source of income as it is one of the largest exporters of tea in the world. The researcher seeks to introduce the “*The relationship between market share and corporate performance for firms in the tea industry*”. The researcher pinpointed out some factors that have crippled the company’s financial muscles of course due to loss of market share. Industries of Zimbabwe have been affected by the aggregate demand due to the influx of imported goods; quality of products in the mother country is falling due to capital shortages for product improvement, and the competition amongst rivals. Confederation of Zimbabwean Industries CZI (2014),the industries of Zimbabwe have been affected by low aggregate demand. Thus market share is one of the key elements that need to be attended to for the betterment of the company.

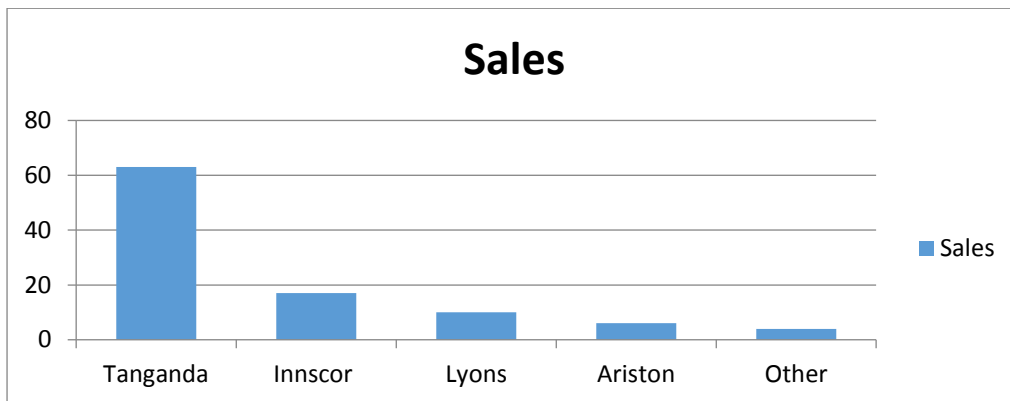
This chapter explains the background of the study, statement of the problem and the objectives of the study and highlighting the research questions, assumptions, significance, hypothesis and the scope of the study.

1.1 BACKGROUND OF THE STUDY

Tanganda Tea Company Limited (Tanganda) which is a tea developing, packing and marketing organization is a completely subsidiary of Meikles Limited. Tanganda was joined in April 1930. It is partitioned into three operational divisions which are the Agriculture division situated in Chipinge, the Beverage division and the corporate division which is an administration division to the two sub units. The Agriculture division involves five estates and develops tea on 2 372 hectares .Tea is created in mass structure, seventy five percent of tea delivered from the Estates is traded and twenty five percent is transferred to the Beverage division.

The Beverage division comprises of a tea mixing and packaging plant in Mutare. Packed tea from this processing plant is promoted and diverted through conveyance stops in Harare, Bulawayo, Gweru and Mutare. Packed tea is additionally sent out into different provincial markets. Current territorial markets are South Africa, Botswana, Mozambique and Zambia. Major company brands includeTanganda, Stella, Silver, Joko, Tanganda Special Blend, Tips, Fresh Leaves, and Healthy Green, Nella Rooibos and Natra Fresh Rooibos andTingamira water.On the analysis of the micro environment, Porter (1980) elucidated that the intensity of rivals is one of the strongest force that may affect the company adversely if not reacted to.

Table 1.1 below shows the rivals for Tanganda on tea products and associated market share



Source: Company Records

From the diagram above it shows that the Market share of Tanganda is 63%, Innscor 17%, Lyons Zimbabwe 10%, Ariston Holdings 6 and Others 4%. The market share of Tanganda is declining because of imported goods by competitors such as Innscor distributors and it is also supported by CZI (2014) postulating that the influx of imported goods have created a competitive battlefield for Zimbabwean industries thus causing them to narrow down and shrinking their operations amicably due to lack of funds.

Further afield, upon the researcher’s perusal, it has proved that one of the major factors affecting the survival of Tanganda tea is unfavorable climate for the selling of their product. It has been of major concern dragging TTC to knees in a bid to mitigate this animal. However they are other factors and generally the tea industry is facing these calamities that have made it not viable and rigid to tea manufacturing companies because of global warming and excessive droughts, shortages of labour, lower tea prices and high costs of production. Gesimba et al(2005:334-336).

Recently Zimbabwe faced heat waves showing that there is no rain, to such an extent that the hub for electricity in Kariba dam is dried up and decreases the water level causing power shortages to various parts of the country and disadvantaged the agriculture sector such as estates. This has compounded the problem in shortage of rainfall for smooth growing of tea. This has caused TTC fail to meet not only the demand for tea for both the domestic and foreign market but also the quality of tea which has affected the marketing of Tanganda brand. This has attracted competition from the rival firms. The problem of drought is a serious hindrance to agriculture particularly tea production and more so in the developing countries. Zimbabwe receives lower rainfall compared to other tea growing countries like Kenya, India, Malawi and Tanzania thereby depending more on irrigation than the other countries. More so the climate conditions of Zimbabwe does not favor the growth of Rooibos Tea thus it is imported from South Africa which is very costly to the company in terms of transportation and declaration fees on the borders.

Table 1.2 below shows the sales volumes for Tanganda Tea Company

	VOLUME TONNES)			
Year	BULK TEA		PACKED TEA	
	DOMESTIC	EXPORT	DOMESTIC	EXPORT
2011	-	5,513	2,155	216
2012	-	5,498	2,336	240
2013	-	6,180	1838	255
2015	-	5,810	1,746	299
2015	-	6,470	1,659	290
2016	-	7,320	1,571	319

Source: Company Records

Table 1.3 showing the sales revenues of Tanganda Tea Company

	REVENUES US \$			
Year	BULK TEA		PACKED TEA	
	DOMESTIC	EXPORT	DOMESTIC	EXPORT
2011	-	8,140,741	8,341,543	501,438
2012	-	8,422,880	9,824,817	600,231
2013	-	10,899,442	10,723,985	741,664
2014	-	9,425,085	9,721,240	789,558
2015	-	8,631,506	8,940,710	759,834
2016	-	10,038,416	8,314,545	883,027

Source: Company Records

On the first table, the volume of tea increased from 2011-2016 which is a good performance but analytically this is because of lower market share. Stiff competitions from world giants' producers of tea have caused Tanganda to offer huge discounts for foreign customers. This has disadvantaged in that the company in that it is failing to cover its cost of production due to lower tea pricing. More so the demand in domestic market has decreased from 2011-2016 and this is because of a greater bargaining power by customers due to competition from rivals. Sales for domestic tea are deteriorating looking at the packed tea for domestic. From 2011-2016 the company sales are going down as highlighted above. This is because of a decline in demand because they are weak promotional efforts, competition, and quality of tea is out competed by rivals.

Competition has driven the company to knees in that; there are many substitutes such as soft drinks. Although tea is the second drink from water it is now undermined and being phased off by modern people. The domestic markets are very weak the economy does not have money and wholesalers are not paying their obligations thus reducing the lifeblood of the business. Tanganda is competing with many players such as Rooibos from South Africa which is very

cheap because it is manufactured through highly integrated facilities that are highly automated hence their production costs are cheaper causing them to sell at a low price in Zimbabwe thus challenging the market of Tanganda brand.

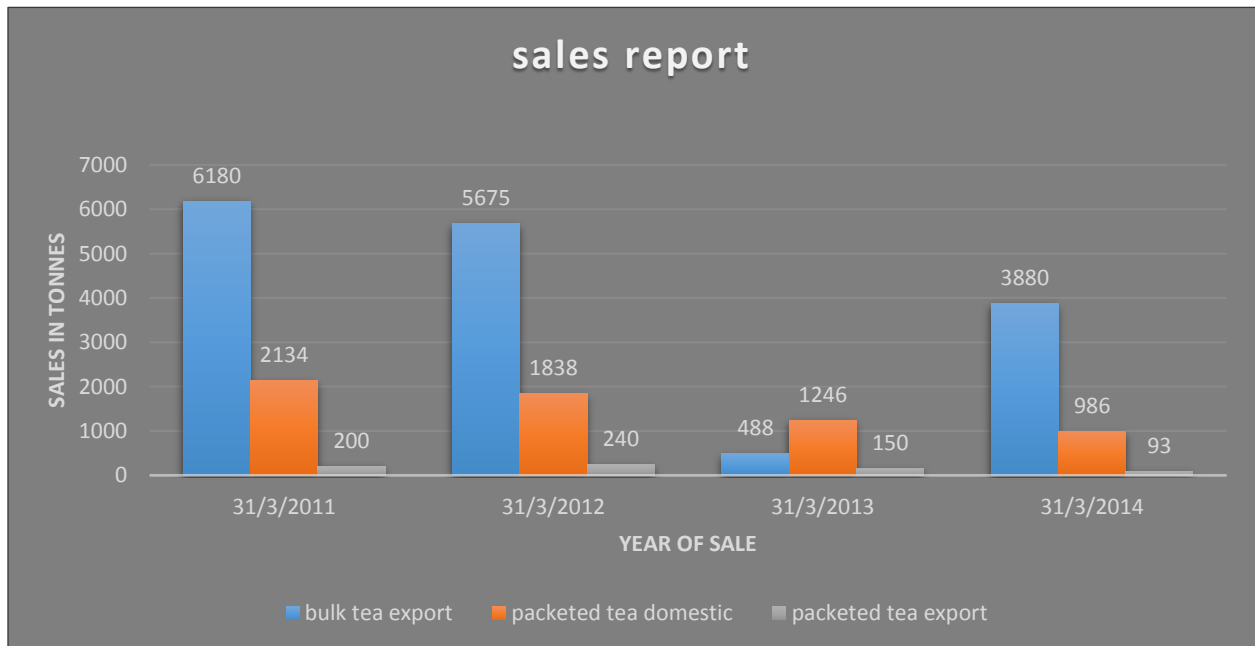


Figure 1.1 shows the sales report for Tanganda

Source: Tanganda Tea Sales Report (2011-2014)

Another analysis for a three year period shows that company sales are deteriorating from the above figure. In 2011 the bulk tea sales were 6 180 but fall to 5 675 in 2012 and finally further dropped to 3 880 in 2014 showing a sharp decline of sales. The domestic tea was 2 134 in 2011 and dropped to 1 838 in 2012, 2013 it rose to 1 246 and finally dropped seriously to 986. Hence the sales of the company are not growing rather they are going down as evidenced by the table above.

1.2 STATEMENT OF THE PROBLEM

Tanganda Tea Company which is one the largest tea producing and packaging company in Zimbabwe is facing a high loss of aggregate demand for tea causing a decline in market share. However some measures were put in place but they did not yield any results causing the market share of the company to continuously decline. This has caused the company to have a financial distress in terms of profitability.

1.3 OBJECTIVES OF THE STUDY

1.3.1 To assess the effects of market share on the profitability of the company

1.3.2To assess the relationship between sales promotions and market share

1.3.3To identify the relationship between market share and the level of competition.

1.4 RESEARCH QUESTIONS

- What are the effects of market share on the profitability of a company?
- What is the impact of sales promotion to the market share?
- What is the impact of competition on market share?

