



RESEARCH ARTICLE

ANALYSIS OF FACTORS THAT DETERMINE THE QUALITY OF GARMENTS' MARKETING
CONTROLLABLE VARIABLES

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ABSTRACT

The study tried to identify factors that affect the quality of garments' marketing controllable variables and its possible impact on traders' satisfaction. In order to address those issues, the researcher distributed questionnaires to marketing middlemen who were selling the company's garment products and referred secondary data sources. The collected data and information were compiled and analyzed for possible indications of problem areas. It was found that the main marketing and sales factors that contributed to the low profit level are poor quality of garments, limited distribution outlets, limited promotional efforts and, inconsistency in product supply and deliver. It was finally recommended series of measures that the company should take in order to improve the current situation in terms of profit, market share, price competitiveness, and eventual customer satisfaction.

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INTRODUCTION

Marketing is a system of business activities designed to plan, price, distribute and promote want satisfying products (goods and services) to present and potential customers. Marketing consists of the strategies and tactics used to identify, create and maintain satisfying relationships with customers that result in value for both. Marketing includes anticipating demand, which requires a firm to do customer research on a regular bases so that it develops and introduces products that are desired by consumers, Management of demand which consists of stimulation, facilitation, and regulation of tasks; and satisfaction of demand which involves actual performance, safety, availability of options, after sale service and other factors (Stanton, 1990). In marketing, there are combinations of activities, which start before the creation of a product and don't end until customers are satisfied. Therefore, product planning, pricing, distribution and promotion are the main activities performed in marketing (Kotler, 1996). Ethiopia has a long history of traditional garment manufacturing, which is endowed with profound national culture up to this date. Cottage industry has been the main style for traditional apparel and has satisfied the demand of the people for centuries (Business investment and Almeda Textile Factory, 2008). The industrialization process of Ethiopia's garment manufacturing started in the 1895's. In 1958, an Italian took the lead to establish ADDIS garment factory (Augsta), which was

nationalized in 1975. The public Akaki garment factory was founded in 1963, followed by Gulele Garment factory in 1983 and Nazereth garment factory in 1992. These four state owned garment factories have dominated Ethiopian's garment sub-sector for a long time. At the time of nationalization, there were three garment factories. Subsequently in 1992, Ethiopian's largest garment factories, Nazareth become operational. In 1990's with the development of market economy, private and foreign capitals began to make investment in garment sub – sector. As a result the garment sector reached 31(29 private owned and 2 state owned) in 2005/06. Currently, Ethiopia has fifteen textile mills including eight vertically integrated mills that produce largely for the domestic market, and forty three apparels factories that supply the domestic and to lesser extent, the export market, and a further 80 in some stage of development However this does not include the small scale apparel manufacturing firms. According to CSA manufacturing survey there were 3936 small scale apparels manufacturing firms in 2006. Including small scale apparel manufacturing firms, there were 3979 apparel manufacturing firms in 2007 (Business investment and Almeda Textile Factory, 2008).

The private enterprises are niche players, mainly producing for local outlets. In addition, there are large numbers of enterprises producing traditional Ethiopian-style clothes. The private sector is mainly involved in knitting and garment production. Most of the garment factories have been set up to make a mix of knitwear and woven goods. This includes Almeda Textile, Elias, Ras Dashen, GMM Garment, Hiale Garment, Knit to Finish, Mulat Garment, Narga Garments, Oasis Abiyinia and

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Yonis. The first four also produce circular knits or have concrete plans to do so (<http://www.ethiopiaemb.org.cn/bulletin/209/003.html>).

Ethiopian's textile and garment industries mainly cater for the domestic market, but there are increasing focusing on the export market as a result of favorable government policies.

The Ethiopian textile and garment industry is the third largest manufacturing industry, only second to the food processing, beverage and leather industry. In the fiscal year 2001, with a total output value of 699.91 million birr, the contribution of textile industry to GDP was 8.31% to the output value of the manufacturing industry. Almeda Textile and Garment Factory is one of the textile and garment industries that have a significant contribution to the GDP of the country. Almeda Textile and garment Factory produces different kind of products like Shirts, trousers, t-shirts, jackets, dressing gowns, overalls, over coats, nightdresses, fancy items, home and hospital textiles including bed sheet, pillow case, draw sheet etc. canvas, terry towel, dyed and printed fabrics, grey fabric, and different counts of open end and ring spun yarns (www.almedatextile.com).

