MAKERERE UNIVERSITY

MAKERERE UNIVERSITY BUSINESS SCHOOL

INDUSTRIAL MARKET SEGMENTATION, TARGET MARKETING, MARKET POSITIONING AND PERCEIVED ORGANISATIONAL PERFORMANCE IN UGANDA: A CASE STUDY OF SHELL UGANDA LIMITED

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PLAN A

NOVEMBER, 2023

DECLARATION

I, **Odeke John Michael**, hereby declare that this research report is my original work and has never been presented for any academic award whatsoever in this or any other university or institution of higher learning.

Signature ..... Date 23:11:2023.....

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2018/ HD10/2581U

APPROVAL

We hereby confirm that this research report has been under our supervision and is submitted for examination with our approval as the University Supervisors.

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DEDICATION

This report is dedicated to my family for your unwavering support and emotional attachment.

ACKNOWLEDGEMENT

I thank God the Almighty for my life and success in my academics. I extend my sincere thanks to my supervisors, Assoc. Prof. Jotham Byarugaba (PhD) and Dr. Matthias Mulumba (PhD) without whose guidance and encouragement, this report would not have been completed. I want to extend my sincere appreciation to all the respondents from Shell Uganda who endeavored to provide responses voluntarily in the challenging period when business was at standstill.

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ABSTRACT

Introduction: In an attempt to improve performance, Shell Uganda Limited has adopted Industrial marketing strategies such as market segmentation, target marketing, and market positioning. Despite efforts by Shell Uganda Limited to improve performance, there has not been much success with regards to sales performance. This study examined the relationship between Industrial market segmentation, target marketing, market positioning and perceived organisational performance in Uganda. The study was based on the market segmentation theory by Wendell (1956).

Methods: A cross-sectional research design was employed, with a study population of 180 staff and sample size of 126 determined using statistical Table of Krejcie and Morgan (1970). A questionnaire and an interview guide were used for data collection. Results confirm that there was reliability as the scores are all equal to or above 0.70. The instruments were valid having scored above 0.7 on the content validity index. Data was analyzed using both quantitative and qualitative techniques.

Results: The responses were fairly good, with senior management (50%), middle managers (67%),and sales representatives (80%).Industrial market segmentation and perceived organisational performance are positively and significantly correlated (R=.797**, P< 0.01) . Target marketing and perceived organisational performance positively but insignificantly correlated (R=.139, P>0.01).Market positioning strategy and perceived organisational performance are positively and significantly correlated (R=.301**, P<0.01).The overall regression model revealed an Adjusted R Square=.745, P<0.01. It also shows what the sample reflects of the phenomenon obtaining in the population studied. This means that the variables in the model predict up to 74.5% of the variance in the perceived organisational performance in Shell Uganda. Market segmentation explains 79.7% (.797) of the variance in the perceived organisational performance. Target marketing explains -32.7% (-.327) of the variance in the perceived organisational performance. Market positioning explains -21.2% -.212) of the variance in the perceived organisational performance.

Conclusion: The use of industrial segmentation promotes activities, behavior and processes that finally lead to a significant improvement in perceived organisational performance given the significant and positive association between these two variables. All efforts to enhance target marketing have potential to enhanced perceived organisational performance. There is a positive and significant relationship between market positioning strategy and perceived organisational performance in Shell Uganda.

Recommendations: The management of Shell should consider an in-depth exploration of the best way to implement geographical market segmentation. Shell Uganda should consider use of big-data analytics to inform marketing decisions. Behavioral market segmentation should be matched with the customer's behavior with the product offerings. Differentiated targeting strategy should be emphasized by the marketing teams of Shell organization. Concentrated targeting strategy should continue to be pursued by Shell management to ensure that there is something for a certain target feasible market segment. Shell should ensure increased presence on social media. More marketing should be done using the word of mouth, loyalty campaigns and gifts to loyal clients. Staff of Shell need to be trained and updated in marketing campaigns executions.

CHAPTER ONE

INTRODUCTION

1.1 Introduction and the Background of the Study.

This chapter includes a background to the study, statement of the problem, research objectives and questions, scope of the study and significance of the study and the conceptual framework.

The study examined the effect of Industrial market segmentation, target marketing and market positioning on organisational perceived performance in Uganda.