1.5 STATEMENT OF HYPOTHESIS

H₀: There is no relationship between market share and the level of profitability

H₁: There is a relationship between market share and the level of profitability

H₀: There is no relationship between sales promotions and the market share.

H₂: There is a relationship between sales promotions and the market share

H₀: There is no relationship between market share and the level of competition.

H₃: There is a relationship between market share and the level of competition.

1.6 SIGNIFICANT OF THE STUDY

1.6.1 to management

- The study will provide an insight to managers to have a broader view about practical solutions to marketing strategies, profitability and or cash flow problems, various models and techniques as well as the benefits derived.
- The results of the research would reinforce the need to implement sound profit management policies and techniques.
- To provide strategies dealing with marketing and market share.

1.6.2 to the researcher

- The researcher will have a broader mind and knowledge in exploring the study.
- To have a deeper understanding in consumer buying behavior.
- To identify the bad, good and best approaches in bringing out what is in the mind of the public.

1.7SCOPE/DELIMITATION OF THE STUDY

1.7.1 Geographically

The study is going to be conducted out at Tanganda Tea Company in Mutare, Chipinge and Harare. This is because that is where the tea Estates is located in Chipinge and the Beverage division is in Harare and the company records are in Mutare.

1.7.2 Concept

The researcher looked at the relationship of market share to viable such as profitability and competition. Theories were discussed in relation to market share. Tea records of the company were used in conjunction with those found on the foreign market. Tea records of Zimbabwean companies are going to be used such as from the Zimbabwe Tea Growers Association, and Rainforest Alliance. The concept will dwell much or narrow down looking into the marketing or consumer buying behavior side using empirical evidence.

1.7.3 Time

The time for the research is from 2012-2016. The 5 year period shows a trend of the company's performance.

1.8LIMITATION OF THE STUDY

The research requires a financial muscle in data collection in terms of transport, stationery, food, and shelter henceforth the researcher assumes this as a liability in the study.

Confidentiality of information- some respondents are reluctant to disclose information which they regard sensitive and some do not co-operate with the exercise which will be undertaken due to the reason that they may be unwilling to assist in providing some of the information to the researcher.

The depth of research is not conclusive neither will it be exhaustive as the research will only be carried out to TTC and not all manufacturing and producing company's experiencing uncontrollable production subscribing to inventory management.

1.9 ASSUMPTIONS OF THE STUDY

- The time frame allocated for the research will be enough and all the activities are going to be in one box for that period of attachment.
- The responses in data gathering will be received in the shortest time
- The access of information that is private will be granted.
- The interviewee gives reliable information

1.9.2 CHAPTER SUMMARY

This chapter introduced outlines the research topic. It also shows the weakness which needs to be researched. Starting with the background of the study is giving a series of events that are leading to the current problem hence the statement of the problem is giving an area of attraction that prompted the researcher to do the research. The objectives, assumptions, delimitations were clearly discussed. The significance, limitations, delimitations and assumptions were also explained.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

This chapter consists of the relevant literature pertaining to the market share of a company. Various theories were discussed that were in line with the market share and the objectives of the research were clearly illustrated.

2.1 Theoretical Framework

2.2.1 The Porter's Five Forces Analysis Theory

Porter (2008) defined the Porter's Five Forces analysis as a framework that attempts to analyse the level of competition within an industry and business strategy development. The theory brings in the industrial organisation economist to derive forces denotes the competitive intensity and therefore attractiveness of an industry.

The forces are called micro environment that are close to the company and also have a bearing to its customers and making profit.

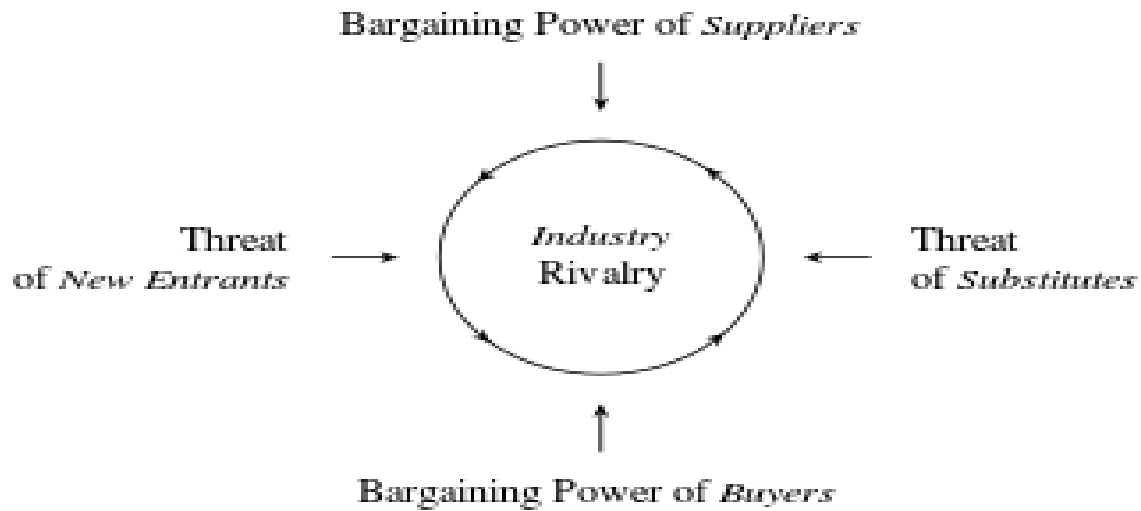


Figure 1.2 above shows the Porters Five Forces

Source: Porter (2008)

A shift or a change in any forces requires the company to revise its marketing place since the industry would have changed its nature. A company is able to apply its competency in order to get profit but the theory says that the attractiveness of industry does not does not mean that the company is going to get fat through high profits for example the profitability is low to for example airline industry but individual companies can apply unique business models that are able to make a return in excess of the industry average. The porter's five forces include three forces from horizontal competition and the threats from vertical competition. On the horizontal competition the forces are threats of new entrants, threats of substitutes or services and the threats of established rivals. Secondly the vertical competition consists of the bargaining power of suppliers and the bargaining power of customers.

2.2.1.1 Threats of new entrants-Barrier to entry

The danger of a commodity that enters competition with established merchandise are determined by barriers to entry that encompasses economies of scale which consists of size and boundary of operations required in order to achieve a workable cost structure, product differentiation, switching costs and customer loyalty created by quality, reliability and brand image, capital requirements which involve size of cash and financial resources required to existing competitors such as location, patents and experience, access to distribution channels

which include means to reach customers, government policy such as licensing, subsidies or tax incentives; and expected retaliation from existing competitors which are determined by current rivalry, history of vigorous retaliation and strengths of incumbents" Porter (1980). This force of new entrants explains that every market that has a high profit margin or high return that always attracts other firms. This results in profits being divided into various competitors thus it reduces the profitability of companies. However the intensity can be lessened if the entry is blocked by largest companies that tend to have a monopoly power for example in Zimbabwe such as telecommunications like Econet. The profits will not be evaporated or siphoned by other firms. However the various factors can have a bearing on the threats of new entrants such as customer loyalty, industry profitability, and barriers to entry such as patents and rights, economies of scale, capital requirements and distribution access.

2.2.1.2 Threats of substitutes

Porter (1980) says that substitute goods can be existing or potential goods and services which perform the same way as other products do for example Rooibos tea and Coca-Cola drink. The emergence of products of the common products attracts customers to have second thoughts. For instance tea is the second drink from water which is a substitute from water but Coke is a competitor offering the similar purpose. A similar scenario is that of a landline phone with a mobile cell phone. However the factors might be that of a buyer comparing costs, ease of substitution, perceived level of product differentiation, buyer propensity to substitute, relative price performance of substitute and number of substitute products available in the market.

2.2.1.3 Bargaining Power of Buyers

Porter (1980) postulated that buyers can be powerful in the industry if they are many as compared to players in the industry, such that they are able to lower the prices and margin. They buy in companies in huge quantities; hence they can force prices, or a rise in cost through the demand of higher quality products and services. The force of bargaining power by customers is described as the market of outputs in which the customer detects the selling price of the company's products. In a bid to reduce this intensity the firms can implement loyalty programs. Customer power for buying is increased especially when the customer has many alternatives. It is also low when they have limited alternatives.

Potential factors to bargaining power of customers are buyer concentration to firm concentration ratio, degree of dependency upon existing channels of distribution, bargaining leverage particularly in industries with high fixed costs, force down prices, availability of existing substitute products, force down prices and availability of existing substitute products.

2.2.1.4 Bargaining Power of Suppliers

Porter (1980) emphasized that suppliers can be powerful in the industry if they are more compared to consumers, and their consumers will not have or gain a significant share of their business since the consumers do not present a potential long-term relationship. This is another force in which the bargaining of suppliers is described as the market of inputs. The company get power through the raw materials, components, labour, and expertise. For an example if a company is manufacturing bread and yet there is only one supplier of wheat then the company is forced to buy from them. Thus the supplier may charge high prices. The potential factors could be that of supplier switching costs relative to firm switching costs, degree of differentiation of inputs, impact of inputs on costs or differentiation, supplier concentration to firm ratio, supplier competition, and employee solidarity.

2.2.1.5 Intensity of competitive rivalry.

Competition naturally develops among companies trading in the same market. For example in the tea industries such as Budzi, Southdown's and another example from other external competitors such as Kenya, India, USA, and China. More so another raw example in the petroleum in Zimbabwe they are many competitors such as Zuva Petroleum, Sakunda Energy, Glow petroleum, Petro trade, NOCZIM and many more. The source of power amongst others is through advertisements, disruptive innovation, and pricing, good customer services.

2.2.2 Empirical Review: Porters Five Forces

Davis (2013) did a research in Portugal making an analysis of the Hotel Industry in Porters Five Competitive forces hoping to find the strengths and weaknesses of the Hotel industry and to see the validity of a hotel using the five competitive forces of Michael Porter's Model. The results

were that competition is intense in every corner of the world and industrial growth in major cities is large. There are no switching costs thus an increase in rivals. The solutions to these irregularities were safeguarding the income of hotels through food and beverage, exhibitions and conventions, commercial and shopping complex and car park service as major income source. This phenomenon is favoring the Porters forces since it is indicating the grey side of the company and giving recovery strategies hence this triggered the researcher to do the same for Tea Industries in Zimbabwe particularly Tanganda Tea Company.

Christopher et al (2014) also did a research in Kenya on the purpose of assessing the application of five forces Michael Porter in terms of the advantages and disadvantages derived and how it can be modified to cope with Kenyan banking industry. Christopher used a descriptive survey design and the triangulation of both quantitative and qualitative methods. The population size of 62 respondents was used. The results were that there is a strong positive relationship between the Porter's Model and the performance of the Cooperative Bank of Kenya. This shows that the results are in line with the theory since it gives a broader view on areas to follow.

Porter (1979, 2008) argued that understanding of these five forces is vitally important in the formulation of a strategy and helps the firm in pursuing a less attacking environment that have capabilities of getting a company wounded and gain a more economic position. Johnson et al(2013) added that hyper-competition shows the recurrence of change that is inevitable to the business environment therefore rivals make a pace setting tactic in adopting to highly priced market strategies and lower price cuts in order to find it not viable for other competitors to be on the market.