It is unquestionable that competitions among these textile and garment sectors are becoming strong and intensified. The success and failure of factories depend mainly on how well the companies are utilizing marketing mix strategies. In this paper emphasis was given to marketing mix strategies of the company, to investigate and analyze the current marketing mix strategies, and to utilize the knowledge from the investigation to consider better application of marketing mix for Almeda Textile and Garment Factory.

Statement of the Problem

Organizations are increasingly recognizing the importance of marketing's role and contribution in achieving sustainable growth and profitability. Marketing is critical in delivering high quality and differentiated products and services that deliver value to targeted intermediaries and end users (Gilligan and Pearson, 1994). In an increasingly competitive world, marketers and those associated with marketing activities need to be more professional and skilled in the use of marketing practices. This is not only because of the costs involved but because world and its markets are changing at an increasingly rapid rate (Gilligan and Pearson, 1994). Therefore appropriate marketing mix is important since it helps to create, keep and to satisfy customers. With the customer as the focus of its activities, it can be concluded that marketing mix management is one of the major components of business management. There are wide ranges of activities involved in marketing in making sure that you are continuing to meet the needs of your customers and are getting appropriate value in return. In view of this, every firm is attempting to develop a more integrated marketing system, which is made up of different marketing strategies by taking in to account customer and organizational needs (Kotler, 1996).

In most developing countries, a modern management is a new emerging concept, majority of the firms are managed traditionally. Especially a modern marketing mix practices are

at its infant stage. Most research studies have shown that marketing research and development in developing countries is almost negligible (McCarthy, 1993). Now days there is a high spread of international marketing and internet marketing which makes competition intense and sophisticated even in developing countries. So Almeda Textile and Garment Factory could not be exceptional from this threat. In order to satisfy customers need and to be competent in this competitive world, the firm has to follow and implement modern marketing philosophies and manage their marketing activities in proper manner. The general look at Almeda Textile and Garment Factory shows that the company is facing stiff competition with the domestic and foreign garment and textile producers. And hence this study tried to assess the major marketing mix problems of the organization and recommendations were given to alleviate its problems. This research project tried to answer the following research questions;

1. How does the company develop various kinds of products?
2. What are the pricing strategies and techniques of the company?
3. How does the company communicate with its target market?
4. What are the distribution strategies of the company?

Research Methodology and Data Collection

Data Type and Source

This study was conducted in order to describe the current marketing mix practice of Almeda Textile and Garment Factory. The researcher used primary and secondary data.

Primary data

To obtain the primary data the researcher contacted with the subjects of the study i.e. retailers and distributors that are currently selling Almeda's garment. The researchers designed and distributed questionnaires to the retailers and distributors. The questionnaires was designed in English language and then interpreted in to Amharic language for the convenience of the respondents.

Secondary data

On the other hand, to obtain the secondary data some documents related to the topic under investigation were used. The sources of secondary data include the marketing manual of the organization; books, journals, and internet website related to the topic were searched.

Study design

To gather the necessary data, the researcher utilized descriptive analysis, using qualitative quantitative approach. Relatively, descriptive method is appropriate to this study since this study aimed to describe the present marketing mix practice of the company. The research was conducted from the marketing middlemen perspective. The marketing middlemen of the company used for this study were those that were selling garment products including distributors and retailers. The

researcher used survey method to collect the data in case of retailers because retailers are found in different part of the city so it is difficult to count and reach all of them. Therefore the researcher only contacted and gathered data using questionnaires from retailers who were garment customers of the company in Mekelle and Axum town and from distributors who are garment customers of the company in Addis Ababa.

Sample design

The company has a diversified group of customers. The company's customers include retailers, distributors selling the company's garment product in different part of the country. As a result it is difficult to get the total population. Therefore, based on the convenience of the researcher a total of 32 sample size were used using convenience sampling technique. Convenience sampling was preferred by the researcher because the marketing middlemen were not divided into distinctive groups in analyzing their response. The researcher made pilot survey first before using convenience sampling to identify retailers who were a customer of Almeda in both Axum and Mekelle town and a pilot survey was made also to identify distributors in Addis Ababa. And customers (distributors and retailers) have homogeneous characteristics.