Globally, companies face challenges in marketing their products and services and this in turn results into business failure (Cant, 2016; Cant & Wiid, 2018). Botha, Creaven and Mandy. (2020) are equally concerned that without perfecting marketing in terms of branding, differentiation, market orientation, and positioning, limited success in performance can be attained.

Although many corporations see the industrial marketing strategies as vital to the perceived organizational performance, 20% of the customers' retention rate generate 80% of the sales volume/revenue (Marshall, 2013). In light of this argument, some companies continue to face marketing challenges in regard to perceived organizational performance. This occurs because their leaders lack sufficient knowledge on industrial marketing strategies which results into loss of revenue (Sharmeela-Banu, Gengeswari & Padmashantini, 2016).

Industrial market segmentation, target marketing and market positioning play a vital aspect for companies who promote long-term relationships and sustain customer loyalty (Anderson, Swaminathan & Mehta, 2016). The level of customer loyalty explains the perceived organizational performance, even literature reveals that loyal customers are more reliable and less costly to maintain than attracting and maintaining new customers (Aghadavood & Askari, 2014). Ata and Toker (2014) state that company leaders who increase customer satisfaction experience greater organisational performance.

Today's markets are so globalized and this has led companies to think that internationalizing their business activities is the best way to remain competitive. This internationalization drive has led to emergent need for marketing strategies such as segmentation, targeting and positioning as central global tools for any company to remain competitive in the global

market environment (Aremu & Lawal, 2017). Marketing strategies are vital requirements of Industry's ability to strengthen its market share and minimize the impact of global competition (Ebitu, 2016).

Market segmentation, targeting and positioning are gears of marketing performance used in attaining competitive advantage by a company in the market. However, many companies in developing countries are struggling to survive under strong competitive business environments both locally and internationally due to poor marketing strategies (Ebitu, 2016).

Uganda is ranked second highest in terms of business startups in a year but with one of the highest business failure rates in the world (GEM Report, 2014). This suggests that company growth in Uganda is lacking. The challenges faced by companies in Uganda include low productivity and profitability, lack of market competitiveness and low survival rate (Hatega, 2017; Kigozi, 2019; KPMG, 2019).

A study by the Private Sector Foundation Uganda (2016) found that less than 10% of the companies in Kampala survive beyond their first year of existence and only 5% survive and make it to maturity. Although a number of factors could be responsible for the high failure rate of companies, it is not clear as to how market segmentation, target marketing, and market positioning contribute towards organisational performance in Uganda. In addition, literature on the effect of market segmentation, target marketing, and brand positioning on organisational performance in Uganda remains scanty (Srivastava, Shervani & Fahey, 2018; Hooley et al., 2015). The main purpose of this study is therefore to examine the effect of market segmentation, target marketing and market positioning on perceived organisational performance in Uganda, using Shell Uganda Limited as a case study.

1.2 Statement of the Problem.

Perceived organisational performance is a result of many factors, however, industrial market segmentation, target marketing and market positioning seem to be vital (Aremu & Lawal, 2017; Cant & Wiid, 2018; Ebitu, 2016). In light of this, Shell Uganda Limited has adopted Industrial marketing strategies such as market segmentation, target marketing and market positioning. Several campaigns in various forms and at different timings and geographical areas within Uganda have been covered by Shell Uganda marketing campaigns and related products. The results from such arrangements have not been fruitful.

Perceived organisational performance in terms of sales volume and market share in Shell Uganda has not been as successfully attained. As such, the Shell Uganda marketing efforts are yet to improve performance and yet there is no established link between industrial marketing and perceived Organizational performance.

The above highlighted gaps motivated the study to bridge this gap in knowledge by examining the effect of market segmentation, target marketing and market positioning with a view to improving organisational performance in Uganda, with specific reference to Shell Uganda Limited.

1.3 Purpose of the Study.

This study examined the relationship between Industrial market segmentation, target marketing, market positioning and perceived organisational performance in Uganda.

1.4 Research Objectives.

i. To evaluate the relationship between Industrial market segmentation and perceived organisational performance.

ii. To establish the relationship between target marketing and perceived organisational performance.

iii. To investigate the relationship between market positioning strategy and perceived organisational performance.

iv. To examine relationship between Industrial market segmentation, target marketing and market positioning on perceived organizational performance.