Various scholars Karagiannopoulos et al (2005), Dalken (2014) formed a complementary argument claiming that these five forces theory provides a wide understanding of the supply-demand analyses to consider competitors hence it allows the companies to be proactive by finding ways or strategies to insulate themselves. Karagiannopoulos et al (2005) added extra information to Porters Five forces by a question. The question was that whether the company must defend itself against the forces or being ahead of producing something like nothing done or experienced or created before in order to expand the industry.

Grundy (2006) supported this model in that it is genius, arguing that Porter condensed the difficult micro-economic thought into five influences although he noted that the model is hard to

assimilate. Johnson et al (2013) postulated that the theory left out the complementary entities and rivals and strategist says that complementors should be regarded as the sixth force. Therefore this theory is a useful tool to adopt in a climate of rivals especially Tanganda Tea Company which helps the firm in strategic grouping/planning to enhance continuity.

2.2.3 Relationship Marketing Theory

Berry (1983) says relationship marketing as attracting, maintaining and in multi service organizations enhancing customer relationships. Sheth (1995) view relationship marketing as attempts to involve and integrate customers, suppliers, and other infrastructural partners into a firm's development and marketing activities. Gronroos (1996) states that relation marketing is to identify and establish, maintain, and enhance relationships with customers and other stakeholders, at a profit, so that the objectives of all parties involve[ed] are met and that is done by a mutual exchange and fulfillment of promises.

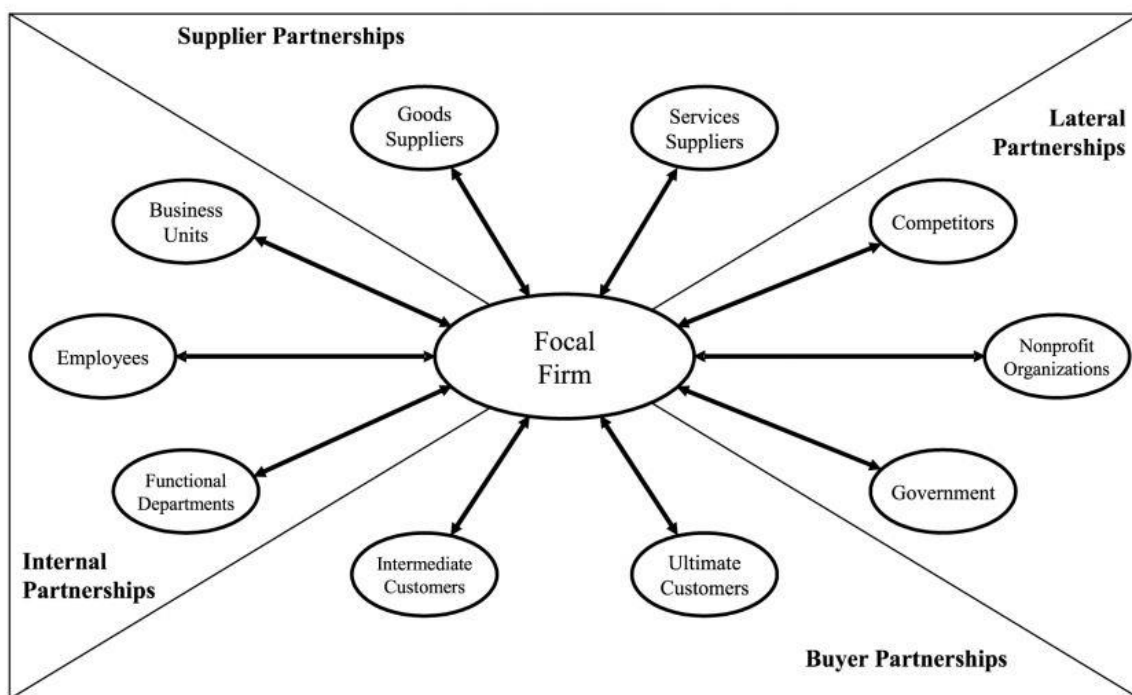


Figure 1.3 above shows the preferred relationships of a company

Source: Morgan and Hunt 1994

Basically this theory is different from other forms of marketing since it observes the value of customers in the long run and it reinforces the relationship and extends communications beyond advertising and promotional messages.

2.2.3.1 Forms of relational marketing

Morgan (1994) came up with the ten forms of relation marketing which are as follows, The partnering that is involved in the relational exchanges between manufactures and their goods suppliers, Relational exchanges between advertising or marketing research agencies, Alliances between firms those are strategic, combining of the firm and nonprofit firms, joint research partnerships, Long term exchanges such as loyalty programs, The relational exchanges of working partnerships, Functional departments' relations, Firm and employee relations which is internal marketing, The within-firm relations as those involving such business units as subsidiaries, divisions, or strategic business units.

Relationship Market was initially proposed by Berry (1983) and after that theory was supported by Little and Marandi (2003), Gronroos (2004), Harker and Egan (2006) saying that relationship market implies the development of long-term relationships between the customers and suppliers. They argued that due to this method have several advantages. From the above literature Relationship marketing is one of the chief cornerstones in the marketing strategy (Sudarshan 1995).

2.2.4 Empirical Review: Relationship Marketing

Mohamed et al (2011) did an empirical investigation on the impact of relationship marketing underpinning trust, communication, conflict handling, bonding, and reciprocity. A survey of 34 questionnaires was used and was completed by 384 randomly selected customers and multiple regression analysis. The results reviewed that all underpinnings of relationship marketing were directly associated with customer loyalty and had a significant effect on it. This was in line with the theory.

Nagasimba did an empirical research hoping to find the role of relationship marketing in competitive marketing strategy. The study was done in India. They found out that the role of relationship marketing in competitive marketing strategy included guide moments of truth,

improve profitability, build partnering, address customer better, buy in customer attention, protect emotional well being, understand customer psyche and build trust with customers. In the summary of findings they concluded that Relationship marketing is one of the streams of conceptual and empirical work in strategic marketing Steinman (2000). Sudarshan (1995) argues that relationship marketing is the cornerstone of the marketing strategy.

Brito (2011) had a research in Portugal and wanted to investigate the extend of relationship marketing if it is found on a solid state and a consistent theory on the condition that it should be considered a new paradigm. Two streams of research were used that is the Nordic School and IPM Group in conjunction with help from the Anglo-Australian School and the relationship approach to branding. The results says that relationship marketing is the cornerstone of field marketing but in an attempt to answer a question that has been raised shows that there was no evidence in that relationship marketing has a solid state which suggest that we are facing a new paradigm. The results are not in line with the theory. The Author suggested that Relationship Marketing is old wine in a new bottle. At a look upon the two authors they found the same meaning but the interesting part is that this research was done in nations that have a stable economy which is different scenario in the state of Zimbabwe tea industries. The most interesting part of this research is that it is done in hotels which triggered the researcher to do the same for tea industry in Zimbabwe.

Ideally, the growth of relationship marketing can be attributed to events and winds of change blowing from particularly increased competition and other factors such as technology, economic factors and social environmental factors. In the assessment of the various scholars, a meaningful and more comprehensive conclusion can be drawn elucidating that Relationship Marketing views business with the coalition of stakeholders consisting of employees, suppliers, community, government, distributors and customers. However this is of greater value to the company in gaining a competitive advantage and therefore it is able to strategize its markets.

2.2.5 Marketing Mix Theory

A researcher named Neil Borden in the 1950s created 12 components that were intended to clarify the marketing administration discipline. Notwithstanding, the components were considered excessively expansive and complicated for instructing over all academics. Mid 1960s, McCathy took a shot at the 12 variables by Neil Borden and blended them into 4 variables which

turned out to be popularly known as the 4Ps (product, price, promotion and place). Borden (2009) has guaranteed to be first to utilize the term marketing mix. This was given to him by Culliton (2011). Rasmussen (2005) additionally built up a parameter hypothesis and proposes the determinants to rivalry and sales are quality, value, administration and advertising. Kotler (2010) says that generally, marketing system is an arrangement for seeking after the company's target of how the organization is going to get its promoting objectives inside a particular portion. Essentially the marketing exercises which are product, price, place and promotion constitute the marketing mix as they are clarified beneath.

2.2.5.1 Product marketing Strategy

Leonidu et al (2002) posits that product dimensions are an important part of a marketing mix. Leonidu synthesised an empirical research on the marketing strategy to give a meaning that product design, brand mix which constitutes of name sign, symbol, design, warranty, customer services, as pre and after sales service and product advantages are variables of product marketing. Tantong et al (2010) reviewed that the product design adaptation was related to the firm's performance. In some literature a product refers to the goods and services offered by the organisation for sale.

2.2.5.2 Promotion Marketing Strategy

Thirkell and Dau (1998) reviewed that promotion is a marketing strategy which was used by many researchers and assessed hoping to find the impact on the profitability and the increase in sales. Griffith (2004) went on to say that the importance of advertising especially on export market since Tanganda is one of the largest exporters in the country, have a recognised impact on the performance of higher sales. Leonidu et al (2002) studied about the marketing strategy and divided the promotion related variables to advertising, individual selling, sales promotion, and promotion adaptation. Hence promotion is an important ingredient of marketing mix since it involves the informing, persuading and influencing customers to buy the product.

2.2.5.3 Place Marketing Strategy

Lages et al (2004) revealed that distribution network or availability was a useful aspect in place marketing strategy.

2.2.5.4 Price Marketing Strategy

Lages et al (2005) says in recent years, changes in the international market have made pricing strategy increasingly significant for research and practice. Price is another part of a marketing mix that many researchers assessed in their study as one of the important items in market share increasing.

2.2.6 Empirical Review: Market Mix Theory

But Eusebio et al (2007) emphasized that price is no more a dominant strategy for companies in the market. Mogaddam et al (2012) had an empirical research in Iran on the journal Influence of Marketing Strategy elements on Market Share of Firms. The aim was to study the marketing influences on market share of polymer sheets and the suggested results concluded that the product, price, place and promotion strategy are important elements to increase the market share of the company. This shows that the results are in favor of the theory henceforth the adoption of this model to Tanganda Tea would pose a great recovery.

Popovic (2006) criticised that the 4PS approach is a products oriented definition of marketing and not a customer oriented. Moller (2006) argued that the mix did not consider customer behaviour although it is internally oriented, and it also regarded the consumers as passive and that no interaction was allowed neither it wanted relationships. Rafiq (1995) also reviewed that there is a higher degree of dissatisfaction with the 4ps Approach.

2.2.7 Customer Satisfaction Theory

Cardozo's (1965) says that the hypothesis of consumer satisfaction has been a prominent subject in showcasing practice. Gundersen et al (1996) consumer satisfaction is characterized as a post utilization evaluative judgment concerning a particular item or administration. Consumer satisfaction is characterized as the rate of aggregate clients who have an involvement with organization interims of the products and services offered surpasses the wanted fulfillment

objectives. Consumer loyalty has intense impacts in which the organization concentrates on its worker's with the end goal them should convey and satisfy client desires. There are different speculations that encompass the fulfillment and worldview, and they are utilized to comprehend the procedure in which purchasers' structure fulfillment judgments. The speculations are Assimilation hypothesis, Contrast Theory, Assimilation-Contrast Theory and Negativity Theory.