Data Processing and Analysis

The collected data was checked against the sample size taken at the beginning. In response there were some errors edited. So before they were processed they were edited, and then analyzed. In this qualitative study, after the data had been collected and processed SPSS and then descriptive techniques were adopted for analysis of the data.

Review of Related Literature

Overview of Marketing

Marketing consists of the strategies and tactics used to identify, create and maintain satisfying relationships with customers that result in value for both. Marketing includes anticipating demand, which requires a firm to do customer research on a regular basis so that it develops and introduces products that are desired by consumers, Management of demand which consists of stimulation, facilitation, and regulation of tasks; and satisfaction of demand which involves actual performance, safety, availability of options, after sale service and other factors (Stanton, 1994).

Product Strategy

A product may be defined as a set of tangible and intangible attributes, including color, packaging, price, manufacturer's prestige, retailer's prestige, and manufacturer's and retailer's services which satisfy the needs and wants of customers (Simkin, Pride and Ferrell, 2002). The key idea in this definition is that the consumers are buying more than a set of physical attributes. Fundamentally, they are buying want satisfaction. Thus a wise firm sells product benefits rather than just products. In fact although the product features such as packaging, branding, color etc. add new dimensions to the

product, the core of a product is the benefit of basic service (Kotler, 2004).

Meaning and objectives of price

All profit organizations and many non-profit organizations must set prices on their products or services (Carthy, 1993). Once a firm has developed a successful product, the next step is to price it appropriately and attractively. Pricing is the only element that produces revenue in the marketing mix while the other elements produce cost. A seller usually sets prices for a combination of the physical product and several services. To a customer, the value of a product or service can have tangible factors, in terms of cost minimization, and / or intangible factors in terms of pride of ownership. Price is the value of goods/service expressed in terms of money or any other medium of exchange. To sum up, price may be defined as the amount of money and /or products that are needed to acquire another product and its accompanying services.

Promotion strategy

A firm communicates with its middlemen, consumers, and various publics. Its middlemen communicate with their customers and various publics. Consumers engage in word-of-mouth communication with other consumers and publics. Meanwhile each group provides communication feedback to every other group. Thus communication requires mutual understanding (James, 1990). Marketing communication includes brand names, packaging, personal sales force, trading stamps, and coupons, mass media (newspapers, television, radio, direct mail, billboards, and magazines). It can be paid or non paid, company sponsored or controlled by independent media. (www.knowthis/marketing.com).

Distribution strategy

Distribution consists of all major activities of the manufacturer and all of the intervening institutions and operations that move the goods along toward the ultimate consumer or industrial user. The basic functions in distribution are buying, selling, transporting, and warehousing. Through these activities distribution adds place, time and possession utility to goods. Distribution, as a part of marketing system, is required to give the kinds of goods and services one wants when and where he/she wants them and at what price he/she is willing to pay. Also, it saves time both for the producer and the consumer. Marketing channels can be viewed as sets of inter dependent organizations involved in the process of making a product or service available for use or consumption. Most producers do not sell their products directly to final users; rather work with marketing intermediaries to bring their products to market. The distribution system consists of all institutions involved in the buying and selling functions when a product moves from the producer to the final user. Channel of distribution can, therefore, be defined as a path traced in the direct or indirect transfer of the title of a product as it moves from a producer to ultimate consumers or industrial users. The intermediaries through which the flow of goods and services is carried out from manufacturers to final users are called middlemen (Peter and Donnell, 1992).

RESULTS AND DISCUSSION

The collected information from traders was gathered as follows

In order to assess the company's product characteristics, the questions in the Table 3.1 were prepared and hence the results are presented as follows.

