EFFECTS OF STRATIGIC MARKETING ON BUSINESS PERFORMANCE OF SMALL BUSINESS IN BAKARA MARKET MOGADISHU SOMALIA

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ABSTRACT *The purpose was to investigate the impact of small businesses on the Marketing strategy on business Performance in Mogadishu -Somalia, by identifying and understanding the best ways that small businesses can be successful. and to find out the role of small business in marketing strategy on business Performance The general objective of the study is to investigate the effects of strategic marketing on business performance the research question of this study was what assess the effects of market Segmentation on Business Performance How To assess the effects of Cost Leadership on Business Performance .The Research Design a descriptive case study approach was use in order to determine and report about the effects of strategic marketing on business performance of small business. The sample technique of this study was simple random sampling. The questionnaire translates the research objective into specific questions target population of small business of Mogadishu Somalia. The questionnaire was 75 employees. Proportionate stratified random sampling technique was used for this study. The data collected in this study was analyzed using descriptive statistics through SPSS version 16.0. There was a weak positive but insignificant business Performance correlation market segmentation There was a weak positive and significant business Performance correlation between cost leadership There was a strong negative and highly significant correlation between product differentiation and business performance There was a moderately positive and highly significant correlation between effects of market strategy and business performance .*

Keywords: *Market segmentation, Cost Leadership, Product Differentiation, Business Performance*

INTRODUCTION

Background of the Study

At the beginning of the 21st century, corporate marketing is contributing to the evolution of business societies more than ever. Global corporations satisfy, enchant, bore, and annoy societies with an overwhelming abundance of products, services, promises, life-styles, and trademarks. The world religions have lost the privilege of being the best-known social institutions as the Coca-Cola brand, now recognized by 89% of the world's population (Businessweek 2004), has taken over that coveted title. The marketing departments of the corporate world inspire demands that exceed the basic needs of most people and create potential for more production, more consumption, more money, and higher average wealth. One key to this development is the branding of products, which allows marketers to both create and reduce the complexity of offers and the consumption of an unprecedented abundance of outputs. Along with overwhelming societal success, the practically inescapable influence of marketing messages also cultivates an oppositional side, as citizens blame corporations for exploiting nature, labor, and human weaknesses. Recent reports on excessive use and misuse of human and natural resources, driven by excessive consumption within the smaller part of the world, inspired "social noise"1 against global brands and corporations Alas, R. & Sun, W. (2007).

And made some wish they could escape the ubiquitous markets consequently, business schools around the world developed curricula and student initiatives to advertise and focus on the importance of social, economic, and environmental sustainability. At this point in time, in which marketing is both beloved and blamed for its societal success, the ancient and abandoned theory of marketing project returns. Approached with novel conceptual means, it may elicit what marketing is, why it is so successful, how it can be stopped, and how it can be enhanced. By unveiling the social fabric of marketing, a general theory may also answer whether McKenna is right when he purports that "marketing is everything and everything is marketing" (see introductory quote).

Marketing has traditionally been viewed and treated more as an operational rather than strategic function in companies. It has focused on decisions related to analyzing and selecting target markets, product and brand development, promotion, and channels of distribution (Hunt & Morgan, 2001). This perhaps somewhat biased standpoint presents marketing as a task of creating, promoting and delivering goods and services to consumers and businesses (Kotler, 2003). It is generally accepted that acquiring a new customer may turn out to be considerably more expensive than building customer loyalty among firm's current customers (Kotler, 2003). This strongly speaks for the need for higher levels of customer orientation among companies. Similarly to reward systems that base on short-term performance, short-term marketing focus may start working against longer-term market orientation, business performance and strategic intentions of a company. Difficulty to assess the marketing performance is evident since it depends on external, largely uncontrollable factors, such as customers and competitors Abila R. & Jansen E.G. (2012). Additionally, links to business performance are very often complex and may include some irrationality; for example, success sometimes bases considerably on luck. Thus, as the aggravated example shows, high performance of a product or a company may not have much to do with goodness of management. It is nevertheless crucial to acknowledge the factors mainly affecting on goodness or badness of performance. If the company is doing poorly, it has to unravel the reasons for the current situation so that it can form a plan for a brighter future. On the other hand, a firm doing well must know what the most influential factors behind its success are because only accordingly it can sustain its competitive position also in the future.