2.2.7.1 Assimilation Theory

Festinger (1957) stressed that, purchasers make utilization of intellectual examination between desires on the item and the detected item execution. Post-use assessment was imagined and model drove in fulfillment through the Assimilation osmosis hypothesis. Anderson (1973) says that clients need to decrease and avoid a contention of conclusions and activities by adjusting their conviction around a product to align it more with their will. Shoppers can decrease the power by disregarding the conviction about the merchandise all together for the item to coincide with perceived product performance. However Payton et al (2003) contends against the Assimilation hypothesis in that the hypothesis accept a relationship amongst desire and fulfillment yet does not determine how the disconfirmation of a desire prompts or leads to either fulfillment or disappointment. Moreover since the aspect considers that buyers are eye cached enough to alter either their beliefs or their perceptions pertaining to the recognized accomplishment of the goods. But Payton argues against that saying that various researchers found that controlling for actual product performance lead to a good relationship and satisfaction, hence it may postulates that dissatisfaction will not show up unless evaluative activities starts with negative consumer beliefs.

2.2.7.2 Contrast Theory

Hovland et al (1987) presented the hypothesis of fulfillment. Dawes et al (1972) characterize contrast hypothesis as the affinity to develop the difference between one's own particular states of mind and the dispositions spoke to by notion shared by the most people. This perspective gives a decision or choice to the purchaser post-use assessment in procedure. The assimilation

theory hypothesizes that clients flourish to minimize the inconsistency amongst desire and performance yet the difference theory holds that impact which amplified that error.

2.2.8 Empirical Review: Customer Satisfaction

Various scholars reviewed that high customer satisfaction leads to customer loyalty Anderson (1993) and Fornell (1992) argued in favor of that saying the increase in customer loyalty leads to increase in high future revenues. However the theory of customer satisfaction only predicts customer reaction instead of reducing the dissonance.

2.3 MARKET SHARE

2.3.1 Relationship between market shares on organization's profitability

Although the relationship between market share and company's performance is like looking opposite ways Odunlami and Ogunsji (2011) have faith in that the influence is high and significant. Perko (2012) is of the same opinion as he used the Chi-squared test upon the determination of how markets share is used to generate profits. The case study of the research was for TV Africa and the results showed that, the promotional tools which were used: guarantees, warranties, souvenirs, discounts, and give away have a greater impact on the profitability of the company.

Therefore a company must adopt strategies for market share since they have a great return in terms of future buying, increased sales volumes, and profitability. Tanganda should make use of theses promotional tools to enhance a greater monopoly power. Nagar (2009) is also of the same opinion that repeat purchases are profitable to the organisation. Ozor (2009) accepting the unavoidable function of sales promotions in increasing the sales in selling of products and services, the manufacturer of products and services are much in light that promotion not only does it works to create awareness or educate customers and lure them but also it is an useful ingredient towards revenue generation.

Oyedapo et al (2012) discovered market share as an inbuilt or inherent part of marketing effort that helps the company to meet its goals. The chief objective of any entity is to capitalize in terms of profitability, and obtain a large market share and being a monopoly in a turbulent

competitive climate. Okli (2011) seconded that argument positing that the importance of setting up business is to increase revenue.

Mullin (2010) elucidated that, the reason behind the market share is to achieve an increment of corporate profit, help/assist the introduction of new product, encourage repeat good bought, to increase loyalty/addiction, enlarging consumption of products, making an awareness to consumers, pre-empting competition, and bringing back or reviving brand perception on service failure. Anderson and Simester (2004) coined this argument suggesting that the long term impression of promotions are forward purchasing, selection, customer learning and increased deal sensitivity.

According to Olusola (2011) from his Journal “Impact of market share on profitability of a product” which was carried in Nigeria opinionated that market share has contributed in high sales to their goods. It says that Nigeria’s biggest communication network (MTN) doubled its revenue it generated in South Africa for three years after a two year period of advertisement through advertisement. He reviewed that large entities such as Nestle, Cadbury are in accord of the resultant force of the market.

Past researchers in line with this research went further in trying to explain the relationship between market share and profitability and failed to bring justice and this is what triggered the researcher to further research as supported by the literature from above. In the same manner the review as extracted by the researcher are strongly supported by the research made by Mujuru (2011) in Zimbabwe, in an effort to deduce the relationship between market share and profitability.

2.4 SALES PROMOTIONS

2.4.1 Definition of sales promotion

Kotler et al (2013) defines sales promotion as a diverse portfolio of inducement tools that are used to enhance and induce a faster and greater buying of the particular products and serves by the customers. Trehan (2011) reviews that sales promotion consists of all those activities besides advertising, public reactions and personal selling which are designed to induce consumers

demand and to make the marketing performance better. AMA (1998) defined sales promotion as marketing processes despite personal selling, advertising, publicity that induces customers buying and dealer effectiveness for example display, shows and exhibitions, demonstrations and various marketing types not in a usual way. Berkowitz et al (1997) defined promotion as a form of connection allowing access between customers and the sellers. The Form of connection to customers the organisation uses various promotional alternatives such as personal selling, advertising, sales promotion and public relations. This tool evolved due to the response by producing firms and marketers in finding short term mitigation to the problem of high inventories piled up in the warehouses of the producers but is not wanted by customers and other companies Aham (2008).

2.4.1 Relationship between sales promotions and market share

Benette (1995) defines advertising as monetary form of non-personal communication about an entity, a product, service, or an idea by an identified sponsor. The International Chamber of Commerce defined advertising as marketing tools which are used to attract attention of the customer by conveying the benefits relating to the product or service.

Schultz (2001) argued that advertising is simple and easy to adopt and apply in the market and enhance the volume of the sales. Advertising has a direct impact on the minds of the consumer to consume greater portion of the product and quick consumption. Aiwadi and Neslin (1998) postulated that advertisement also increases the profitability of the organisation. According to Dr Zia (2015) in his Journal “*Role of Advertising on sales performance*” postulated that basically advertising is a marketing tool that tends to persuade by a driving force medium. He further elucidated that the main goal behind this tool is to increase the sales promotion. It is the major objective of companies using advertising in a bid to widen their sales volumes, and when the volumes are high automatically the revenues of the company increases.

Alvarez (2005) feels that on the condition that there is quality advertising there is also a significant change in the sales. Additionally Neslin (1998) is of the opinion that advertisement is an essential weapon that minimizes risk of new goods. Moreover The International Chamber of Commerce (ICC) argued in the same way citing it is a marketing weapon employed by a

company mainly to eye catch/lure consumers by communicating the advantages that are vested by the goods or services. Ailawadi and Neslin (1998) Advertisement has an intimate relationship in the brains of customers for them to buy goods in bigger volumes and faster usage of the goods which in reciprocal encourages high volume of sales of a company. For this reason Pwael et al (2003) added that advertisement is of greater significance both lifetime and immediate period of a business.

Likewise Kotler and Armstrong (2002) further introduced the methods of advertising which includes free samples, prizes for contest's winners, various wrapping materials and price structures. Benette (1995) defines advertising as monetary form of non-personal communication about an entity, a product, service, or an idea by an identified sponsor.

From the above literature basically advertising is like the diffusion of a delicious meal in which everyone is interested to taste and by so doing there is addiction which is an advantage to both the marketer and the seller. Thus this is a magnificent tactic in reviving the sales of Tea. Every corner of the nation should be saturated with Tanganda brand. Together with Giles (1997) added that marketing challenges frequently/many times at short intervals have far effect to every organisation and if it is left unattended to, creates a huge danger on the survival of an entity.

Alvarez and Casielles (2005) emphasized that advertising creates a desire in corresponding to a brand and inspires consumers making repeat purchases. They also emphasized that advertisement creates brand addiction and long term effects will be high volume of sales, along with Dawes (2004) preaching that it is a weapon to reduce the freedom in them choosing substitutes. In the Journal of Dr Zia (2015) says that advertising has benefits in the future on sales in food, drugs, and cosmetic companies. Advertisement has a rapid result in the influence of high sales to any company. Through this tool, the companies are able fight competition from rival firms and obtain a greater market share. When firms invest its money in form of advertising it then marries itself with the customer as a measure to protect the consumer from rivals. Dr Zia (2015) added that various studies by various scholars showed the two components sales and advertising goes hand in hand and there is a good or significant result. Brand addiction is really important to advertising which widens the amount of consumers.

Kotler (2000) noted that personal selling is an important tool for the communication between existing customers and actual customers. The communication process is a two way since there is a face to face platform between the customer and the marketer. An added advantage is that personal selling can be enhanced through various platforms such as video conferencing, telephones, and various links in computer/catalogues which are capable of acting or influencing each other.

Fiske (1980) defines this tool of public relations as form of connection/link that allows access between persons and places which aims to induce the picture of the entity in terms of the goods and services offered. It mainly focuses on disseminating information that is positive to the business. For instance the business may use publicity materials such as news release through various platforms like newspapers, radio station, or sponsoring a big event to the nation. Thus it markets the product of a company automatically.

Various scholars; Close, Finney, Lacey and Sneath (2006) argued that event marketing is of greater significance to the company in that it occupies consumers with the brand. The main objective is that of increasing the sales thus greater market share of the company.

Fan (2006) is of the opinion that corporate gifts creates reduces the time taken by the customer in the buying period. This allows the consumers to react in a short space of time by buying without any dissonance or evaluative measures. Beltramini (2000) is of the notion that has the spirit of being reciprocal. If you give there are greater chances of being returned the favor. Contextualized we are saying if Tanganda pass out tea gifts, the customer will naturally like that incentive and return back in form of repeat purchases. Another enticing view by Kendrick (1990) says that this tool, not only can it be viewed as income generator or offering high sales volumes but also creates addiction to the product, and creates awareness which is a benefit to an organisation since it encourages future purchasing of the company's products.

Hardie (1991) noted that a sales promotion offers a positive influence, or a desired result or an incentive that is not long term. This is useful to lure customer's interest in purchasing the products and services. He came up with various methods of inducements such as coupons, rebates samples and sweepstakes.

Studies that have been done before on the effect of sales promotion on sale volume cannot be concluded since they are not exhaustive. Various scholars came to the notion that sales

promotion dimensions have no significant effect on sales volume (Davis et al. 1992; Dekimpe, Hanssens and Silva-Risso 1999; Pauwels et al. 2002; Gilbert and Jackaria, 2002; Srinivasan et al. 2000). Whereas other scholars coined their argument suggesting that sales promotion have positive effect on sales volume (Ailawadi, 2001; Ailawadi and Neslin 1998; Oyedapo et al, 2012; Odunlami and Ogunsiji, 2011; Bamiduro, 2001). Bamiduro (2001) found out that there is positive significant relationship between sales promotion and sales volume of the beverage industry. Oyedapo et al, (2012) did a survey on the impact of sales promotion on organization effectiveness in Nigerian manufacturing industry and their findings revealed that the adoption of sales promotion dimensions significantly influence the effectiveness of beverage drink industry. Ailawadi (2001) reviewed those sales promotions have a positive long-term benefit on sales because they encourage, eye catch, motivate, and allure customers to shift brands and to purchase in greater amounts. Odunlami and Ogunsiji (2011) did a research on the effect of sales promotion as a weapon to the company's recognized accomplishment such profitability. The researchers concluded that the effective implementation of sales promotion dimensions leads to the increment of sales volumes. Further afield, Wayne (2002) confirmed the relationship between sales promotions and product trial that eventually lead to a rise in sales. Pauwels et al (2002) also discovered that sales promotion dimensions have permanent effect on sales volume.

