

Promotion Strategies and Performance of Fast Moving Consumer Goods Firms in Kenya

By

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Abstract

The purpose of the study was to establish the effect of promotion strategies on performance of firms manufacturing fast-moving consumer goods in Kenya. The promotion strategies considered were advertising, personal selling, sales promotion and publicity while performance indicators included sales and return on assets. The study analyzed panel data from firms manufacturing fast moving consumer goods in Kenya for the period 2016 to 2021. Regression analysis was employed to analyze data. The study established that promotion strategies had a significant effect on performance of firms manufacturing fast moving consumer goods in Kenya. The findings further indicated that promotion strategies explained up to 38.5% and 15.9% of the variations in the firm sales and return on assets respectively. The study found that advertising and sales promotion strategies had a positive and significant effect on both sales and return on assets. The study also found that personal selling had a positive effect on both sales and return on asset but only significant on sales while the effect of publicity was positive but insignificant on both sales and return. Given that advertising and sales promotion strategies were established to affect firm performance significantly, the study recommends that the management of fast-moving consumer goods firms should allocate more resources towards enhancing adoption of the two strategies.

Key Words: Advertising Strategy, Personal Selling Strategy, Sales Promotion Strategy, Publicity Strategy, Firm Performance.

1.0 Introduction

Today's fast moving consumer goods (FMCG) market is complex and dynamic due to its low profit margin which poses a big risk to firms manufacturing FMCG in their endeavor to avert losses (Van & Bean, 2019). Under Kenya's vision 2030, manufacturing was identified as one of the four pillars in the "Big 4 Agenda" that was expected to spur economic growth in Kenya (Economic Survey, 2020). The priority agenda launched in 2020 was to establish a competitive manufacturing led economy for job and wealth creation (Kenya Association of Manufacturers, 2020). Unfortunately, firms manufacturing FMCG contribution to gross domestic product (GDP) shrug from 5.7 percent between 2015 to 1.5 percent in 2020 (Kenya National Bureau of Statistics, 2020).

The poor performance of FMCG firms was as a result of lack of inadequate sales promotion leading to limited market share (Binuyo, 2019). Kenya has a vibrant FMCG manufacturing sector whose operations spread beyond East and Central Africa (World Bank, 2018). However, the trend in the growth of FMCG via manufacturing sector in relation to GDP has been on an oscillatory trend with 5.7 percent in 2015, 5.9 percent in 2016, 4.9 percent in 2017, 6.3 percent in 2018, 5.4 percent in 2019 and 1.5 percent in 2020 (Kenya Economic Outlook, 2020). One of the key challenges facing FMCG firms in Kenya has been poor access to markets as a result of stiff competition resulting to low performance (Kilonzo, 2018). According to Oberoi (2019), proliferation of new entrants, globalization and failure to maintain consumer brand value also contributed to poor performance of FMCG firms.

Previous studies indicated that performance of FMCG firms has been on the decline as a result of short-lived sales (Khan et al. 2018; Guan, 2020). A study by Alhawamdeh (2021) postulated that some of the areas that may influence performance of FMCG firms is product life cycle (PLC) extension strategies since persistence of firms that manufacture FMCG with the use of PLC concept continue to have a competitive advantage over those which do not. Although some studies have explored on FMCG firms (Vimal, Kandasamy & Gite, 2021; Sundstrom, 2019), few were specific on how PLC extension strategies affect performance of FMCG firms with specific bias on manufacturing firms in Kenya. Other studies, for instance, Ochieng (2021) focused on domestic tour operations in Kenya while Kawira (2021) focused on enterprises in Tharaka-Nithi County. Therefore, this study investigated the effect of promotion strategies specifically advertising, personal selling, sales promotion and publicity on performance of FMCG firms in Kenya.

2.0 Literature Review

2.1 Theoretical Literature Review

This study is anchored on marketing mix theory. The theory was developed by Jerome in 1960. It refers to a set of strategies that a firm uses to stimulate its products in line with marketing objectives. The theory lays its emphasis on four key elements namely product, place, price and promotion (Meena, 2019). A study by Inan and Kop (2018) asserted that manufacturing firms achieve better results under a well formulated marketing strategy. Under marketing mix theory, promotion strategies include advertising, sales promotion, personal selling and publicity (Nazi, 2021). According to Kotler and Keller (2016), marketing managers under marketing mix theory must be keen in ensuring that products are acceptable, affordable and accessible to consumers.