To emphasize the importance of understanding long-term value of company resources, state that ambiguous causalities in relationship between competitive advantage in the marketplace and comparative advantage in resources may lead to allowance of dissipation of comparative resource advantage. Gives hope to firms not aware of their resource impact on competitive advantage and business performance arguing that it may be as hard for its competitors, too. He puts it: "it is difficult for firms that are attempting to duplicate a successful firm's strategies through imitation of its resources to know which resources it should imitate". According to previous studies (Hooley *et al*., 2001; Fahy & Smithee, 2000), marketing capabilities and assets possess potential to be important sources of competitive advantage for companies. As a component of marketing orientation of a company, also innovation orientation that situates between internal and external

views has been showed to influence performance Alas, R. & Sun, W. (2007).

Statement of the Problem

The establishment and the starting of small business are very common in Somalia specially. In Small business in Bakaro Market, there are a lot of people investing their money in order to start a small business. Put the risks that comes from the small business are uncertainties and yet many families are busy in collecting of wealth to start up small business with the aim of generating profit. Since, the starting of small business is rapidly increasing and common in the market strategy. However, most small businesses fail in their introduction period because of the absence of early surveys of product needs to the customer's .This study identifies the role of small business in marketing strategy and provides recommendation in order to rectify the gaps the role of small business in strategic marketing on business Performance in Mogadishu. Somalia. The first purpose is to investigate the impact of small businesses on the Market strategy development, by identifying and understanding the best ways that small businesses can be successful. and to find out the role of small business in marketing strategy on business Performance in Somali markets and to establish a significant relationship between small businesses and the marketing strategy on business Performance at Mogadishu Somalia. The establishment and the creation of small business has an important role in the market strategy of Mogadishu Somalia and also it can play tremendous roles in employment generation, Relationship marketing has become a buzz word in marketing management practice and theory (Palmatier et al. 2006). Relationship marketing may be defined as the alignment of business processes with a customer strategy that increases customer loyalty and profits over time.

The challenge then becomes implementing relationship marketing with absolute measures to guarantee customer classification and monitoring the return on customized offers to the market. Even though literature has shown that relationship marketing leads to performance, in practice firms struggle to adapt models to their business contexts. Firms look for ways to make accountable all marketing relationship strategy. We propose the concept of Accountable Relationship Marketing that refers to the integration of literature on CRM (customer relationship marketing), Marketing Intelligence and Customer Accountability (i.e. planning and control activities oriented towards delivering customer value). Today, different pricing methods from the many different industries such as consumer electronics, seasonal goods and services, fashion, and airlines are clear examples of dynamic pricing. Also, up-to-date developments in information technology have given firms a unique ability to track and analyze customer behavior, substantially valuable information about customers' preferences. Barney, J (March 2001).

Specific Objectives of the Study

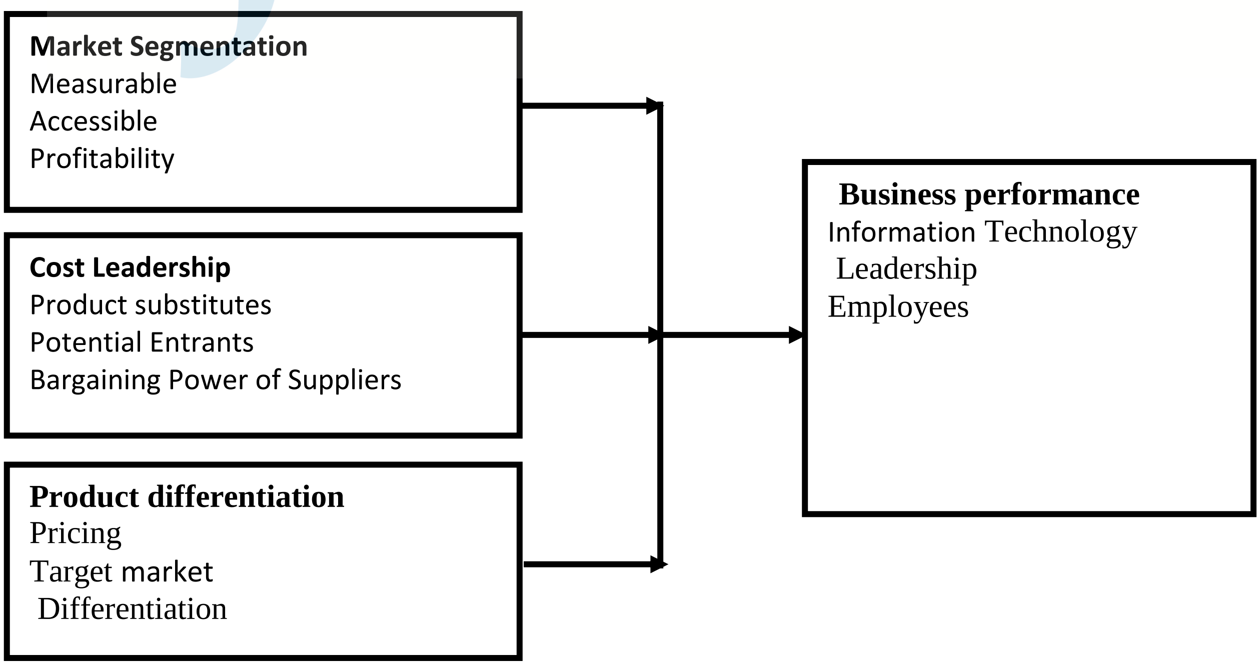
1. To assess the Effects of market Segmentation on Business Performance in Somalia.
2. To assess the Effects of Cost Leadership on Business Performance in Somalia.
3. To determine the Effects of product differentiation on business performance in Somalia.