Odunlami and Ogunsiji(2011) postulated that sales promotions are weapons that act as a shield in order for a company to insulate itself from competition thereby it provides an extra incentive for the market that is being targeted to make repeat purchases. Odunlami and Ogunsiji (2011) clearly pointed out the objectives of sales promotions which are increment of sales of goods mainly to seasonal goods which usually goes down periodically and in this case Tanganda tea is a victim of being a seasonal product since consumers buy tea in cold season, secondly is to increase inventory turnover in the store room, to induce new products and enhance the acceptance of the product, and to discourage seasonal buying whilst making a good brand addiction. These authors coined this argument by the notion that an entity utilizes sales promotions to make and concretize a faster response. The use of these tools enhances the high sale of goods, offer and increase sales that are dropping.

Sales promotions facilitate the introduction of new product. Kamzi and Batra (2004) clearly pointed out those small firms with limited capital a resource finds it very hard for them financially in order to meet the advertising costs, to launch new products, or to cope with

competitive advertising blitz. These firms realize that sales promotions are economic and a greater tool in boosting the company's sales volume.

More so the company is able to hold current users by encouraging repeat purchases. Appleby (1994) suggested that, repeat purchases by the consumers lead to the increase in sales, and it attracts repeat business.

Bamiduro (2001) is of the opinion that customer promotions are strategies enhanced to influence the trial consumer. Blattberg and Neslin (1990) added that they are offered by producers specifically for customers. Hence they are designed to attract customers to lure them in buying the product thus creates an addiction of the designated product by the company which further encourages repeat purchases thus an increase in revenue of the company.

Retailer promotions these are promotions given out by the retailers to customers whom constitutes of allowances and discounts, factory-sponsored in-store demonstrations, trade shows, sales contests, and cooperative advertising. Blattberg and Neslin (1990) say that, trade promotions are offered by producers to retailers or various companies. Osuala (1998) supported that giving an emphasis that the producers are worried not only by promoting the goods to the customers but also to make sure that the product is abundantly packed in the retailers' shelves. From this point of view that is the goal of Tanganda to make sure that tea is available in the stores of retailers' shelves. Consumers should know all the types of tea offered by Tanganda in order to increase product awareness.

Past researchers in line with this research went further in trying to explain the relationship between market share and profitability and failed to bring justice and this is what triggered the researcher to further research as supported by the literature from above. In the same manner the review as extracted by the researcher are strongly supported by the research made by Mujuru (2011) in Zimbabwe, in an effort to deduce the relationship between market share and profitability.

2.5 COMPETITION VERSUS MARKET SHARE

2.5.1 Scope of Competition

A company gains a competitive edge if the company has the ability to produce and deliver the same accrued advantages as rivals but at a lower cost hence a competitive advantage enables a company to be unique to its respective consumers and reciprocally profit benefits to it Porter (1985). De Silver (2006) noted that competitive advantages accrue from low cost production methods, patents and copyrights, government protected monopoly positions, and skilled workers.

OECD (1996) defines competitiveness at country level (or national competitiveness) as, “the degree to which a country can, under free and fair market conditions, produce goods and services which meet the test of international markets, while simultaneously maintaining and expanding the real income of its people over the long term.” The definition for national competitiveness from the Institute for Management Development (IMD 2003) is, “how nations create and maintain an environment which sustains the competitiveness of its enterprises.” The World Economic Forum (WEF 2003) explained that national competitiveness as a set of companies and economic rules that assists high rates of economic development in the medium term.

2.5.2 Relationship between competition and market share

Oster (1999) assert that the intensity of rivals in the industry reduces the market share of a company which therefore reduces the revenues of a firm. Although this force has a positive and negative impact, the positive being that it encourages and advocates process improvement but alas, through competition it causes prices to go down which then hurts the sales of the entire industry. The market share of the company will be divided amongst the rivals (Ali et al 1997).

Sharma and Fisher (2009) are of the notion that if competition increases, it creates a competitive environment creating improvements in product developments. Fu and Haffeman (2009) posited that the quality of competition is the most influential key to market share. According to Sung in his journal “The determinants of Market share for Mobile Telecommunications Operators” elucidated that the rapid of entrants of wireless telecommunications, the mobile markets have been changed into a highly competitive industry. He argued that the average Herfindahl-Hirschman Index (HHI) for mobile markets dropped from 4 792 in 1998 to 3 827 in 2003.

Basically the company lost 10% of its market share to competitors. Thus competition is a not good for the better healthy of companies as it reduces or makes the other rivals share your market share reducing the sales and revenues of the company.

Ellis and Singh (2010) argued in their journal “Assessing the economic impact of competition”, in London maintained that countries like Zambia is creating a high domestic market on other nations because it is protected from barriers to imports, thus it has gained a high market position. From this scenario it clearly pointed out that for a company to grab the market, it first needs to eliminate competition. This is also in line with the notion by Confederation of Zimbabwean Industries (2014) as it maintained that industries of Zimbabwe have been affected by the influx of imported good thus it has decreased the aggregate demand of home or local products reducing the market share of companies. Ellis and Singh further reviewed that Ghana had an industry for sugar that was driven by the government in the early 1980s. But because of poor marketing efforts and capital it failed to produce quality to enhance performance of the industry. This attracted competitors killing the market for the government neglecting the market share of the government. From the literature above this shows us that the higher the competition in the industry the more the company divides their markets which therefore affect the company adversely.

Basing on the literature revealed above, it has been observed that the impact of market share on the corporate performance of Tea Industry is the password to the success of the company. Theories have been put forward in relation to market share but the most interesting part is that, these studies have been done in other nations such as Kenya, Malaysia, China and India. The researcher aims to do the same in Zimbabwe particularly Tanganda as the researcher’s area of study. The theories discussed only gives a helicopter vision but the researcher is determined to do a tractor vision to be on the ground or a hands on mission, such as a sales promotion by making a campaign of educating customers on healthy tea in order to lure customers.

2.6 CHAPTER SUMMARY

In this chapter the various scholars have clearly showed their views in relation to market share. This have therefore gave a broader understanding and gave the researcher a high confidence level to follow suit paving way to chapter three showing how it is going to be done.

CHAPTER 3

RESEARCH METHODOLOGY

3.0 INTRODUCTION

The chapter mainly focuses on different types of methods and techniques which were used in obtaining information from the respective respondents. Different methods were used and a detailed thesis of the research design was clearly elucidated in carrying out the research, justification of the various instruments was given, data collection procedure, sampling methods and procedures and sample size are also explained in this chapter.

3.1 CASE STUDY APPROACH

The researcher used a case study approach in the research because the actual information is not available due to confidentiality. A case study is a published document or report about someone, a group and or a situation which has been studied before. In this scenario the researcher's case study was Tanganda Tea Company and the events studied are events, or actions which were practiced by the company. The measures that were put forward to curb market share problems. This method is as a claim or a proposition and in this study it is claiming that the market strategies implemented are not purely utilized thus it is coined by both a descriptive and explanatory study to analyze the stated objectives.

3.1.2 Explanatory Study

Rana (2014) emphasized that explanatory design is a method of research that is intended for one to know the relatedness between two variables that is dependent and independent variables. This method of research also reviews various theories, provides estimations and values where they are necessary, thus it is natured by quantitative information.

3.1.3 Descriptive Research

Shiu et al (2009) emphasized that this method provides a relationship that has a good meaning, shows whether the true difference is there or not, and makes sure that the relationship is effective. This method cannot be quantified clearly to fit into neither quantitative nor qualitative thus does it combine both as it is used in the study. Descriptive design involves the collection of information which describes the events, action and tabulates it for example the sales reports of the company.

Basically this method is best for the researcher since it employs a multiple variables for analyzing data such as regression, correlation and multiple regression analysis. This was used by the researcher in analyzing the data gathered using STATA 11 as a statistical method.

3.2 SOURCES OF DATA

3.2.1 Primary Data

Mogere et al (2013) primary data is the original information which is gathered and that has never been gathered before. The information yielded was utilized for analysis of the market share of Tanganda Tea Company. The questioners and interviews were used in the data gathering.

3.2.2 Secondary Data

Saunders et al (2009) says secondary data is information that the researcher collected not in a forthright manner from the respondents, rather information is collected somewhere else as not original information. Data was gathered through the analysis of information from company journals, various textbooks, newspapers, articles, and publications.

3.2.2.1 Justification of Secondary Sources of Data

Secondary information is less costly or cost free since it only allows the researcher to just open company journals, websites and documentaries wherever he is. Mayimbi(2014) is of the same opinion as he posited that secondary information is less expensive.

3.3 TARGET POPULATION

Atisa et al (2014) postulated that a target population is a group in which the researcher is interested in, in order to collect information that is significant to the study of the research. Chimbo (2013) is of the same opinion emphasizing that a target population is the total assembling of components in which the researcher wants to carry out the study in order to get a meaning.

Table 1.4 showing the target population

Respondents	Target Populations
Managers	47
Customers	810 000
Total	810 047

3.4 SAMPLE SIZE

Shui et al (2009), a sample size a tool that has concentrated attention and devoting full strength to the total components that are selected in order to represent the desired target population. Basically a sample size is a true representative of the target population that has similar homogeneity.

Table 1.5 showing the sample size

Respondents	Sample Size
Managers	40
Customers	110
Total	150

3.5 SAMPLING TECHNIQUES

3.5.1 Stratified Random Sampling

Ng'ang'a (2013) posit that stratified sampling as the division of samples of the samples that have a similar homogeneity. Therefore the researcher used stratified sampling since the targeted population under study constituted a well-defined stratum. This is because the essential qualities or characteristics of the targeted population are flexible for formulation. They are defined on their homogeneity. The targeted population constituted the customers and management of Tanganda, thus for the customers they were grouped into three section that is Harare, Chipinge and Mutare. The population to be researched on has to be heterogeneous so as to accomplish representation. The respondents of management were selected basing on their respective departments.

3.5.2 Simple Random Sampling

It is a sampling technique that fosters an equal choosing of each an item of information that is typical of a class or group. Simple random sampling was used in each stratum in the research. Simple random sampling is unbiased since it gives all the components an equal chance of being selected, thus it removed the researcher bias. The whole sampling process is completed in a single step with each element elected individually out of the other members of the population.

3.5.2.1 Justification

The method reduced or eliminated the bias of not having the components the equal probability of being selected in the study. Thus simple random sampling is of a greater significance although there are benefits accrued to it in that it is less costly and time saving.

3.6 DATA COLLECTION METHODS

Bell (1992) posited that the data collection method is a weapon or a tool that is used in gathering indispensable information from the chosen sample size. Research tool or weapon is a logical model that structures, marks, and positions the researcher in the process of collecting, interpreting and analysis of information. The researcher selected various methods in coming up with the data.

3.6.1 Questionnaires

Malhotra (2010) emphasised that a questionnaire is a structured technique used for obtaining information of the study and constitutes a series of questions in which the respondents answers. Moyo (2006) questionnaires are a list of logical questions in which the respondent answers. Thus self-administered questionnaires were used for both the management and the customers of Tanganda. The researcher resorted to self-administered questionnaires for data gathering from the targeted respondents.

Open-ended and closed-ended questions were utilized. The major objective of the structured questions was to reduce the level of thinking of a respondent which also saves time of the research.