Combining the four elements into marketing strategies for promotion of trade with consumers is the fundamental objective of the theory in the endeavor to gain competitive advantage. Marketers must therefore be knowledgeable when combining the elements for an efficient marketing program that offers both manufacturers and consumers value. George (2018) postulated that marketing mix elements must be well coordinated with other strategies for higher firm profits. The theory supports this study in the identification of the independent variables.

2.2 Empirical Literature Review

Promotion is premeditated to inform and persuade consumers for continued purchases. Therefore, a promotion strategy is a plot that purposes to use promotion mix strategies such as advertising, personal selling, sales promotion and publicity to improve firm performance (Izadi & Ghasemian, 2021). A study by Dmitrijevs (2020) sought to find out

the most innovative strategies in a competitive market. Through regression analysis, the study found that advertising influenced sales positively. The study was however limited to telecommunication industry in China while the current study targeted FMCG firms in Kenya. Additionally, Qureshi (2021) conducted a study in Kuwait targeting media firms on effect of advertising on firm performance. Using linear regression model, the study found that advertising had a positive and significant effect on sales although the degree varied from firm to firm. The study was however empirical while the current study was descriptive.

Through regression analysis, Kaveh and Abolghamsem (2020) sought to find out the effect of personal selling on sales of shoes industry in Iran. The study found that personal selling was positively related to purchase intention leading to growth in sales. This study was limited to sales while the current study included both sales and ROA. Again, the study was conducted in Iran while the current study was conducted in Kenya. Congruently, Shafique (2022) sought to find out the effect of personal selling in a competitive share listed companies in China. Through time lagged survey, the study found that personal selling leads to sustainable buying behavior thus leading to prolonged sales. The study used boot trapping data analysis method while the current study used multiple linear regression model to analyze data.

A study by Hanaysha (2018) pointed at assessing the effect of sales promotion on customer retention in a retail industry in Malaysia. Through structural equation modelling the study found that sales promotion had a positive and significant effect on customer retention thus improving firm performance. Although the study used structured questionnaires, the current study used both structured questionnaires and interview schedules to collect data. Similarly, a study by Chen and Wu (2018) aimed at finding out the effect of sales promotion on firm performance. Through regression analysis, the study found that sales promotion plays a significant role in improving firm performance. The study targeted the financial sector while the current study was on the manufacturing sector.

Meanwhile, a study by Claro (2021) investigated the effect of promotion strategy on personal care manufacturing firms' sales in America. Through estimated panel regression model, the study found that sales promotion had positive effect on manufacturing firms' sales. Izadi and Ghasemian (2021) did a study in Iran aimed at examining the effect of promotion strategies on consumers buying behaviour in sports manufacturing firms. The study found that sales promotion positively influenced consumer buying behaviour thus increasing sales. The study used logistic regression model to analyse data from 40 respondents while the current study used multiple linear regression model to analyse data from 161 respondents.

Meanwhile, Zahid and Amin (2018) carried out a study on purchase intention and publicity on green products. Using structured equation modeling the study found that publicity increases purchasing behavior leading to increased sales. While the study targeted green products in Malaysia, the current study targeted fast moving consumer products in Kenya. On the contrary, a study by Deng, Jiang and Fan (2021) on interrogation of promotion and marketing activity established that firm performance can be affected by an ineffective promotion campaign. Similarly, a study by Lu (2022) on sales promotion stereotype established that consumers in China were entangled when making promotion decisions that interfered with profits leading to low firm performance.

3.0 Methodology

3.1 Research design

A causal research design was adopted in this study. It was used to test the hypothesis on course and effect relationship between variables (Bell & Harley, 2019). The study tested the hypothesis:

H₀: Promotion strategy has no effect on performance of fast-moving consumer goods firms in Kenya.