Conceptual Framework

Conceptual framework is a scheme of variables which the study operationalizes in order to achieve the set objectives. A variable being the measurable characteristic that assumes different values among the subjects, independent variables are the ones that the study manipulates in order to determine their effects on another variable. The dependent variable attempts to indicate the total influence arising from the effects of the independent variables. It therefore varies as a function of the independent variables (Mugenda & Mugenda, 2003) Independent variable, according to Nachmias & Nachmias (2009) is the presumed cause of changes in the values of the dependent variable; the dependent variable is expected to be influenced by the independent variable. This is illustrated in figure 2.1 below. The independent variables in this study are account receivable , account payable, and cash management how they affect financial performance of commercial banks in Somalia.

2.1 CONCEPTUAL FRAMEWORK

Independent variables **Dependent variables**



Market Segmentation

Charles W. L. Hill (2009), Market segmentation is the way a company decides to group customers, based on important differences in their needs or preferences, in order to gain a competitive advantage. In general, a company can adopt one of three alternative strategies for market segmentation first; it can choose not to recognize that different groups of customers have different needs and can instead adopt the approach of serving the average customer. Second, a company can choose to recognize the differences between customer groups and make a product targeted toward most or all of the different market segments. For example, Toyota offers over different kinds of vehicles, such as family cars, luxury vehicles, SUVs, and trucks, each targeted at a different market segment. Third, a company can choose to recognize that the market is segmented but concentrate on servicing only one market segment— an example is the luxury- car niche chosen by Mercedes- Benz. Why would a company want to make complex product/market choices and create a different product tailored to each market segment, rather than creating a single product for the whole market?

The answer is that the decision to provide many products for many market niches allow a company to satisfy customers' needs better. As a result, customer demand for a company's products rises and generates more revenue than would be the case if the company offered just one product. Sometimes, however, the nature of the product or the nature of the industry does not allow much differentiation; this is the case, for example, with bulk chemicals or cement.6 In these industries, there is little opportunity to obtain a competitive advantage through product differentiation and market segmentation, because there is little opportunity for serving customers' needs and customer groups in different ways. Instead, price is the main criterion that customers use to evaluate the product, and the competitive advantage lies with the company that has superior efficiency and can provide the lowest- priced product the goal is to determine what observable demographics and behaviors differentiate one segment from another in order to make need-based market segmentation actionable. There are no scientific procedures for selecting segmentation variables. However, a successful segmentation plan must produce market segments which meet the four basic criteria Matsuno, Mentzer and Özsomer, 2002):

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Cost Leadership Strategy

Gareth R. Jones (2009), a company's goal in pursuing a cost- leadership strategy is to outperform competitors by doing everything it can to produce goods or services at a cost lower than those competitors. Two advantages accrue from a cost- leadership strategy. First, because the company has lower costs, it will be more profit table than its closest competitors— the companies that compete for the same set of customers and charge similar low prices for their products. If companies in the industry charge similar prices for their products, the cost leader still makes a higher profi t than its competitors because of its lower costs. Second, if rivalry within the industry increases and companies start to compete on price, the cost leader will be able to withstand competition better than the other companies because of its lower costs. For both of these reasons, cost leaders are likely to earn above- average profits. How does a company become the cost leader? It achieves this position by means of the product/market/distinctive- competency choices that it makes to gain a low- cost competitive advantage Strategic Choices The cost leader chooses a low to moderate level of product differentiation. Differentiation is expensive; if the company expends resources to make its products unique, then its costs rise.9 The cost leader aims for a level of differentiation not markedly inferior to that of the differentiator (a company that competes by spending resources on product development), but a level obtainable at low cost. The cost leader does not try to be the industry leader in differentiation; it waits until customers want a feature or service before providing it.