1.5 Research Questions.

i. What is the relationship between Industrial market segmentation and perceived organisational performance?

ii. What is the relationship between target marketing and perceived organisational performance?

iii. What is the relationship between market positioning strategy and perceived organisational performance?

1.6 Scope of the Study.

This subsection covered subject scope, geographical scope and time scope.

1.6.1 Subject scope.

The study focused on market segmentation, target marketing, market positioning and perceived organisational performance. For this study, market segmentation, target marketing and market positioning was the independent variables and perceived organisational performance was the dependent variable.

1.6.2 Geographical scope.

The study was carried out at the headquarters of Shell Uganda Limited which is located on 7th Street Industrial Area, Plot 9, 11, Kampala, Uganda. It is well spread throughout the country and it is one of the most reliable petroleum outlets used by most Ugandans. Shell Uganda Limited head office was therefore expected to have the required information on the required variables.

1.6.3 Time scope.

The study focused on information (secondary data) relating to the period of five years (2015 to 2020). It was assumed that this period would yield fresh and recent information. It was during this period that there occurred intensive shift in performance of Shell Uganda Limited. The report was compiled between January 2023 and October 2023.

1.7 Significance of the Study.

The study is significant to the fuel industry as they may use the findings and recommendations of this study to enhance their marketing strategies.

The study may provide management of Shell Uganda Limited with information on the general state of competition in the oil industry in order to capture the competitive market.

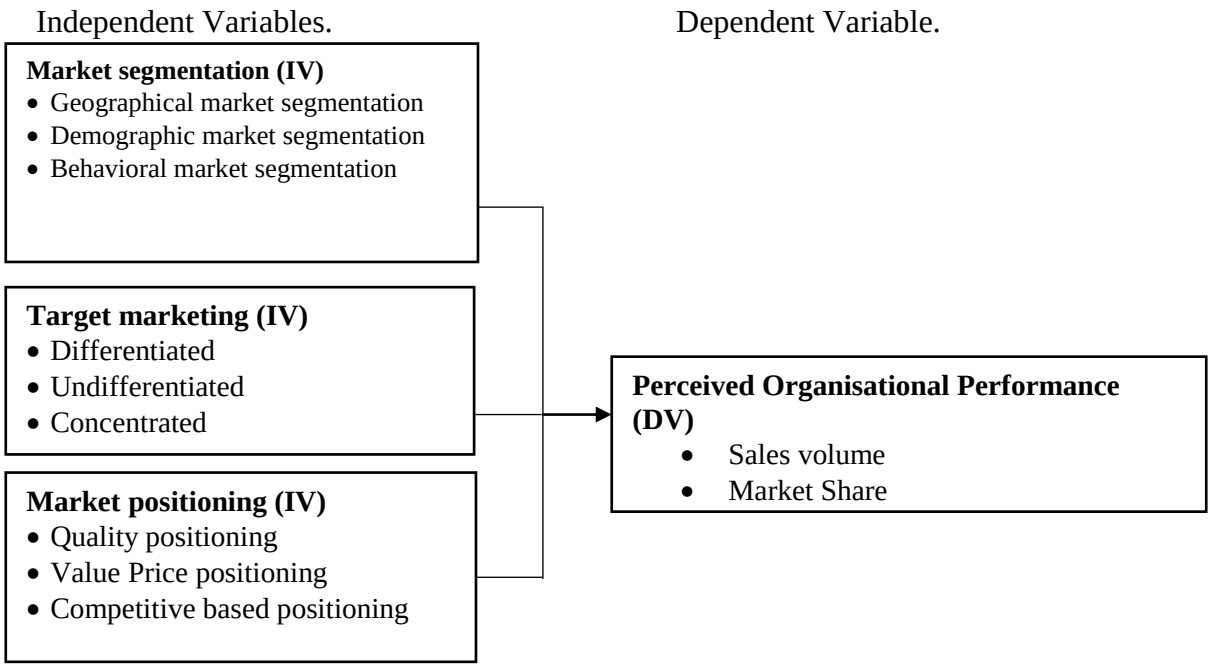
The study may also provide information to policy makers on the challenges faced by current marketing strategies and help them know what kind of strategy to adopt in order to develop a strong market position.

The scholars and other researchers interested in carrying out further studies in the same area may find the results of this study a useful reference material.

1.8 Conceptual framework.

The conceptual framework figure 1, shows the relationship between market segmentation, target marketing, market positioning and perceived organisational performance.