Open-ended questions allowed the respondents answer in their own words. Respondents answered outside the requirements of the question since they widened the scope of response which was significantly good to the study in obtaining information necessary for drawing of reliable and accurate conclusions about various techniques and sales promotional methods.

3.6.1.1 Justification of Self-Administered Questionnaires

These self administered questions helped the researcher in obtaining information from the researcher's objectives.

3.6.1.1.2 Likert Scale

A Likert scale basically is an ordered scale in which the respondents choose one option that best suits them or the category which aligns their views. It measures the attitudes of the respondents by asking the extent to which they agree or disagree in a question asked. The scale can be in the

form of Strongly Agree, Disagree, Neutral, Agree, and Strongly Agree. Thus this enables the researcher to use that information on a STATA to regress the relation of the objectives in which the researcher is curious about.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Rooibos Taste is Sweet	1	2	3	4	5

3.6.2 Face to Face Interviews

The researcher made use of face to face interviews as they involve the gathering of information using a two way communication.

3.6.2.1 Justification of Face to face Interviews

This allowed the researcher to probe the respondents for them to release more information that enables a more understanding of the research questions. One is able to note non verbal cues such as gestures, facial expressions when doing the interview thus the researcher was able to get information from that non verbal cues Asiima (2012)

3.6.3 Telephone Interviews

Some of the information was gathered through the telephone interviews. The consultation from the management of Tanganda in terms of financial statements and company journals.

3.6.3.1 Justification of Telephone Interviews

This allowed the researcher to obtain information in a less cost or cheap manner as the researcher faced a financial constraint. More over the researcher would get information in time and the communication process was fast.

3.6.4 Participatory Observation

This was done when the researcher was an intern on that company. The researcher made use of that time in identifying the processes and quality prospect of tea in the factory department of TTC where the distribution and packaging is done.

3.6.4.1 Justification of Observation

This gave the researcher a more practical understanding on how the tea is packed and distributed to the various parts of the country and nations. Thus it pivoted the researcher to identify loopholes in quality standards of tea and production process.

3.7 DATA PRESENTATIONS

Information gathered from the research was presented, deduced and analyzed through descriptive narration, graphs and tables. This is because the information was quantitative thus needed graphs and tables in analysis. Communication of research findings can be presented using oral or written reports or both.

3.7.1 Tables

Quantitative data was tabulated in tables and later advanced through the means of data presentation.

3.7.2 Justification of Tables

Tables are easy and simple to administer and understand. They provided a quick overview of the data collected which was collected through the questionnaires, observations and interviews therefore justifying presentation of qualitative data.

3.8 DATA ANALYSIS

Data analysis involves the drawing of inferences from raw data. Data analysis can involve multi-methods that are applied sequentially. Multi-method application in conducting research is called methodological triangulation (Patton 2002).

3.8.1 Regression and Correlation

The researcher will make use of regression analysis and correlation in data analysis and data presentation. More specifically, regression analysis helps the researcher to understand how the typical value of the dependent variable (market share) changes when any one of the independent variables is varied, while the other independent variables are held fixed.

3.8.1.2 Correlation

Correlation simply refers to any of a broad class of statistical relationships involving dependence. In this case the two variables that are related are sales promotions and market share, sales promotions and profitability, product quality and demand and competition and market share and the relationship can be strong or weak (Positive or negative).

3.8.1.3 Ordinal least squares model

According to Hutcheson and Moutinho (2011), in most cases the following can be universal as linear modeling method that may be useful to model a single response variable which will have been recorded at least one interval scale.

The following model was adopted in the current study:

Where: $Y = \alpha + \beta^1 X^1 + \beta^2 X^2 + \beta^3 X^3$

Y – Being the dependent variable, market share

X^1 - Independent controlling variable,profitability

X^2 - is the independent variable. Sales promotions

X^3 - is the independent variable,competition

α indicates the value of Market Share when the objectives from $X1$ - $X3$ are at zero.

β parameter indicates the average change on market share that is associated with a unit change in independent variable (X) Type equation here.

The calculations will be done using STATA 11 software package and Microsoft excel for inputting data into STATA 11.

3.8.2 Statistical packages used

The researcher used Stata11 and Microsoft excel in data analysis and statistical research of the above stated variables because the package is flexible and allows for adjustment and corrections to be made. Stata is a method used in data management, statistical analysis, simulation and regression. The researcher used STATA 11 in the analysis of the information obtained. The data was worked in the Microsoft excel and run into the STATA 11 software in order to work out the hypothesis. STATA 11 is a simple statistical method in handling time series data.

3.8.2.1 Justification of Stata11 Technique

The researcher used this method because it is simple to use than SPSS, Eviews and 'R'. The researcher only commands the variables that needed to be regresses and it is only a matter of seconds for the relationship to be constructed, thus it is time saving. It is also extremely efficient in running repetitive analysis. Additionally the method of obstruction was used whereby the researcher pulled company files in order to make some calculation of figures.

3.8.3 Validity and Reliability

3.8.3.1 Reliability

Saunders et al (2009) corroborated that reliability is degree to which the research instruments are able to produce a logical data or information that forms uniformity. In order to enhance this in the study, the researcher made use of triangulation method for presenting a uniform view of various scholars expressing their opinions.

3.8.3.2 Validity

Saunders et al (2009) corroborated that validity is mandated to synthesise if the yielded results gave a true representation of the whole population. However to ensure the validity of this study a pre-test survey was conducted in relation to the questionnaires done to find a meaningful conclusion.

3.8.4 Ethical Considerations

Data was gathered in an ethical manner. The accessibility of secondary information was collected from the permission granted by management. The confidentiality of respondents was preserved. Approval forms was issued in an honest manner from the chairperson and approved by the company. Data was collected in s confidential matter without violating their right of not being known and conflicts were also avoided. The researcher assured the respondents that data was strictly used for academic purposes.

3.9CHAPTER SUMMARY

The chapter looked at the research design used, methodology and research instruments. More so, explained are the research target population, sample size, instruments used to collect data emphasizing on their validity and reliability. The sampling procedure is also reflected and the effectiveness of the sampling techniques used by the researcher. Data sources and collection procedure. The following chapter discusses the results of the findings with the data presentations, data analysis and the data is going to be presented, analyzed, interpreted and discussed logically.

CHAPTER 4

DATA PRESENTATION AND ANALYSIS

4.1 INTRODUCTION

This chapter focuses on data analysis and presentation of the researcher's findings from the study carried out at Tanganda on the determinants of market share in the tea industries. This chapter shall outline the response rate from customer and management of Tanganda who were the respondents of the study, demographic presentation of findings, and discussion on the research findings in relation to the literature that was reviewed in Chapter 2. Data collected in chapter 3 shall be presented using tables, charts, graphs and analysis of the findings using regression and correlation. The STATA 11 software package will be used to produce correlation results between variables that are indicated in Chapter 3.

4.2 RESPONSE RATE

4.2.0 Analysis of data response rate

After questionnaires and interviews were administered the researcher summarised the questionnaires responded in the table below.

4.2.1. Questionnaire response rate

The table below shows categories of respondents to the questionnaires administered by the researcher and their personal response rate. The questionnaires were administered at Tanganda in Chipinge. From a total population of 810047 consisting both customers and management, 150 questionnaires were administered to both customers and management, 110 questionnaires were responded to.

Table 1.6 Summary of Questionnaire response rate from the customers and management at Tanganda.

category	Questionnaires distributed	Questionnaires returned	Percentage response rate
Tanganda Management	40	35	88%
Customers	110	75	68%
TOTAL	150	110	73%

Source: Survey Tanganda 2016

From the above table, it shows that the response rate to questionnaires administered is 73% $((110/150)*100)$. This implies that 110 out of 150 of the sample responded to the questionnaires and 40 respondents from customers failed. The researcher assumed that 40 respondents failed to respond as a result of other commitments to concentrate on questionnaires. However, the response rate is considerable and is acceptable in achieving the objectives of the research as supported by Rubin (2009) emphasised that fifty percent rate is considered as quantity to fulfil the data gathered, sixty percent being satisfactory and seventy five percent regarded highest quality.

4.3 INTERVIEWS RESPONSE RATE

Interviews were scheduled to be conducted with the customers and management of Tanganda. These gave an in depth insight into the determinants of market share in the tea industry case of Tanganda The table below clearly explains the telephone interviews that were planned and the interviews that were fruitfully contacted.

The interviews planned were 80, but the researcher managed to conduct 40 only, and this gave the researcher a percentage response rate of 40/80 [50% response as a percentage]. The 50% failed scheduled interviews because the interviews were eventful with other important commitments and they did not manage to attend the respondents.

Table 1.7 showing the Interviews Response Rate

Respondents category	Interview Scheduled	Interview conducted	Percentage response rate
Tanganda management	30	15	50%
Customer	50	25	50%
TOTAL	80	40	50%

Source: Survey Tanganda 2016

4.3.2 The Overall response rate

It involves a combination of the responses from the two research apparatus used by the researcher in this study. The questionnaires have a response rate of 73% and the interviews have 50%. The combination of the two gave an overall response rate of 62%. The response rate is moderate therefore making the data appropriate and reliable for the study such that examination, conclusions and recommendations can be made. The general response rate was calculated as;

$$\begin{aligned}
 \text{Overall average response rate} &= (\text{questionnaire response rate} + \text{Interviews response rate})/2 \\
 &= (73\%+50\%)/2 \\
 &= 62\%
 \end{aligned}$$

The above bar graph shows the questionnaires respondents', of the 150 questionnaires distributed to customers and management only 110 out of 150 were fruitful as shown by the graph above.

The figures show that the questioned answered shows that prepaid billing system has a positive impact on customer satisfaction.

4.5 FINDINGS AND DISCUSSION

4.5.1 The relationship between market share and profitability

The first objective of the study was to assess the effects of market share on the profitability of the company, therefore a relationship between the two variables need to be extracted. A positive relationship is needed so as to conclude its impact to market share overallly. A positive relationship would mean that market share have a positive impact to the profitability of a company. The table below shows the data that was run in Stata 11 and the results are illustrated below.

Table 1.8 showing the calculations of the relationship between market share and profitability

```
. reg mk p
```

Source	SS	df	MS			
Model	2.37045181	1	2.37045181	Number of obs = 110		
Residual	24.0295482	108	.222495817	F(1, 108) = 10.65		
				Prob > F = 0.0015		
				R-squared = 0.0898		
				Adj R-squared = 0.0814		
				Root MSE = .47169		
Total	26.4	109	.242201835			

mk	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
p	.2116475	.0648423	3.26	0.001	.0831188	.3401762
_cons	3.982477	.1355922	29.37	0.000	3.71371	4.251244

Source: Raw data

The above table is relevant at 5% and it clearly shows that the level of confidence is at 95%. The analysis drawn from the findings show that there is a positive relationship between market share and profitability as shown by a ‘T’-value of 3, 26. The ‘t’ value of 3, 26 shows the level of

significant of the research variables. The 'p' value of 0,001 is also relevant as it is below the expected or the normal one of 0, 05. The table also indicate that there was a standard error of 6% which also show a strong positive relationship of the study variable. R-square of 9% also show the relevant of the study and shows that an increase in market share by 1 unit will bring about and increase on the other variable by a coefficient of 21% as also shown by the table above. Therefore in conclusion the figures show that there is a positive relationship between sales promotion and profitability at Tanganda. This is in line with the reveal made by Nagar (2009) is also of the same opinion that repeat purchases are profitable to the organisation. Ozor (2000) accepting the unavoidable function of market share in increasing the sales in selling of products and services, the manufacturer of products and services are much in light that promotion not only does it works to create awareness or educate customers and lure them but also it is an useful ingredient towards revenue generation.