Achieving a low- cost position may also require that the company develop skills in flexible manufacturing and adopt efficient materials- management techniques outlines the ways in which a company's functions can be used to increase efficiency.) Consequently, the reduction of operating costs of manufacturing and materials- management functions are the center of attention for a company pursuing a cost- leadership strategy, and the other functions shape their distinctive competencies to meet this objective. For example, the sales function may develop the competency of capturing large, stable sets of customers' orders. Clark, B.H. (2000)

This, in turn, allows manufacturing to make longer production runs and so achieve economies of scale and reduce costs. The human resource function may focus on instituting training programs and compensation systems that lower costs by enhancing employees' productivity, and the research and development function may specialize in process improvements to lower the manufacturing costs Many cost leaders gear all their strategic choices to the single goal of squeezing out every cent of costs to sustain their competitive advantage. A company such as H. J. Heinz is another excellent example of a cost leader. Because beans and canned vegetables do not permit much of a markup, the profit comes from the large volume of cans sold. Therefore, Heinz goes to extraordinary lengths to reduce costs— by even one- twentieth of a cent per can, because this will lead to large cost savings and thus bigger profits over the long-run. Barney, J (March 2001).

Product Differentiation Strategy

Charles W. L. Hill (2009), Product differentiation is the process of creating a competitive advantage by designing products— goods or services— to satisfy customer needs. All companies must differentiate their products to a certain degree in order to attract customers and satisfy some minimal level of need. However, some companies differentiate their products to a much greater degree than others, and this difference can give them a competitive edge. Some companies offer the customer a low- priced product without engaging in much product differentiation. Others seek to endow their product with some unique attribute so that it will satisfy customers' needs in ways that other products cannot. The uniqueness may be related to the physical characteristics of the product, such as quality or reliability, or it may lie in the product's appeal to customers' psychological needs, such as the need for prestige or status. Thus, a Japanese car may be differentiated by its reputation for reliability, and a Corvette or a Porsche may be differentiated by its ability to satisfy customers' needs for status the objective of the generic differentiation strategy is to achieve a competitive advantage by creating a product that is perceived by customers to be unique in some important way. The differentiated company's ability to satisfy a customer's need in a way that its competitors cannot means that it can charge a premium price— a price considerably above the industry average. The ability to increase revenues by charging premium prices (rather than by reducing costs as the cost leader does) allows the differentiator to outperform its competitors and gain above- average profits. The premium price is usually substantially above the price charged by the cost leader, and customers pay it because they believe the product's differentiated qualities are worth the difference. Consequently, the product is priced on the basis of what customers are willing to pay for it. Michael J. Stahl, David W. (Grigsby 2001).

Differentiator chooses a high level of product differentiation to gain a competitive advantage. Product differentiation can be achieved in three principal ways, which are discussed in detail in Chapter 4: quality, innovation, and responsiveness to customers. For example, Procter & Gamble claims that its product quality is high and that Ivory soap is 99.44% pure. IBM promotes the quality service provided by its well- trained sales force. Innovation is very important for high- tech products for which new features are the source of differentiation, and many people pay a premium price for new and innovative products, such as a state- of- the- art computer, videogame console, or car. When differentiation is based on responsiveness to customers, a company offers comprehensive after- sale service and product repair. This is an especially important consideration for complex products such as cars and domestic appliances, which are likely to break down periodically. Companies such as Whirlpool, Dell, and BMW all excel in responsiveness to customers. In service organizations, quality- of- service attributes are also very important. Why can Neiman Marcus, Nordstrom's, and FedEx charge premium prices? They offer an exceptionally high level of service. Similarly, law firms and accounting firms emphasize to clients the service aspects of their operations: their knowledge, professionalism, and reputation.