Figure 1.1: Conceptual Framework.



Source; Adapted and Modified from Abeck (2017); Brooksbank (1994); Hajar, Mahrani and Sinarwati (2014); Larsen (2010); Moyo (2007).

Description of the conceptual framework

The conceptual framework assumes that efficient market segmentation, target marketing and market positioning influence organisational performance. Although there are several indicators of organisational performance, this study focuses on sales volume and market share to measure organisational performance.

According to the conceptual framework, it presumes that the independent variables which include market segmentation, target marketing and market positioning influence organisational performance which is the dependent variable.

Market segmentation is conceptualized as a process of distributing potential market into separate consumer subsets with joint characteristics or needs. Then selecting one or more sections to aim with a unique marketing mix. The model assumes that market segmentation influences organisational performance by increasing the market share of the company more than that of other companies within the same industry.

Target marketing is conceptualized as a method of assessing every segment's desirability and choosing one or some that are suitable to enter. Targeting is the true segment selection.

The aim is to involve a tactical concentration on one or some identified segments in the market, and establish marketing offers that are responsive and unique to each segment of concern. The model assumes that target marketing strategy influences organisational performance in that it helps a firm concentrate its efforts on a key market niche which has specific needs.

Market positioning is conceptualized as designing the image of a company and placing it to exist in a distinct place in the mind of the target market. The conceptual framework assumes that market positioning influences organisational performance in that it allows a firm to gain a competitive advantage by placing a product to occupy a distinctive, clear and desired place relative to its rival products; in the consumers' mind.

In the above context, there is suspicion of a link between sales volume and market share. Also, market segmentation, target marketing and market positioning are expected to influence organisational performance. These relationships being envisaged informed the next section of literature to explore what writers have documented on the same.

CHAPTER TWO

LITERATURE REVIEW.

2.0 Introduction.

This section presents literature on the relationship between market segmentation, target marketing, market positioning strategy and organisational performance. It also discusses, the effects of market segmentation, market targeting and market positioning on organisational performance. These were used to compare and underline variations and or similarities between extant literature and the findings of the study.

2.1 Theoretical Review.

The theoretical framework of this research is derived from the market segmentation theory by Wendell (1956). According to the theory, market segmentation uses demand in the market as its basis for growth and chooses reasonable and realistic regulations to products along with marketing activities to satisfy the needs of different consumers. The concept of market segmentation was developed in economic theory to show how a firm selling homogeneous product in a market characterized heterogeneous demand could maximize sales in a given market segment (Duhammel, 1966). The theory shows that optimal profits can be achieved if the firm uses consumers' marginal responses to the price i.e., price elasticities, to define mutually exclusive segments and sets price (or output) so that marginal profits achieved in each segment are equal (Claycamp & Massy, 1968). Market segmentation is seen as a disparity on the model of setting prices by monopolists and is often discussed under the price discrimination topic (Hunt & Arnett, 2004).

The market segmentation theory assumes that markets are not similar though some areas are suggesting that segmentation accepts similarity at segment level but it does not at the market level. Segmentation also accepts segments that lack competition but competition does not have to be attributed if they have been selected on assumption that competitors lack a position that is strong in such segments (Pesonen, 2013). The theory also assumed that segmentation of markets combines markets.

The market segmentation theory provides the capacity to gain a full market understanding, improved forecast methods of consumer behavior, and an improved ability to identify and exploit new market opportunities for commercial benefit (Fuller, Hanlanv & Wilde, 2005). According to the theory, ability to divide markets into distinct sets of buyers or potential

buyers who react in a different way to variables of a mix in marketing is likely to demonstrate mostly profitable to those wanting to affect the demand of consumer for a precise service or product (Hunt & Arnett, 2004).The theory also suggests/argues/highlights that the goal of market segmentation is to understand the changes between consumers with same features and making the differences beneficial (Chen & Hsiao, 2009). Therefore, through using the knowledge of market segmentation, organizations like Shell Uganda Limited can fully study their customers and plan means of dividing markets into distinct sets of buyers or potential buyers, hence making this theory relevant for the current study.

2.2 Market segmentation and perceived organisational performance.

Market segmentation is the process of separating a market into smaller groups of buyers with distinct needs, characteristics, or behaviors who might require separate product or marketing mixes (Kotler & Armstrong, 2006). Market segmentation is applied using factors including geographical, demographic and behavioral as discussed below.