Table 1. The mean and standard deviations scores concerning product characteristics

No.	Statements	Mean (\bar{X})	Standard Deviation (S.D)
1	Overall look of garment	2.150	0.7452
2	Quality of the design of the garment	4.000	.0000
3	Color fastness of the garment	2.800	1.0142
4	Brand image/Brand Reputation	2.450	.5104
5	Availability of Choices with respect to color, size	2.150	1.1459

According to Table 1 item 1, it appears that the customers experts disagree on the attractiveness of the overall look of the garment ($\bar{X} = 2.150$, S.D=.7452); since the majority of the respondents replied that the overall look of the garment of Almeda was poor, it can be infer that the overall look of the garment produced by Almeda did not meet the needs of the customer since the majorities are complaining on the on the overall look of garment. The reason for poor quality of products as they stated are color fading, inconsistency of printing in garment products and poor finishing of garments.

According to Table 1 item 2 there was an agreement from respondents on the concerning the quality of the garment ($\bar{X} = 4.00$, S.D = .000). Considerable number of respondents stated that the quality of the garment is good. From the response obtained one can infer that the company is in a good position of designing different kinds of garment products in attractive way. Almeda' garment products are good in terms of their design implies that the appearance of garment are attractive. According to Table 1 item 3 the respondents disagree on the color fastness of the garment ($\bar{X} = 2.800$, S.D = 1.0142); since most of the traders the color fastness of the garment products of Almeda is poor, From the response of the respondent one can infer that the majority of the respondent the color fastness of the garment products of the company is not somewhat satisfactory. The respondent stated that one of the reasons for their dissatisfaction of the company's garment products is color fading.

Concerning Table 1 item 4, brand image of the company's product is similarly poor ($\bar{X} = 2.45$, S.D = 0.5104); from this figure one can understand that the brand image of the company is poor. One of the factor that contribute to poor brand image for its garment products is poor quality of the garment. The lower the popularity of the brand image product, the lower the sales it will generates. Therefore Almeda has to work on these issues so as get appropriate brand image in the local market. According to Table 1 item 5 the respondents were asked regarding the company' capability to provide adequate product

choice eliciting the following mean and S.D ($\bar{X} = 2.15$, S.D =1.1459). Item 6, that deals with the result showed that the availability of choice of the product of Almeda with respect to color, size, is very poor From the response of the respondent one can infer that the company is currently offering its customers with limited choice of garment products with respect to color, size and style. Customers often require wide varieties of choices before arriving in to buying decisions but the company is poor in this aspect. This may also become one source of customer dissatisfaction.

Generally, regarding the overall aspect of garment quality, customers are not satisfied on some aspects of the garments such as poor overall look of garments, poor color fastness, and poor in the quality of the design of the garment. They have stated that the company has occasional problems in the garment quality such as fading color, inconsistency of printing in garment products and poor finishing of garment.

The following table tried to assess the pricing practice of the company and hence the results are presented as follows

Table 2. Response concerning pricing the mean and standard deviations scores for attributes concerning pricing strategy

No.	Statements	Mean (\bar{X})	Standard Deviation (S.D)
1	Price competitiveness	2.040	1.2410
2	The provision and attractiveness of price discount and allowance	2.76	1.3626

Table 2 item 1 shows the price competitiveness is neither satisfactory nor dissatisfactory ($\bar{X} = 2.040$, S.D= 1.2410). The company is poor in terms of price competitiveness. From data obtained above we can understand that buyers are price sensitive and may incline to other substitute products imported from other countries like china which are cheap. When customers are charged higher price, they will easily shift to substitute products. This may result in lower sales volume and profit. Table 2 item 2 reveals that the availability the provision and attractiveness of price discount and allowance are neither satisfactory nor dissatisfactory ($\bar{X} = 2.76$ S.D=1.3626). The company has to do lot in encouraging its present customers to buy more of the company's products (in large quantity) by offering allowance and discounts, in addition the company has lost the opportunity of attracting new customers by using discounts and allowances. The following table tried to illustrate how often the company undertook advertising and its attractiveness. Under this broad category, marketing and promotion, the advertisement budget allocated by enterprises, the outcome of advertisements and competition among enterprises in terms of price, quality of goods and services were rated by with sales and marketing manager experts. The results of the questionnaire survey are depicted in the table below.

Table 3 reveals that the budget that enterprises allocate for advertisements is not satisfactory ($\bar{X} = 2.48$, S.D= 1.1944); respondents were also asked to rate the outcome of advertisements in terms of increased demand of number the

company's product. The outcome of such advertisements is neither satisfactory nor dissatisfactory ($\bar{X} = 3.040$, S.D= .7895); and the level of sales promotion activities of the enterprises is satisfactory ($\bar{X} = 3.55$, S.D= 1.0801).