Target population was 193 FMCG manufacturing firms classified under food and beverage sector and registered under the Kenya Association of Manufacturers (KAM). Structured questionnaires were used to collect primary data while data collection schedules were used to collect secondary data whereby 161 marketing or finance managers responded to the questionnaires.

3.2 Operationalization and measurement of variables

A summary of operationalization and measurement of study variables is presented in Table 1.

Table 1: Operationalization and measurement of variables

Variable	Type of Variable	Indicator	Measurement
Promotion Strategy	Independent	Advertising	Percentage change in cost
		Personal selling	Percentage change in cost
		Sales Promotion	Percentage change in cost
		Publicity	Percentage change in cost
Performance of FMCG firms	Dependent	Sales Growth	Sales growth percentage
		ROA	Earning after tax/Total asset

3.3 Data analysis

Data was analyzed using both descriptive and inferential statistics. Descriptive statistics entailed mean, standard deviation, percentage and frequency while inferential statistic entailed correlation and regression analysis.

3.3.1 Study model

The study employed the following multiple regression model;

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$$

Where; Y represented firm performance (Sales and ROA), X₁ represented advertising, X₂ represented personal selling, X₃ represented sales promotion, X₄ represented publicity and ε represented the error term.

3.3.2 Test of Model Assumptions

Before using the multiple regression model, the assumptions of classical linear regression model of normality, multi-collinearity, autocorrelation and heteroscedasticity were tested. Multicollinearity was tested using the Variance Inflation Factor where a threshold above 10 indicated presence of multicollinearity. Autocorrelation was tested through use of Breusch-Godfrey method where a P-value above 0.05 indicated absence of serial correlation. In regard to heteroscedasticity, Breusch-Pagan method was adopted where a P-

value above 0.05 indicated absence of heteroscedasticity or presence of homoscedasticity. Lastly, normality of the dependent variable was tested through Kolmogorov-Smirnova test where a P-value above 0.05 indicated a normally distributed data.

4.0 Results and Discussion

4.1 Response Rate

A total of 193 questionnaires were administered to FMCG manufacturing firms in Kenya classified under food and beverage sector and registered under KAM targeting either marketing or finance managers. Out of the 193, a total of 161 (83%) questionnaires were correctly responded to and returned. This response rate was adequate since according to Snyder (2019), a response rate of 60% is acceptable for analyzing and publishing. The response rate is as indicated in Table 2.

Table 2: Response Rate

	Frequency	Percentage
Questionnaires Responded to	161	83%
Non-response	32	17%
Total Number of Administered Questionnaires	193	100%

4.2 Descriptive Statistics

4.2.1 Descriptive Statistics for the Dependent Variable

The dependent variable was performance of FMCG firms. The study used sales per annum and return on assets (ROA) as measures of performance of FMCG firms. The summary of the descriptive statistics is presented in Table 3. The study findings demonstrated that on average, the firms recorded a positive ROA of 7.3% which implied better performance in line with the threshold by Irman and Purwati (2020) who indicated that a ROA above 5% is good for a business. The lowest performing FMCG firm documented a ROA of - 37% and the best performing recorded 37.1%. There was a high variation in the ROA from firm to firm as shown by a big standard deviation value of 33%. It was also established that on average, the firms recorded a positive annual sales value of Ksh. 7,106,273. The lowest performing firm documented an average annual sale of Ksh. 1,040,000 and the best performing recorded an average annual sales value of Ksh. 14,610,000. There was also high variation in the annual sales from firm to firm as shown by a large standard deviation value of Ksh. 4,024,326.

Table 3: Performance of FMCG Firms

	N	Minimum	Maximum	Mean	Std. Deviation
Sales (Ksh)	161	1,040,000	14,610,000	7,106,273	4,024,326
ROA	161	- 37%	37.1%	7.3%	33.0

4.2.2 Descriptive Statistics for the Independent Variable

The independent variable was promotion strategy. The study first established whether FMCG firms had adopted promotion strategies (advertising, personal selling, sales promotion and publicity) or not. The results presented in Table 4 indicated that all the firms had adopted advertising as well as sales promotion strategies. This implied that promotion strategies had widely been adopted by the FMCG firms in Kenya. However, the most commonly adopted promotion strategies were advertising and sales promotion followed by personal selling and lastly publicity which had been adopted by two thirds of the firms.