2.2.1 Geographical market segmentation.

In geographic segmentation, likely organizations or customers are segmented in a national, regional, state, or local marketplace (Moyo, 2017). Market segmentation aims to split markets comprised of individuals into groups whose features are relatively similar within each set or segment and varied between segments, based on a known set of variables (Kara & Kaynak, 2017). Marketing experts have implemented the concept of market segmentation actively. The benefits have been seen to include an ability to gain a full understanding of a particular market, improved techniques to predict consumer behavior, and an improved ability to identify and exploit new market opportunities for commercial benefit (Heok et al., 2015). The ability to split markets into different groups of buyers, or potential buyers, who respond differently to changes in marketing mix variables is likely to be beneficial to those trying to influence customer demand for a specific product or service. According to Kotler et al. (2001), the effectiveness of segmentation depends on determining segments which are measurable, accessible, substantial, actionable and differentiable. Kotler (2014) refers to a measurable segment as one where the size of the segment and the related purchasing power can be quantified. For a segment to be accessible, it must be able to be reached and served effectively by the marketing entity. In addition, the segment must be considerable in that it is large and profitable enough to permit the marketing entity to design marketing mix strategies that are differentiated from strategies that target other segments. The segment must also be

actionable in that the marketing entity can design effective marketing strategies to attract and serve the segment and for the segments to be differentiable, they must respond differently to different marketing incentives.

Hoek et al. (2015) states that at an instinctive level, market segmentation looks useful in terms of increasing sales and revenue. For instance, vendors of ship gears would appear to increase their chances of making sales if they target ship owners rather than a broad market that has not been segmented. Nevertheless, market segmentation strategies go beyond such clearly rational judgments aiming to gain a competitive advantage by identifying and serving the needs of customers more effectively than competitors.

Multifaceted segmentation exercises use a wide number of consumer variables as the basis for segmenting markets and then adopt cultured statistical analysis to group customers together based on these variables. The problem facing such segmentation studies is how to really segment the market from various possible approaches and how to choose the statistical technique likely to prove most appropriate in providing the information required to support market segmentation. The literature discusses two principal approaches to segmentation and these are; a-priori and post-hoc or data driven (Kara & Kaynak, 2017; Wilkie & Cohen, 2014). A-priori segmentation requires the researcher to first choose variables of interest and then classify buyers according to that designation (Wind, 2017). While a-priori approach may guarantee within segment resemblance by ensuring, for instance, that all segment members come from similar geographic regions and income ranges. This does not necessarily mean that all segment members respond in the same way to marketing incentives (Hoek et al., 2015). For instance, consumers with similar demographic characteristics may respond in a similar way to a change in pricing strategy but may have very different reactions to a promotional theme. In addition, the selection of variables in an a-priori study, to some extent, reflect underlying assumptions concerning the market and about which variables are most likely to respond to marketing stimuli. Such assumptions are likely to influence the findings and marketing strategies that arise.

The second approach is to segment markets on a post-hoc basis where the researcher chooses a range of interconnected variables and then bunches buyers into groups whose average within-group similarity is high and whose amid group similarity is low (Wilkie & Cohen, 2014). This approach may result in segments that are not basically internally consistent. Even if researchers identify groups with similar attitudes or usage habits, members often have

different demographic characteristics making marketing decisions such as media buying, difficult to act upon (Hoek, Gendall & Esslemont, 2015). Young et al. (2016) suggest- that a common reason segmentation studies fail in the implementation stage is that marketing research is too preoccupied with the methods and techniques of segmentation, and fails to consider the competitive structure of the market and the general marketing environment.

Hoek et al. (2015) contends that in spite of cultured approaches to market segmentation, the selection of variables on which such studies are based involves particular judgments. For example, researchers using consumption benefits as a segmentation basis must determine which benefits to measure and select appropriate means of assessing their relative importance to respondents. Smith (2014) says that the initial choice of variables is itself a categorization of the data which has no mathematical or statistical guidelines and which reflects the investigator's judgment of relevance for the purpose of the classification. However, the particular decisions and assumptions essential in segmentation studies do not impede the studies from being useful to gaining an improved understanding of the key factors influencing the choice of a variable. However, such assumptions need to be made clear and transparent so that users of the models understand the limitations of any findings.