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Business performance

Performance outcomes result from success or market position achieved (Hooley *et al.*, 2001). Performance can be determined in various ways. It might stand for financial performance, market performance, customer performance or overall performance, at least. In this thesis, term business performance is mainly used as a general performance measure. Financial performance literally refers to financial measures, such as profit margin and return on investment (ROI). Market performance includes e.g. measures of market share and sales volume. Additionally, superior performance in this study refers to performance that exceeds that of its closest competitors superior market performance probably, but not necessarily, results in superior financial performance (Hooley *et al*., 2001). Performance management is a set of management and analytic processes that enables the management of an organization's performance to achieve one or more pre-selected goals. Although presented here sequentially, typically all three activities will run concurrently, with interventions by managers affecting the choice of goals, the measurement information monitored, and the activities being undertaken by the organization. Because business performance management activities in large organizations often involve the collation and reporting of large volumes of data, many software vendors, particularly those offering business intelligence tools, market products intended to assist in this process. As a result of this marketing effort, business performance management is often incorrectly understood as an activity that necessarily relies on software systems to work, and many definitions of business performance management explicitly suggest software as being a definitive component of the approach While performance measurement is frequently used to refer to systems that track and provide feedback on strategy execution and implementation, other related concepts touch upon performance measurement in some manner. Alas, R. & Sun, W. (2007).

The field of cybernetics, now an interdisciplinary study of organization, regardless of the form or material representation of the organization, touches upon measurement systems (Principia Cybernetica). Firms today are more frequently intertwined with information technology that collects and delivers data that is significant to the control of the organization. Cybernetic systems are autonomic; they are self-regulating. Other writers and experts frequently point to BPM systems as providing businesses with this autonomic capability uses cybernetics as a means to describe management control as a way of coaxing a system towards optimal performance, and even better, arranging for the system to regulate itself. In 2001, Gartner coined the term business activity monitoring which is “the provision of real-time access to critical performance indicators delivers alerts and business metrics in real-time or near-real time to increase efficiency of business processes, monitor shifts of priority and conflicting goals, increase customer satisfaction through improved product and service quality. Gartner restricts the term to refer to “systems that draw upon and support the management of several major business processes with the recent strong focus on customers, businesses have begun to deploy technologies, and measurement systems, to manage business activities that directly or indirectly interact with the firm's customers. These customer relationship management technologies are providing firms with better data integration and hence better measurement regarding customers. With the obvious strategic importance of customers, it is natural for businesses to begin exploring more robust ways of measuring customers and the related business activities. Gale (2004) explains the role of managing customer value in the context of the National Quality Award's customer focus and satisfaction criteria, which comprises about 30% of the overall score for the award. Customer value analysis is sufficiently rich and complex to require more robust analytical tools and frameworks for measurement Lamb and McDaniel (2003),

Empirical Review

Matear, S. & Greenley, G.E. (2002) although most authors speak about some parts of Strategic Marketing, here is included a list of definitions of the term. Some authors appear in different it is understood that they have added new comments or redefined the term after the years. Strategic marketing as seen as a process consisting of: analyzing environmental, market competitive and business factors affecting the corporation and its business units, identifying market opportunities and threats and forecasting future trends in business areas of interest for the enterprise , and participating in setting objectives and formulating corporate and business unit strategies. Selecting market target strategies for the product markets in each business unit, establishing marketing objectives as well as developing, implementing and managing the marketing program positioning strategies in order to meet market target needs a statement in very general terms of how the marketing objective is to be achieved, e.g. acquiring a competitive company, by price reductions, by product improvement, or by intensive advertising. The strategy becomes the basis of the marketing plan The role of strategic marketing is to lead the firm towards attractive economic opportunities, that is, opportunities that are adapted to its resources and knowhow and offer a potential for growth and profitability the establishment of the goal or purpose of a strategic business unit and the means by which it is to be achieved through management of the marketing function understanding the strategic situation confronting an organization is an essential starting point in developing a marketing strategy Although marketing has basically an strategic conception of the selling activity, we use to distinguish between strategic marketing and operational marketing,

Strategic marketing starts in thoughts about current situation of the company and situational analysis and possible evolution of the markets and the environment, with the goal of detecting opportunities which can establish objectives there is no unified definition upon which marketers agree. Instead, there are nearly as many definitions of it as there are uses of the term. Clearly, marketing strategy is a commonly used term, but no one is really sure what it means he strategic marketing process, therefore implies deciding the marketing strategy based on a set of objectives, target market segments, positioning and policies the primary purpose of a marketing strategy is to effectively allocate and coordinate marketing resources and activities to accomplish the firm's objectives within a specific product market.