Table 4 *Adoption of Promotion Strategy*

	Adoption Status	Frequency	Percent
Advertising	Adopted	161	100%
	Not Adopted	0	0%
Personal Selling	Adopted	121	75.2%
	Not Adopted	40	24.8%
Sales Promotion	Adopted	161	100%
Publicity	Adopted	107	66.5%
	Not Adopted	54	33.5%

The study also established the average cost of adopting promotion strategies (advertising, personal selling, sales promotion and publicity). The results presented in Table 5 indicated that on average, the firms had spent Ksh. 1,359,814 annually in advertising, an average of Ksh. 271,375 annually in personal selling, an average of Ksh. 1,467,081 annually in sales promotion and an average of Ksh. 1,064,909 in publicity. However, a high standard deviation for each case demonstrated that the costs used in promotion greatly varied across the firms. The findings therefore implied that to promote their products, the FMCG firms must incur some costs and this cost greatly varies from firm to firm.

Table 5: *Cost of Adopting Promotion Strategy*

	Minimum (Ksh)	Maximum (Ksh)	Mean	Std. Deviation
Advertising Cost	40,000	1,342,000	1,359,814	1289844
Personal Selling Cost	20,000	2,680,000	271,375	317397.4
Sales promotion cost	50,000	1,449,000	1,467,081	1393200
Publicity Cost	130,000	9,120,000	1,064,909	1272102

In addition, the average annual sales before and after adoption of promotion strategies (advertising, personal selling, sales promotion and publicity) for the FMCG firms was established. The results are presented in Tables 6 and 7. It was found that on average, there was an increase in annual sales after adoption of each of the promotion strategies. Specifically, the annual sales increased by an average of 20.8% from an average of Ksh. 1,203,105.59 to an average of Ksh. 1,809,179.50 per annum after adoption of advertising strategy. The annual sales increased by an average of 26.8% from an average of Ksh. 1,950,413.22 to an average of Ksh. 2,583,636.36 per annum after adoption of personal selling strategy. It was also established that the annual sales increased by an average of 30.1% from an average of Ksh. 2,367,701.86 to an average of Ksh. 3,174,782.61 per annum after adoption of sales promotion strategy. The study also found that the annual sales increased by an average of 16% from an average of Ksh. 3,299,065.42 to an average of Ksh. 3,894,112.15 per annum after adoption of sales promotion strategy.

The findings implied that adoption of any of the promotion strategies (advertising, personal selling, sales promotion and publicity) led to an improvement in the annual sales of the FMCG firms. The findings also implied that the highest percentage increase in annual sales was associated with adoption of sales promotion followed by personal selling, then advertising and lastly publicity. The findings were consistent with the work of Izadi and Ghasemian (2021) whose study through logistic regression model aimed at examining the effect of promotion strategies on consumers buying behaviour found that, sales promotion positively influenced consumer buying behaviour thus increasing sales.

Table 6: Average Annual Sales before and after adoption of Promotion Strategy

Promotion Strategy		Minimum (Ksh)	Maximum (Ksh)	Mean	Std. Deviation
Advertising	Average annual Sales before	170,000	2,480,000	1,203,105.59	684,459.86
	Average annual Sales after	270,000	3,790,000	1,809,179.50	1,057,528.55
Personal Selling	Average annual Sales before	230,000	4,820,000	1,950,413.22	1,204,633.00
	Average annual Sales after	250,000	7,130,000	2,583,636.36	1,773,148.80
Sales Promotion	Average annual Sales before	300,000	4,900,000	2,367,701.86	1,371,887.50
	Average annual Sales after	330,000	7,300,000	3,174,782.61	1,956,563.02
Publicity	Average annual Sales before	450,000	8,000,000	3,299,065.42	2,121,069.74
	Average annual Sales after	470,000	10,320,000	3,894,112.15	2,580,666.13