Geographical market segmentation can divide a densely populated city in more manageable populations. People living in different areas of a city will have different backgrounds and even cultural preferences. The population of a large metropolitan area will include people of, say, the city proper and peri-urban areas. To have this information is good enough for one to appreciate the need to use various means of communication; and the strategy must vary as much as the audience does (Kara & Kaynak, 2017).

Working with a certain population means getting to know them. Creating client identities goes hand-in-hand with geographic segmentation. This means that, with enough knowledge and practice, one will be able to predict certain behaviors from different people living in a particular area and to anticipate their reaction to different strategies. Determining the present and future behavior of an area is one of the most valuable skills one learns and it proves to be one of the best allies if one continues to do business with a certain population (Kara & Kaynak, 2017).

Geographic segmentation is an effective methodology used by organizations with large national or international markets to better understand the location-based attributes that comprise a specific target market. Consumers that live in different geographic regions

typically display varying needs, wants, and cultural characteristics that can be specifically targeted for more efficient and better marketing (Walletzký, 2015).

Geographical segmentation calls for separating the market into different geographical units such as local town, region or country as a whole. However, the nature of the petroleum industry is such that petroleum companies, building societies and insurance companies cannot discriminate in terms of locality or region. Ideally, under the influence of technological innovation, definitions of market boundaries keep on changing. In addition, differences in preference and purchase patterns for petroleum products/services do not appear to emerge along regional lines, thereby removing the usefulness of geographic segmentation (Charnes et al., 2018).

2.2.2 Demographic market segmentation.

Under demographic segmentation, potential customers are recognized by measures such as race, gender, income level, age, religion, occupation, family size, marital status and education level (Moyo, 2017). Segmentation has become one of the most leading concepts in both marketing theory and practice. In petroleum industry, like any other industries, segmentation is considered as a major way of operationalizing the marketing concept, and providing strategies for an industry's marketing strategy and resource allocation among markets and services (Doyle et al., 2015; Yabs, 2014; Walletzký, 2015). As a concept, market segmentation is the process of separating a market into different groups of individuals or organizations who share one or more similar responses to some components of the marketing mix (Hiam & Schewe, 2014).

The segmentation process demands for dividing the total market into similar segments. The literature of market segmentation shows that there are two schools of thought. First, the behaviorally-oriented school which is concerned with the identification and documentation of generalizable differences among buyer groups. These differences can lead to insights about the basic process of consumer behavior (Assael & Rossie, 2016; Heiner & Mühlbacher, 2017). Second, the decision oriented school which focuses not so much on why there are differences among consumers as on how these differences can be exploited to increase the productivity of the industry's marketing programs (Jain & Punj, 2017; Yabs, 2014). In practice, these two approaches are not equally exclusive; indeed, they overlap in many segmentation studies. For instance, research that aims at contributing to behaviorist theory is

often motivated by a normative problem. Equally, a decision-oriented study may end up by contributing to general knowledge about market segments.

Referring to the industry marketing literature, some studies have been conducted on individual customer segmentation using both the behavior and decision-oriented approaches (Boyd et al., 2016). Similarly, both the behavioral and decision orientations would be very useful and productive for any segmentation strategy of the industry's business-customer market. The industry management should focus on differences between its customers (their selection behavior of the industry, or their perceptions of the product or service quality provided), as well as the impact of such recognizable differences on their response to the various elements of the industry marketing program. So, the segmentation strategy and analysis adopted in this study are based on both the behavior and decision-oriented approaches. The study seeks to identify the main differences among the customers of the petroleum industry in Uganda in their perceptions of the relative importance of the industry products/services provided, and their industry selection behavior. In addition, the study attempts to show how such possible differences would affect the marketing strategies of the industry in Uganda segments, and creating separate marketing programs to meet the needs and wants of the selected segments (Yabs, 2014).

As a strategy, market segmentation is the allocation of marketing resources, given a varied market. The identification of segments, heterogeneous in response, allows the evaluation and modification of the industry's marketing strategy. The effectiveness of the segmentation process and strategy depends on identifying segments that are measurable, accessible, stable, substantial, and actionable (Restrepo, 2013). Companies try to segment their customers by identifying groups of persons with need structures that are as similar as possible within each group and significantly varied between groups (Smith, 2014). These groups can then be addressed with a specially intended but also standardized strategy (Kotler, 2013). The goal is to solve the conflict between the intentions to satisfy customer needs as individually as possible but also to allocate marketing resources as economically as possible (Walletzký, 2015).