Therefore decisions about the scope of a marketing strategy involve specifying the target market segment(s) to be pursued and the product line to be offered. Then, firms seek a competitive advantage and synergy, planning a well integrated program of marketing mix elements objectives, customer and competitive perspectives and product/market momentum strategy marketing strategy is developed at the business unit level. Within a given environment, marketing strategy deals essentially with the interplay of three forces known as the strategic 3 C's: the Customer, the Competition and the Corporation. A good marketing strategy should be characterized by a) clear market definition, b) a good match between corporate strengths and the needs of the market and c) superior performance, relative to the competition, in the key success factors of the business .Marketing strategy, in terms of these key constituents, must be defined as a n Endeavour by a corporation to differentiate itself positively from its competitors, using its relative corporate strengths to better satisfy customer needs in a given environmental setting.(Aramario & Lambin , 2009).

Research Gaps

Market Gap focuses on using a systematic research approach to discover and uncover sales opportunities where market demand is greater than supply Used extensively in the business to consumer market space it can help your firm identify, quantify and select business market segments that are currently under-serviced. Through the deployment of Market Gap Analysis, your firm can make logical strategic and tactical decisions based on market facts, not subjective opinion. Market Gap Analysis is a proactive approach to meet identified market demand. Little or no study has been done on the marketing strategy on business performance of Small business industry in Somalia and that is what necessitated the focus of this research area. Other studies have focused on the influence of Small business in Mogadishu Somalia practices on competitive advantage in the Mogadishu, (Okisegere, 2012). None of the studies has focused on marketing strategy on business performance of Small business. The only study that has been carried out that is close to the current study is that which was conducted by Wanjau and Ogolla, (2013) on marketing strategy on business performance of Small business This study. Therefore intends to fill these pertinent gaps in the literature by studying the selected independent variables on business performance that affect marketing strategy on with specific focus of Clothing Companies Electronic Companies and Cosmetics Companies in Somalia. This study will add value to existing literature by providing empirical evidence on marketing strategy on business performance in small business with specific focus of Companies Electronic Companies and Cosmetics Companies in Somalia and fill the existing contextual and conceptual gaps.

Methodology

(Cooper & Schindler, 2006), Defined research design as a plan for selecting the sources and types of information used to answer research questions. The research design used for this study was descriptive in nature. Descriptive research design facilitates the understanding of the characteristics associated with a subject population It involved the observation description of variables as distributed in the population with the basic goal being the collection of information about phenomena or variables within a population through the use of questionnaires. It has a wide, inclusive coverage and involves empirical research. Descriptive research design requires some understanding of the nature of the problem which in this study is the effects of marketing strategy on business performance in Mogadishu Somalia. The objective of this type of design was to describe the state of the variables; estimate the proportion of the population that have similar or different characteristics; discovery of associations among different variables; discovery and measurement of cause and effect relationships among variables (Cooper & Schindler,2006). The dependent variable of the study was business performance while the independent variables were market segmentation, cost leadership and product differentiation with regard to business performance.

The Population refers to the entire group of people or things of interest that the researcher wishes to investigate, Sekaran (2010). or other items that researchers collect data from. Before collecting any data, it is important that researchers clearly define the population, including a description of the members. The designed descriptive should designate the population for which the problem was examined. The entire population for which the researcher wants to draw conclusions was the focus of the descriptive .Business in Mogadishu There many businesses in Mogadishu Electronics, Cosmetics, Grocery stores, Shopping, Clothing, Manufacturing and furniture. Target population in Bakara Market The target population is “the entire aggregation of respondents that meet the designated set of criteria” (Burns & Grove 2009). The target population in this study constituted Alkowther General trading Company at Bakara Market, the target population will be 300 and all registered.

Sample size measures the number of individual samples measured or observations used in a survey or experiment. Sample size is also important for economic and ethical reasons as Russell form the small businesses explains under sized study can be a waste of resources for not having the capability to produce useful results , while an over-sized one uses more resources than are necessary, ReliaSoft Corp., (2012), in an experiment involving human or animal subjects, sample size is a pivotal issue for ethical reasons , under sized experiment exposes the subjects to potentially harmful treatments without advancing knowledge the sample size of this study will be 300 selected from the target population.

According to Slovene’s (1960) formula $\frac{N}{1+N(e)2}$
N= 366 n=?