Table 7: Percentage Change in Annual Sales after adoption of Promotion Strategy

	Minimum	Maximum	Mean	Std. Deviation
Advertising	-42%	45.0%	20.8%	16.0
Personal Selling	- 5.0%	65.0%	26.8%	19.6
After sales Promotion	- 44.0%	55.0%	30.1%	17.8
Publicity	0.0%	30.0%	16.0%	9.1

4.3 Correlation Results between Promotion Strategy and Firm Performance

To determine the association between promotion strategy and performance of FMCG, Pearson correlation was adopted. The results are shown in Table 8. The results showed that adoption of advertising strategy was associated with a positive and significant increase in both sales and ROA ($r = 0.355$ and 0.322 ; $P\text{-Value} < 0.05$) respectively. This implied that an increase in adoption of advertising strategy can lead to an increase in both sales and ROA. This finding supported the work of Qureshi (2021) which found that advertising had a positive and significant effect on sales.

The results further indicated that adoption of after sales promotion strategy was associated with a positive and significant increase in both sales and ROA ($r = 0.411$ and 0.266 ; $P\text{-Value} < 0.05$) respectively. This implied that an increase in adoption of after sales promotion strategy led to a significant increase in both sales and ROA. This finding confirm the work of Chen and Wu (2018) that sales promotion strategy positively influenced sales, playing a significant role in improving firm performance.

It can be observed that adoption of personal selling strategy was associated with a positive increase in both sales and ROA ($r = 0.355$ and 0.322) respectively. Though this increase was significant for sales ($P\text{-Value} < 0.05$), it wasn't significant for ROA ($P\text{-Value} > 0.05$). This implied that an increase in adoption of personal selling strategy can lead to a significant increase in sales but not ROA. This finding is consistent with the work of Shafique (2022) who found that personal selling led to sustainable buying behavior leading to prolonged sales.

Further, the study established that adoption of publicity strategy was associated with a positive increase in both sales and ROA ($r = 0.364$ and 0.131) respectively. Though this increase was significant for sales ($P\text{-Value} < 0.05$), it wasn't significant for ROA ($P\text{-Value} > 0.05$). This implied that an increase in adoption of publicity strategy can lead to a significant increase in sales but not ROA. This finding supports the work Zahid and Amin (2018) which found that publicity increases purchasing behavior leading to increased sales.

Table 8: Correlation Results between Promotion Strategy and Firm Performance

		Advertising	Personal Selling	After Sale Promotion	Publicity	Sales	ROA
Advertising	Pearson Correlation	1					
	Sig. (2-tailed)						
Personal Selling	Pearson Correlation	0.121	1				
	Sig. (2-tailed)	0.187					
After Sale Promotion	Pearson Correlation	0.067	0.097	1			
	Sig. (2-tailed)	0.397	0.291				
Publicity	Pearson Correlation	0.123	.244*	.239*	1		
	Sig. (2-tailed)	0.207	0.028	0.013			
Sales	Pearson Correlation	.355**	.467**	.411**	.364**	1	
	Sig. (2-tailed)	0.000	0.000	0.000	0.000		
ROA	Pearson Correlation	.322**	0.145	.269**	0.161	.255**	1
	Sig. (2-tailed)	0.000	0.114	0.001	0.098	0.001	
	N	161	121	161	107	161	161

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

4.4 Model Diagnostic Tests Results

Before running the ordinary least square multiple regression models linking promotion strategy to firm performance, the study conducted diagnostic tests to establish whether the assumptions of linear regressions were obeyed. The study tested for multicollinearity, homoscedasticity and autocorrelation. The results are discussed in the subsections.

4.4.1 Multi-Collinearity Test for Promotion Strategy Indicators

Multicollinearity test results presented in Table 9 show that all the predictor variables in the model linking promotion strategy to firm performance that is advertising, personal selling, sales promotion and publicity had VIF values below 10 which is the recommended threshold for absence of multicollinearity. It was therefore suitable to use an OLS regression model.