Oyedapo et al (2012) discovered market share as an inbuilt or inherent part of marketing effort that helps the company to meet its goals. The chief objective of any entity is to capitalize in terms of profitability, and obtain a large market share and being a monopoly in a turbulent competitive climate. Okli (2011) seconded that argument positing that the importance of setting up business is to increase revenue.

Mullin (2010) elucidated that, the reason behind the market share is to achieve an increment of sales volume, help/assist the introduction of new product, encourage repeat good bought, to increase loyalty/addiction, enlarging consumption of products, making an awareness to consumers, pre-empting competition, and bringing back or reviving brand perception on service failure. Anderson and Simester (2004) coined this argument suggesting that the long term impression of market share are forward purchasing, selection, customer learning and increased deal sensitivity.

According to Olusola (2011) from his Journal "Impact of market share on sales volume of a product" which was carried in Nigeria opinionated that advertising has contributed in high sales to their goods. It says that Nigeria's biggest communication network (MTN) doubled its revenue it generated in South Africa for three years after a two year period of advertisement through advertisement. He reviewed that large entities such as Nestle, Cadbury are in accord of the resultant force of advertisement.

4.5.2 Relationship between sales promotions and market share

Here the researcher wants to measure the relationship of sales promotions and market share as the second objective was to assess the relationship between sales promotions and market share. In measuring these variables would help us to determine the impact of sales promotions to market share of the company, thus a positive relationship is the desired answer. These variables are run in Stata 11 as shown below.

Table 1.9 showing the calculation between the sales promotions and market share

```
. reg sp mk
```

Source	SS	df	MS			
Model	1.88116534	1	1.88116534	Number of obs =	110	
Residual	24.5188347	108	.227026247	F(1, 108) =	8.29	
Total	26.4	109	.242201835	Prob > F =	0.0048	
				R-squared =	0.0713	
				Adj R-squared =	0.0627	
				Root MSE =	.47647	

sp	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
mk	.1959547	.0680738	2.88	0.005	.0610206	.3308889
_cons	4.006309	.1441144	27.80	0.000	3.720649	4.291969

Source: Raw data

The above table is relevant at 5% and it clearly shows that the level of confidence is at 95%. The analysis drawn from the findings show that there is a positive relationship between sales promotion and market share as shown by a ‘T’-value of 2, 88. The ‘t’ value of 2,88 shows the level of significant of the research variables. The ‘p’ value of 0,005 is also relevant as it is below the expected or the normal one of 0, 05. The table also indicate that there was a standard error of 7% which also show a strong positive relationship of the study variable. R-square of 7% also show the relevant of the study and shows that an increase in sales promotion by 1 unit will bring

about and increase on the other variable by a coefficient of 20% as also shown by the table above.

This is evidenced and supported by the scholars and theories elucidated above. Oyedapo et al, (2012) did a survey on the impact of sales promotion on organization effectiveness in Nigerian manufacturing industry and their findings revealed that the adoption of sales promotion dimensions significantly influence the effectiveness of beverage drink industry. Ailawadi (2001) reviewed those sales promotions have a positive long-term benefit on sales because they encourage, eye catch, motivate, and allure customers to shift brands and to purchase in greater amounts. Odunlami and Ogunsiji (2011) did a research on the effect of sales promotion as a weapon to the company's recognized accomplishment such profitability. The researchers concluded that the effective implementation of sales promotion dimensions leads to the increment of sales volumes. Further afield, Wayne (2002) confirmed the relationship between sales promotions and product trial that eventually lead to a rise in sales. Pauwels et al (2002) also discovered that sales promotion dimensions have permanent effect on sales volume.

Odunlami and Ogunsiji(2011) postulated that sales promotions are weapons that act as a shield in order for a company to insulate itself from competition thereby it provides an extra incentive for the market that is being targeted to make repeat purchases. Odunlami and Ogunsiji (2011) clearly pointed out the objectives of sales promotions which are increment of sales of goods mainly to seasonal goods which usually goes down periodically and in this case Tanganda tea is a victim of being a seasonal product since consumers buy tea in cold season, secondly is to increase inventory turnover in the store room, to induce new products and enhance the acceptance of the product, and to discourage seasonal buying whilst making a good brand addiction. These authors coined this argument by the notion that an entity utilizes sales promotions to make and concretize a faster response. The use of these tools enhances the high sale of goods, offer and increase sales that are dropping. Therefore in conclusion the figures show that there is a positive relationship between sales promotion and market share at Tanganda.

4.5.3 Relationship between Competition and market share

Here we want to find the intensity of competition towards the company's market share. Owing from the Porter's Five Forces postulating that due to many competitors, the company's existing markets are divided to the rival firms. Therefore, the less competition the better. So measuring these two variables as the last objective is important in order to find the intensity of competitors to Tanganda Tea Company. A positive result would imply that there is less competition thus it will not affect the market share. The data from the respondents is going to be run below using Stata 11.

Table 2.0 showing the calculation between competition and market share

```
. reg c mk
```

Source	SS	df	MS			
Model	91.7573034	1	91.7573034	Number of obs =	110	
Residual	115.842697	108	1.07261756	F(1, 108) =	85.55	
Total	207.6	109	1.90458716	Prob > F =	0.0000	
				R-squared =	0.4420	
				Adj R-squared =	0.4368	
				Root MSE =	1.0357	

c	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
mk	-.988764	.1069042	-9.25	0.000	-1.200667	-.7768614
_cons	5.011236	.2586672	19.37	0.000	4.498513	5.523959

Source: Primary data

The above table is relevant at 5% and it clearly shows that the level of confidence is at 95%. The analysis drawn from the findings show that there is a negative relationship between competition and market share as shown by a 'T'-value of -9.25. The 't' value of -9.25 shows the level of significant of the research variables. The 'p' value of 0,000 is also relevant as it is below the expected or the normal one of 0, 05. The table also indicate that there was a standard error of -10% which also show a strong negative relationship of the study variable. R-square of 4% also

show the relevant of the study and shows that an increase in competition by 1 unit will bring about and decrease on the other variable by a coefficient of -98% as also shown by the table above. Therefore in conclusion the figures show that there is a negatively relationship between competition and market share at Tanganda.

This is in line with the literature discussed in chapter two as Oster (1999) assert that the intensity of rivals in the industry reduces the market share of a company which therefore reduces the revenues of a firm. Although this force has a positive and negative impact, the positive being that it encourages and advocates process improvement but alas, through competition it causes prices to go down which then hurts the sales of the entire industry. The market share of the company will be divided amongst the rivals (Ali et al 1997).

Therefore the company is facing stiff competition from the other rivals in the industry such as Innscor, Ariston. And also the aggregate demand for tea has fallen to the benefit of other nations such as South Africa, China and distribution companies in Zimbabwe that imports tea from other nations. This is also in line with the discussed literature as it clearly points out companies in Zimbabwe have been affected by the aggregate demand due to the influx of imported goods CZI (2014).

4.6 CHAPTER SUMMARY

This chapter presented and analysed research findings from the targeted population of Tanganda. The collected data was graphically, tabulated and analysed using STATA 11. It was also noted that there is a s positive relationship between the determinants and market share and other four objective variables of the study as this was evident enough by the outcomes produced by stata 11. The final chapter to follow up will presents the summary of objectives, conclusions, recommendations and suggestions for future studies in the field of billing system.

CHAPTER 5

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 INTRODUCTION

This chapter aims at outlining the summary of the objectives, conclusions and recommendations. Findings from this study are based on analysis in the previous chapter, research objectives and research questions in chapter one. The research findings from chapter four were used to draw recommendations for Tanganda. The area that needed further research will also be highlighted, and some concluding remarks were also indicated in this chapter, marking the end of the research.

5.1 SUMMARY OF FINDINGS

The findings from chapter 4 indicated that there is a positive relationship between market share and performance, these outcomes therefore make the research relevant and the findings are in line with the literature review theories. When the first objective was run in stata 11 it showed that there is a positive relationship between market share and profitability which simply entails the researcher that most respondents are using Tanganda products. However this is shown by a 't'-value of 3,26 making the research study relevant at 5% and to add to this the relationship between these variables clearly shows that when market share change by 1 unit this will bring about an increase in coefficient of dependent variable which is profitability by 21%. In addition the relationship between prepaid billing system and customer convenience is also relevant as indicated by a 'p'-value of 0,01 which is below the expected of 0,05. Therefore in conclusion the two variables are positively related as there was no standard error when the software was run to give conclusion in line to questionnaires that were administered.

When the second objective was run in stata 11 it showed that there is a positive relationship between sales promotions and market share which simply entails the researcher that most respondents are using Tanganda products. However this is shown by a 't'-value of 2,88 making

the research study relevant at 5% and to add to this the relationship between these variables clearly shows that when sales promotion change by 1 unit this will bring about an increase in coefficient of dependent variable which is market share by 20%. In addition the relationship between sales promotions and market share is also relevant as indicated by a 'p'-value of 0,05 which is below the expected of 0,05. Therefore in conclusion the two variables are positively related as there was no standard error when the software was run to give conclusion in line to questionnaires that were administered.

When the third objective was run in stata 11 it showed that there is a positive relationship between product quality and demand which simply entails the researcher that most respondents are using Tanganda products. However this is shown by a 't'-value of 2,75 making the research study relevant at 5% and to add to this the relationship between these variables clearly shows that when product quality change by 1 unit this will bring about an increase in coefficient of dependent variable which is demand by 20%. In addition the relationship between product quality and customer demand is also relevant as indicated by a 'p'-value of 0, 07 which is below the expected of 0,05. Therefore in conclusion the two variables are positively related as there was no standard error when the software was run to give conclusion in line to questionnaires that were administered.

When the forth objective was run in stata 11 it showed that there is a negative relationship between competition and market share which simply entails the researcher that most respondents are not consuming Tanganda products. However this is shown by a 't'-value of -9.25 making the research study relevant at 5% and to add to this the relationship between these variables clearly shows that when competition increase by 1 unit this will bring about a decrease in coefficient of dependent variable which is market share by -98%. In addition the relationship between competition and market share is also relevant as indicated by a 'p'-value of 0, 000 which is below the expected of 0, 05. Therefore in conclusion the two variables are negatively related as there was no standard error when the software was run to give conclusion in line to questionnaires that were administered.

5.2 CONCLUSIONS

It can be concluded that a slight change in the climatic environment will cause a serious impact to the production of tea. This will impact on the tea quality causing customers to look for other alternatives such as drinks from other competitors. However as evidenced in the literature showed that quality leads to the increase in demand of tea which is a useful ingredient to the company.