N=? $\frac{N}{1+N(e)2} = \frac{300}{1+300(0.1)2} = \frac{300}{4} = 75$

The simple random sampling will used to select 180 small businesses. In Bakaro market at Howlawadag district Mogadishu Somalia for the study while stratified random sampling and purposive sampling since the purpose of this study is to explore the effects of market strategy on business performance on small business (Hitzig, 2004; Brusco, 2012).
Proceeding from general to specific research questions, makes the research activities in any project more focused - in terms of data needed to answer the research questions. Hence questions associated with data collection are some of the most important in any research enquiry. For data collection, the researcher will follow certain procedures. First, the researcher will write application letter relating to present study to all target sample of respondents, the letter will clarify the purpose of the study, and the researcher will request politely from them to devote their time to answer the questionnaire candidly. Next, the researcher will contact directly to the respondents and distribute the questionnaire

forms to them. Then, the researcher will give enough time to the respondents to read and answer questions carefully. Finally, the research will collect questionnaire forms from them immediately after completion. ReliaSoft Corp., (2012),

Data Analysis and Presentation

Qualitative as well as quantitative methods of data analysis were used to analyze the research variables. A likert scale was adopted to provide a measure for qualitative data. The scale helped to minimize the subjectivity and made it possible to use quantitative analysis. The numbers in the scale were ordered such that they indicated the presence or absence of the characteristic to be measured (Mugenda & Mugenda, 2003).This mix of tools was necessary because whereas some aspects of the study were qualitative others were of quantitative nature.

Qualitative Analysis

In qualitative studies, the researcher was interested in analyzing information in a systematic way in order to come to useful conclusions and recommendations. In qualitative studies, researchers' obtained detailed information about the phenomena being studied, and then tried to establish patterns, trends and relationships from the information gathered. (Mugenda & Mugenda, Qualitative aims at providing basic information without proof of it. Before processing the responses, data preparation was done on the completed questionnaire by editing, coding, entering and cleaning the data. Data collected was analyzed using descriptive statistics. The descriptive statistical tools helped in describing the data and determining the respondents' degree of agreement with the various statements under each factor. Data analysis was done with the help of SPSS version 16.0.

Quantitative Analysis

Whereas qualitative analysis aims at providing basic information, quantitative analysis goes further to test the theories in the theoretical framework behind the study and prove or disapprove it. For this kind of a study, there is need to go further and test hypothesis. The multiple regression analysis was used to explore the relationship between strategic planning activities, technological competiveness, market competition and corporate policies as the independent variables and value addition in the Industrial Fish processing firms as the dependent variable. Pearson's product moment correlation analysis was also used and it's a powerful technique for exploring the relationship among variables. Correlation coefficient was used to analyze the strength of the relations between variables. Correlation coefficients were calculated to observe the strength of the association. (Hair, Black, Barry,Anderson, & Tatham, 2006). A series of multiple regression analysis (standard and step wise) were used because they provide estimates of net effects and explanatory power. Analysis of variance (ANOVA) was used to test the significance of the model. R2 was used in this research to measure the extent of goodness of fit of the regression model. The regression model is indicated as shown as follows: $Y=\beta 0+\beta 1x1+ \beta 2x2+ \beta 3x3 +e$

Where:-

Y = represents the dependent variable, customer satisfaction

$\beta 0 \ldots \beta 4$ are the Regression Coefficient

X1 = Customer loyalty management

X2 = Price fairness management

X3 = Brand image management

Reliability analysis

Cranach's alpha was used to determine the internal reliability of the questionnaire used in this study. Values range between 0 and 1.0; while 1.0 indicates perfect reliability, the value 0.70 is deemed to be the lower level of acceptability (Hair, Black, Barry, Anderson, & Tatham, 2006). The reliability statistic for each of the identified factors is presented in Table 4.1. It is evident from Table 4.1 that Cronbach's alpha for each of the identified factors is well above the lower limit of acceptability of 0.70. The findings indicated that market segmentation had a coefficient of 0.775

Table 4.1 Reliability analysis

Variables	Cronbach's Alpha	Comments
Market segmentation	0.75	Accepted
Cost leadership	0.77	Accepted
Product differentiation	0.78	Accepted
Business performance	0.79	Accepted

Regression Analysis

Multiple regressions are an extension of simple linear regression. It is used when we want to predict the value of a variable based on the value of two or more other variables. The variable we want to predict is called the dependent variable (or sometimes, the outcome, target or criterion variable). The variables we are using to predict the value of the dependent variable are called the independent variables (or sometimes, the predictor, explanatory or regress or variables).