Table 9: Multi-Collinearity Test for Promotion Strategy Predictors

	Collinearity Statistics	
	Tolerance	VIF
Advertising	0.954	1.048
Personal Selling	0.925	1.081
After Sale Promotion	0.925	1.081
Publicity	0.892	1.121

Dependent Variables: Sales and ROA

4.4.2 Homoscedasticity Test of the Model linking Promotion Strategy to Firm Performance

Homoscedasticity results presented in Table 10 indicated that the P-value was greater than 0.05, leading to the conclusion that the error terms were homoscedastic. A P-value of 0.305 led to the failure to reject the null hypothesis of homoscedasticity.

Table 10: Homoscedasticity test of the model linking Promotion Strategy to Performance

Breusch-Pagan / Cook-Weisberg test for Homoscedasticity	
Ho: Constant variance	
Chi ² (3)	= 0.967
Prob > Chi ²	= 0.305
H₀: The error terms are homoscedastic	
H₁: The error terms are heteroscedastic	

4.4.3 Autocorrelation Test of the Model linking Promotion Strategy to Firm Performance

The results presented in Table 11 indicate that the P-value was greater than 0.05 which demonstrates absence of serial correlation. A P-value of 0.106 which is greater than 0.05 led to the failure to reject the null hypothesis of absence of autocorrelation.

Table 11: Autocorrelation test of the model linking Promotion Strategy to Performance

Breusch-Godfrey Test of Homoscedasticity	
Ho: Constant variance	
Chi ² (3)	= 0.739
Prob > Chi ²	= 0.106
H₀: There is no presence of serial correlation in the error terms	
H₁: There is presence of serial correlation in the error terms	

4.5 Regression Analysis Results

The study tested the effect of promotion strategy on firm performance (Sales and ROA) through a multiple regression model. The model summary results, ANOVA and model coefficient results for each of the two models are presented in the sections that follow. Model 1 was where sales were regressed with promotion strategy and model 2 entailed regression of ROA with promotion strategy. The regression model summary results are shown in Table 12. It was established that promotion strategies (advertising, personal selling, sales promotion and publicity) explain up to 38.5% and 15.9% of the variations in sales and ROA respectively. This implies that promotion strategies (advertising, personal selling, sales promotion and publicity) explain more of the variations in sales than ROA.

Table 12: Regression Model Summary of Promotion Strategy and Firm Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Model 1 Dependent Variable is Sales	.621a	0.385	0.353	3343352
Model 2 Dependent Variable is ROA	.399a	0.159	0.115	0.308155

Predictors: (Constant), Publicity, Advertising, After Sale promotion, Personal Selling

The regression model fitness was also established through ANOVA as shown in Table 13. The findings indicated that the regression models linking promotion strategies (advertising, personal selling, sales promotion and publicity) to both sales and ROA were good fits (P-values < 0.05). The models were therefore significant in predicting the effect of promotion strategies (advertising, personal selling, sales promotion and publicity) on sales and ROA.

Table 13: ANOVA results of Promotion Strategy and Firm Performance

Model		Sum of Squares	df	Mean Square	F	Sig.
Model 1 Dependent Variable is Sales	Regression	5.32362E+14	4	1.33E+14	11.906	.000
	Residual	8.49528E+14	76	1.12E+13		
	Total	1.38189E+15	80			
Model 2 Dependent Variable is ROA	Regression	1.364	4	0.341	3.591	.010
	Residual	7.217	76	0.095		
	Total	8.581	80			

The regression model coefficients results are presented in Table 14.

Table 14: Model Coefficients of Promotion Strategy and Firm Performance

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t	
Model 1 Dependent Variable is Sales	(Constant)	518909.71	972834.899		0.533	0.595
	Advertising	8242346.793	2686837.557	0.282	3.068	0.003
	Personal Selling	6600747.214	1977373.387	0.312	3.338	0.001
	After Sale Promotion	6065459.911	1974565.027	0.287	3.072	0.003
	Publicity	6388601.283	4379220.575	0.139	1.459	0.149
Model 2 Dependent Variable is ROA	(Constant)	-0.172	0.090		-1.919	0.059
	Advertising	0.532	0.248	0.231	2.148	0.035
	Personal Selling	0.078	0.182	0.047	0.428	0.670
	After Sale Promotion	0.458	0.182	0.275	2.519	0.014
	Publicity	0.039	0.404	0.011	0.097	0.923