5.3 RECOMMENDATIONS

In order to improve the market share of Tanganda Tea Company, the various strategies need to be followed hence it is recommended that;

5.3.1 Educate customers on the health tea.

Tanganda is advised to educate its customers on the health tea. This is one of the most essential weapons to lure customers to make an addiction on Tanganda brand. This should be done by marketing department since it is responsible for sales promotions. People are suffering from many diseases and some of the medication is used in drinking tea. For example the Tiajin from China came up with medicinal tea in that you just put the tea bag in hot water to drink. It is argued that the tea cures quite a number of challenges such as headaches, high blood pressure. Thus Tanganda should identify that as a way to go by identifying the health benefits from it tea. From the literature tea is said that it helps to reduce the cholesterol and chances of heart attack. More so tea also helps with oral health which contains fluoride that sustains health, strong teeth used in combination with toothpaste. Green tea may help to fight for viruses. Selling these health benefits to customer Tanganda would face a huge demand on tea since everyone needs to stay healthy, thus the sales increase for the betterment of the company.

5.3.2 Product improvement

TTC is advised to continuously improve its tea. From the literature various scholars argued that they are many factors that disrupts and compromise the quality of tea such as plucking labour in terms of machinery and hand plucking, soil and fertilizers, climate and weather. However the

company is advised to reduce the machine plucking of tea and resort to hand plucking since chances of compromising the quality of tea is slim in that the person will be plucking completely two leaves and a bud unlike machine plucking. Machine plucking will pick the tea with both twigs and the two leaves and a bud which affect the quality of taste after processing, and the machine may also damage the leaves causing them for a faster fermentation.

5.3.3 Sales promotions

From the chapter four the regression clearly pointed out that there is a relationship between the sales promotion and both the market share and profitability. Thus TTC is advised to use promotional methods in order to create an addiction with Tanganda products such as event marketing, personal selling, and advertising. This will create the brand awareness to the nation and also reduce the intensity of rivals siphoning the company's share through intense competition. For example the Pinnacle holding gained its market share when it sponsored the screening of world cup on Zimbabwean television thus it gained popularity so as sales.

5.3.4 Diversification

Tanganda is advised to diversify its market so that the risk of losing market share is minimized. This will save the company from collapsing in that if one branch or side is not functioning well, there is a backup plan that the company can rely on. For example since Tanganda is one of the largest tea packing company can also pack for other rival firms and also put it logo on the packaging so as to lure customers.

5.3.5 Know the competing firms

Tanganda is advised to know the rival firms that divide its market share such as imported goods thus it should liaise with the government for them to be protected from imported goods on borders.

5.4 Further research

The researcher have studied on the relationship between market share and corporate performance of tea industries thus a further study of the determinants of market share need to be researched such as product quality as quality is affected by soil types, rainfall and plucking labour.

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APPENDIX A

Application for research letter

Midlands State University

Department of Business Management

P bag 9055

Gweru

April 2016

The Marketing Manager

Gweru

Dear sir /madam

RE: Permission to carry a study research on Tanganda Tea Company

I am a male student at Midlands State University, currently studying Bachelor of Commerce Business Management Honours Degree. As a request for the completion of my study, I am carrying out a project entitled: **The relationship between market share and corporate performance for firms in the tea industry: A case of Tanganda Tea.** I am kindly requesting for your assistance and permission to carry out the research study using Tanganda as a case study. All information is guaranteed to remain confidential and will be used specifically for academic purposes by the researcher.

Your assistance is kindly appreciated in advance

Regards

BRIGHT MAJAMANDA (R123934V)

APPENDIX

Customer Survey questionnaire

1 Do you drink tea?

- Yes No

2 Which of the following age groups do you belong to?

- Less than 21 years old 21–44 years of age 45+ years of age

3 What was your highest level of education completed?

- Some high school High school Some college College graduate

Beverage consumption

4 Excluding water, what type of beverages do you drink most frequently? (Check one)

- Tea
- Coffee
- Soft drink
- Juice
- Other: _____.
- Do not know / No response

5 When do you drink tea? (Check all that apply)

- In the morning
- At noon
- In the afternoon

At night

Never (Interview is concluded.)

Do not know / No response

6 In what form do you buy tea? (Check all that apply)

Tea bags

Tea leaves

Other: _____.

7 Where do you usually buy tea? (Check one)

Supermarket

Specialty store

Natural food store

Internet

Catalog (mail order)

8 How often do you drink tea? (Check one)

Daily

Every other day

Weekly

Monthly

Do not know / No response

9 What is your main reason for drinking tea?

Religious beliefs

Taste and Quality

Health

Other:_____.

Do not know / No response

10 Which of the following attributes do you consider when purchasing tea? Rate the attribute below according the following scale:

Factors	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	5	4	3	2	1
Quality					

APPENDIX C

Instruction for completion

Tick in the appropriate box provided:

1 What is the impact of competition on market share?

Impact	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	5	4	3	2	1
Reduction in sales					
Product improvement					
Cheap/ Low priced products					

2 What are promotional methods that enhance repeat purchases?

Promotional Methods	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	5	4	3	2	1
Advertising					
Price Discounts					
Personal selling					
Event marketing					

3 What is the effect of sales promotions on the performance of Tanganda Tea Company?

Effects	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	5	4	3	2	1
High profits					
Costs increases					

APPENDIX

Interview Guide for Tanganda Management

I Bright Majamanda R123934v, student at Midlands State University studying for HMAN Business Management Honors degree. I am carrying out an academic research on: **The relationship between market share and corporate performance for firms in the tea industry: A case of Tanganda Tea.** I kindly ask for your participation in answering the following questions.

All responses will be used for academic purposes only and confidentiality clause is honored.

- 1 Which sales promotion strategies has Tanganda implemented from 2011 to 2014?
- 2 Were the sales promotion strategies effective?
- 3 How does quality affect the demand of tea?
- 4 What strategies have been done to improve the quality of Tea taste?
- 5 What impact did the strategies have on:
 - Profitability
 - Sales volume
 - Market share
- 6 What changes was visible on sales, profitability as a result of implementing the strategies?
- 7 Which problems did the company face during the implementation of new plucking machinery on the quality of Tea?
- 8 Are these sales promotions strategies done by Tanganda making any significance contributions towards market share growth?
- 9 How has climate affected the smooth growing of Tea
- 10 How are competitors destroying your sales?

11 Is the quality of Tea decreasing?

APPENDIX

QUESTIONNAIRE RESPONSE FROM EXCEL DATA CODING

KEY

sp- sales promotions

mk- market share

mk-market share

p- profitability

c- competition

mk- market share

Sp	Mk	Mk	P	C	mk
4	1	4	1	1	2
4	1	4	1	1	2
4	1	4	1	1	2
4	1	4	1	4	2
4	2	4	1	1	3
4	2	4	1	1	3
4	2	4	1	1	3
4	2	4	1	1	1
4	1	4	1	2	3
4	2	4	2	2	3
4	2	4	2	2	3
5	2	5	2	2	3
5	2	5	2	2	3
5	2	5	2	2	3
5	2	5	2	2	3
5	2	5	2	1	3
5	2	5	2	1	3
5	2	5	2	1	3
5	2	5	2	1	2
5	2	5	2	1	2
5	2	5	2	4	2
5	2	5	2	4	2

5	2	5	2	4	2
5	2	5	2	4	2
4	2	4	2	1	3
4	2	4	2	1	3
4	3	4	3	1	3
4	3	4	3	1	3
4	3	4	3	1	3
4	3	4	3	1	3
4	3	4	3	1	4
4	3	4	3	2	4
4	3	4	3	2	4
4	3	4	3	2	4
4	3	4	3	2	4
5	3	5	3	2	4
5	3	5	3	2	4
5	2	5	2	2	4
5	2	5	2	2	4
5	2	5	2	4	1
4	2	4	2	4	1
4	2	4	2	4	1
4	2	4	2	4	1
4	2	4	2	4	1
4	2	4	2	4	1
5	2	5	2	4	1
4	2	4	2	4	1
4	2	4	2	4	1
4	2	4	2	4	1
4	2	4	2	4	1
4	2	4	2	4	1
5	2	5	2	4	3
5	2	5	2	4	3
5	2	5	2	4	3
5	2	5	2	4	3
5	2	5	2	1	3
4	1	4	1	1	3
4	1	4	1	1	3
4	1	4	1	1	3
4	1	4	1	1	3
4	1	4	1	1	3
4	1	4	1	1	3
4	1	4	1	1	3
4	1	4	1	1	3
4	1	4	1	1	3
4	1	4	1	1	3
4	1	4	1	1	3
5	2	5	2	1	3
5	2	5	2	1	3

5	2	5	2	1	3
5	2	5	2	1	2
5	2	5	2	4	2
4	2	4	2	4	2
4	2	4	2	4	2
4	2	4	2	4	2
4	2	4	2	4	2
4	2	4	2	4	2
4	2	4	2	4	2
4	2	4	2	4	2
4	2	4	2	4	2
4	2	4	2	4	1
4	2	4	2	4	1
4	3	4	3	4	1
4	3	4	3	4	1
5	3	5	3	4	1
5	3	5	3	4	1
5	3	5	3	4	1
5	3	5	3	4	1
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5	3	5	3	4	2
5	3	5	3	4	2
4	2	4	2	4	2
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4	2	4	2	4	2
4	2	4	2	4	2
4	2	4	2	4	2
4	2	4	2	4	2
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4	2	4	2	4	2
4	2	4	2	4	2
4	2	4	2	4	2
4	2	4	2	4	2
4	2	4	2	1	2
4	2	4	2	1	2
4	2	4	2	4	2
4	1	4	1	4	2
4	1	4	1	4	1
4	1	4	1	4	1
4	1	4	1	4	1
4	1	4	1	4	1
4	1	4	1	4	2
4	1	4	1	4	2
4	1	4	1	4	2
5	1	5	1	4	2

5	1	5	1	4	2
5	1	5	1	4	2
5	1	5	1	4	2

Regression workings

. reg c mk

Source	SS	df	MS	
Model	91.7573034	1	91.7573034	Number of obs = 110
Residual	115.842697	108	1.07261756	F(1, 108) = 85.55
				Prob > F = 0.0000
				R-squared = 0.4420
				Adj R-squared = 0.4368
Total	207.6	109	1.90458716	Root MSE = 1.0357

c	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
mk	-.988764	.1069042	-9.25	0.000	-1.200667	-.7768614
_cons	5.011236	.2586672	19.37	0.000	4.498513	5.523959

. reg mk p

Source	SS	df	MS			
Model	2.37045181	1	2.37045181	Number of obs =	110	
Residual	24.0295482	108	.222495817	F(1, 108) =	10.65	
Total	26.4	109	.242201835	Prob > F =	0.0015	
				R-squared =	0.0898	
				Adj R-squared =	0.0814	
				Root MSE =	.47169	

mk	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
p	.2116475	.0648423	3.26	0.001	.0831188	.3401762
_cons	3.982477	.1355922	29.37	0.000	3.71371	4.251244

. reg sp mk

Source	SS	df	MS			
Model	1.88116534	1	1.88116534	Number of obs =	110	
Residual	24.5188347	108	.227026247	F(1, 108) =	8.29	
Total	26.4	109	.242201835	Prob > F =	0.0048	
				R-squared =	0.0713	
				Adj R-squared =	0.0627	
				Root MSE =	.47647	

sp	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
mk	.1959547	.0680738	2.88	0.005	.0610206	.3308889
_cons	4.006309	.1441144	27.80	0.000	3.720649	4.291969