Table 3. The mean and standard deviation scores for attributes in promotion

No.	Statements	Mean (\bar{X})	Standard deviation (S.D)
1	Enterprises budget for Advertisements	2.48	1.1944
2	The of outcome of Various promotions	3.040	.7895
3	Use of various sales promotion techniques	3.55	1.0801

The following table tried to illustrate the convenience of the channels of distribution of the company

Table 4. One Sample T-Test of Attributes used concerning placement strategies

Statements	t	df	Sign. 2-tailed	Mean differ.	95% of confidence interval of the difference	
					Lower	Upper
convenience of channel of distribution of the company	4.292	19	.000	.8000	.410	1.190
convenience Company's sales shops location	3.115	19	.006	.6500	.213	1.087
The intensity of channel of distribution of the company	-3.943	19	.001	-.4500	-.689	-.211
Wide availability of retailers selling the company's product	-3.559	19	.002	-.4000	-.635	-.165
Consumers knowledge on the company's product	-5.667	19	.000	-.8500	-1.164	-.536
Support given to intermediaries	-2.604	19	.017	-.5500	-.992	-.108
Promotional practices	-4.819	19	.000	-.5500	-.789	-.311

According to Table 2 the convenience of channel of distribution of the company, convenience Company's sales shops location are rated as satisfactory since their confidence interval lie entirely above 0.0 at 95% significance level. On the other hand, the intensity of channel of distribution of the company, Wide availability of retailers selling the company's product ,consumers knowledge on the company's product ,Promotional practices and support given to intermediaries were rated as unsatisfactory since their confidence interval entirely lie below 0.0 at 95%, significance level.

Limitation of the Study and Recommendations for further research

Due to inaccessibility of the required data from the company, this project may not cover explicitly all areas of marketing mix such as lack of accurate information on costing of each product mix produced. In addition the lack of cooperation of the respondents and their commitment to fill the questionnaire had seriously limited the outcome of the research.

The following issues could be considered for further research:

- Perception of customers toward the garment and textile products of the Company: Assessment could be made about the perception customers have about the products of the company.
- Detail assessment on the pricing strategies and determining applicable pricing strategy for Almeda Textile and Garment Factory: Study could be made to analysis the current pricing practices of Almeda, the prevailing price competition and prices of competing products and then propose sound pricing strategies based on the existing competitive environment and the reality of the company
- Market study on local market potential for apparels: Study could be made to offer the factory with some information on the potential of the domestic market for apparels and plan on how the factory can utilize the market.
- Marketing practices of Ethiopian apparel factories at industry level: Analysis could be made about the extent of marketing practices and problems of Ethiopian Apparel factories.
- Assessment on methods of increasing the productivity and capacity utilization of Almeda Textile and Garment Factory: Study could be made to find out the root causes of why the company productivity and capacity utilization is low and then come with sound solution for this chronic problem of the company.

Conclusion

Based on the analysis of the study, the researcher concluded the following points:

- The quality of the company's products did not meet the wants and preference of customers since the majority of the respondents are complaining on its quality such as color fading, inconsistency of printing in garment products and poor finishing, and poor stitching.
- The company is currently offering its customers with limited choice of garment products with respect to color, size and style. Customers often require wide varieties of choices before arriving in to buying decisions but the company is poor in this aspect.
- In today's hypercompetitive business environment, pricing is the strongest determinant of profit. Almeda, however, have developed pricing strategy which is not competitive and does not consider the market situations. This failure to address pricing in a systematic fashion brought an enormous negative impact on the firm's bottom line. That is why the company is operating in loss for a number of years since its realization.

- There is a clear correlation between the middleman's motivation and sales volume. One means of motivating customers is through sales promotion activities. But Almeda was undertaking very limited sales promotional activities. Almeda's effort is poor in attracting new customers besides their sales promotion is poor in encouraging present customers to use the product in greater quantities.
- Although there are a large number of middlemen throughout the country who sell various kinds of garments and textile products, the number of regular customers (middlemen) holding Almeda's garment is insignificant.

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