The study finding in Table 14 show that advertising had a positive and significant effect on both sales ($\beta = 8,242,346.793$; P-Value < 0.05) and ROA ($\beta = 0.532$; P-Value < 0.05). This finding imply that a unit increase in adoption of advertising leads to increase in both sales and ROA by 8,242,346.793 and 0.532 units respectively. This finding confirms the work of Dmitrijevs (2020) who established that adoption of advertising strategy can lead to a significant increase in firm performance.

It can be observed that after sales promotion had a positive and significant effect on both sales ($\beta = 6065459.911$; P-Value < 0.05) and ROA ($\beta = 0.458$; P-Value < 0.05). This finding implies that a unit increase in adoption of after sales promotion leads to increase in both sales and ROA by 6,065,459.911 and 0.458 units respectively. The finding however, contradicted the finding of Lu (2022) who established that consumers were entangled when making sales promotion decisions that interfered with profits that led to low firm performance.

It was also established that the effect of personal selling on both sales and ROA was positive ($\beta = 6,600,747.214$ and 0.078) respectively. The effect was however significant on sales only (P-Value < 0.05) but not ROA (P-Value > 0.05). This finding implies that though adoption of personal selling can lead to an increase in both sales and ROA, this increase is only significant for sales but not ROA. This finding was supported the work of Kaveh and Abolghamsem (2020) who found that personal selling was positively related to purchase intention leading to growth in sales and not ROA. However, it contradicted the work of Deng, Jiang and Fan (2021) who established that firm performance can be affected by an ineffective promotion campaign.

Lastly, it was established that the effect of publicity on both sales and ROA was positive ($\beta = 6,388,601.283$ and 0.039) but not significant ($P\text{-Value} > 0.05$) respectively. This finding implies that though adoption of publicity can lead to an increase in both sales and ROA, this increase is not significant. This finding supported the work of Lu et al. (2022) who established that high publicity costs are associated with a decrease in firm profits.

This study has contributed to the theoretical knowledge in the application of marketing mix theory. It has provided theoretical support for the marketing mix theory which advocates for adoption of a mix of strategies to stimulate products in line with marketing objectives. The study has provided evidence that the FMCG firms in Kenya do not rely on one specific strategy to enhance their performance but have adopted a mix of strategies cutting across advertising, sales promotion personal selling and publicity.

5.1 Recommendations for Policy Implications

Based on the findings, it is evident that advertising and sales promotion strategies had positive and significant effect on both sales and ROA. Adoption of the two strategies therefore can lead to improved firm performance. The study recommends a need for the management of the FMCG firms to invest more resources in adoption of the two strategies for extended profit reaping.

Acknowledgement

I am eternally proud of my Supervisors, Dr. Zippy Mukami and Dr. Kennedy Nyabuto Ocharo of University of Embu for perpetuating the legacy of business administration skills in an innovative and scholastic dimension. I am also grateful to the Chairman Dr. Samuel Nduati Kariuki for his prompt feedbacks during seminar presentations. Special thanks go to University of Embu lecturers whose critic on the document sharpened my thoughts in a pedagogic breadth. Their objectivity, enthusiastic and penetrating comments helped me to sharpen my thoughts from a broader perspective when writing this paper.

I also express my gratitude to my colleagues of Embu County Public Service Board for their encouragement and humble time without which, this paper would not have been completed. Most especially, I would like to thank my colleagues, students, friends, family members and all the well-wishers who gave me their help so unstintingly. May the joy in the actualization of this article add to the body of knowledge.

Author Contributions

Rwamba Pauline wrote this research paper. She sought permissions from relevant institutions and collected, cleaned and analyzed data under the guidance of her supervisors, Dr. Zippy Mukami and Dr. Kennedy Nyabuto Ocharo who also proofread the final work to ensure it was in line with academic standards before sharing for publication.

Conflict Of Interest Declaration

The authors registered no conflict of interest in this study.

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