Model Summary

Model summary is a summery that describes how far the in dependent variables explain the dependent variables that mean the greater R value has the great number the greater independent variables explain with dependent variable. In order to test the research hypotheses, a standard multiple regression analysis was conducted using business performance the dependent variable, and the three investigations determine effect of market strategy of the business performance: Market segmentation, Cost leadership, and Product differentiation as the predicting variables. Tables 4.10 and 4.11 present the regression results. From the model summary in table 4.10, it is clear that the adjusted R2 was 0.283 indicating that a combination of Market segmentation, Cost leadership, and Product differentiation explained 27.6% of the variation in the business performance of SME's in bakara market Mogadishu Somalia.

Table 4.10 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.558[a]	.312	.283	.45274

a. Predictors: (Constant), Product differentiation, Cost leadership, Market segmentation

Analysis of Variance

Analysis of Variance (ANOVA), as the name implies, is a statistical technique that is intended to analyze variability in data in order to infer the inequality among population means. This may sound illogical, but there is more to this idea than just what the name implies. The ANOVA technique extends what an independent-samples t test can do to multiple means. The null hypothesis examined by the independent samples t test is that two population means are equal. If more than two means are compared, repeated use of the independent-samples t test will lead to a higher Type I error rate (the experiment-wise α level) than the α level set for each t test.From the ANOVA table 4.11, it is clear that the overall standard multiple regression model (the model involving constant, Market segmentation, Cost leadership, and Product differentiation) is significant in predicting how Market segmentation, Cost leadership, and Product differentiation determine business performance of the SME's in bakara market Mogadishu Somalia. The regression model achieves a degree of fit as reflected by an R2 of 0.276 (F = 9.00; P = 0.000 < 0.05).

Table 4.11 Analysis of Variance

ANOVA[s]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6.594	3	2.198	10.723	.000[a]
	Residual	14.553	71	.205		
	Total	21.147	74			

a. Predictors: (Constant), Product differentiation, Cost leadership, Market segmentation

b. Dependent Variable: Business performance

Regression Coefficients

The presents the regression results on how: Market segmentation, Cost leadership, and Product differentiation determine business performance of the small business at BAKARA market in Mogadishu Somalia. The multiple regression equation was that: Y= β0+β1X1+β2X2+ β3X3 + ε and the multiple regression equation became: Y = .508-.081X1 .236X2 + 1.186X3 .As depicted in table 4.9, there was positive and significant effects of market strategy on business performance (β = .508; t = 3.961; $p < 0.05$). There was positive and significant effects of market segmentation on performance (β = .081; t = 2.045; $p < 0.05$). However, there was negative but insignificant effects of cost leadership on business performance (β = .236; t = 1.186; $p > 0.05$).

a. **Table 4.12 Regression Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.947	.239		3.961	.000
Market segmentation	.508	.248	.400	2.045	.045
Cost leadership	.081	.147	.068	-.549	.585
Product differentiation	.236	.199	.219	1.186	.240

b.

c. Dependent Variable: Business performance

Conclusions

Conclusions were arrived at the influence of independent variables (market segmentation, cost leadership, and product differentiation), and dependent variable of business performance of small business in Mogadishu, Somalia based on the findings of the study. The conclusions were based on the objectives of the study that market segmentation and product differentiation drivers had a significant influence on business performance of market strategy. The results established that market segmentation drivers were found to significantly and positively influence business performance. When all the stated variables were tested in the regression model they were found to have a significant relationship between themselves and business performance of market strategy. Product differentiation was the driver which had the highest effect on business performance of market strategy followed by cost leadership, and product differentiation. The findings of the study established that Small business was operating under a highly competitive environment between them. However, this moderate result revealed that there were all variables which were influencing the business performance of Small business in Mogadishu- Somalia.

Recommendations

Based on the research findings, I will recommend the following points:

a) Universities/higher institutions of education should organize and design seminars and trainings for the small business owners and teach them how they run and manage their business as well they should teach them how to allocate their profit and make a business plan in advance.

b) Though it's difficult for one person to establish and start/ investing new business; the owners of small businesses should come together and instead of running a personal business they should form a partnership business.

c) For small business owners if they can avoid it is better they work half time and employ other people to for the other half to contribute employment generation.

d) The government should establish investments in order to reduce the imports from the outside world, because, then ever the imports of the country increases the profit goes out of the country.

e) Since this study proved that small business contributes the employment generation, government and the investment banks should give loans to the people to start businesses and also the government should help and give guidance to the existing businesses as not to fail.

f) There is also need to introduce entrepreneurial studies in our Universities in Somalia

g) Finally the government should set polices and principles to the small businesses and also encourages the big companies and the investment banks to invest on the starting of small businesses.

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