Demographic and socio-economic segmentation, based on age, sex, marital status, income, occupation, education, religion, social class and so on, assumes these variables have an influence on consumer behavior, and that they can therefore be used as proxies for direct needs analysis. Demography refers to the vital and measurable statistics of a population

(Green & Krieger, 2014). It helps to locate the target segment. However, there has been much discussion in recent years about the role of such variables as determinants or even correlates of consumption behavior. It ought to be noted that except for specific products aimed directly at specific socio-demographic groups, evidence indicates that demographic measures, outside of education, are not an accurate predictor of consumer behavior (Smith, 2014; Minhas & Jacobs, 2015; Hiam & Schewe, 2014).

2.2.3 Behavioral market segmentation.

The fundamental aim of market segmentation is to cluster consumers with similar needs and buying behavior into segments, so that each segment can be reached with a different marketing program. The concept tries to bridge the gap between varied customer needs and limited company resources, by encouraging different product and marketing offerings to be developed to suit the requirements of different customer segments (Assael & Rossie, 2016; Blattberg et al., 2014; Walletzký, 2015). The marketing literature proposes that segmentation leads to more satisfied customers, because it offers the practitioner a number of clear benefits: improved understanding of customer needs, more appropriate resource allocation, clearer identification of market opportunities, and better adjusted and positioned marketing programs (Kotler, 2014).

Companies that use behavioral segmentation can increase their marketing effectiveness by using the insights to create personalized experiences for audiences based on their needs, preferences, and stage of the buying process. When products understand designs in customer activity, they can better meet customer needs and wants, identify top marketing opportunities, and develop better solutions for customers (Hajar et al., 2014).

2.3 Target marketing and perceived organisational performance.

Targeting consists of assessing each segment and selecting either one or more of the segments to enter (Abeck, 2017). The possibilities for determining the company's target group of customers in a product market range from trying to appeal to many people in the marketplace (a mass-market approach) to follow one or more niches within the market (Moutinho, 2016). Mass customization is the ability to respond quickly and profitably to the changing needs and desires of specific customers. It is a rounded method to bring goods and services to market with the customer as the key aspect of the organization (Lhotáková & Klosová, 2018); while niche marketing consists of identifying a line of product to one specific sub-segment and obliging to all resources in marketing to that sub-segment's

satisfaction (Dibb & Simkin, 2016). There are three key targeting strategies: differentiated, undifferentiated and concentrated (Hajar, Mahrani & Sinarwati, 2014).

2.3.1 Differentiated targeting strategy.

Differentiated marketing is a method employed in marketing whereby several market segments are targeted by a company through the use of special offers suitable to each sector. Therefore, higher sales are experienced by the company and each market segment gets a better position (Larsen, 2015). The approach of targeting differentiated companies happens in circumstances where companies decide to attend to two or better defined segments in the market and acquire for each market a different marketing mix. They do not necessarily use different marketing mix, they however use different promotional appeals as the basis for a differentiated targeting strategy (Moyo, 2015). The differentiated approach is applied in circumstances where a firm has selected target market segments that are more than one and has prepared for each a market mix (Moutinho, 2016). In a differentiated strategy, same brands are given in two segments or more but with a different market strategy in each (Lhotáková & Klosová, 2018).

2.3.2 Undifferentiated targeting strategy.

In undifferentiated targeting strategy, a firm embraces the idea of mass market, seeing the market as one large market without individual segments. Undifferentiated marketing implies forming one offering to the entire market; the offering is focused in the direction of what many individuals need and the majority's common. This strategy states that different customers have same requirements that are met with a joint marketing mix (Moyo, 2015). The strategy is an approach of mass marketing that disregards variances among the segments. The entire market is reflected to be indifferent and the brand or product is aimed at anyone (Lhotáková & Klosová, 2018). A firm does not deliberate the variances between every segment and considers targeting the market with a single offer. Thus, the organization focuses on similar wants of the customers instead of the differences (Larsen, 2015).

2.3.3 Concentrated targeting strategy.

A niche market (one market segment) is selected to target efforts in market under concentrated targeting strategy. Appealing to one segment gives the opportunity of focusing on understanding the motives, satisfactions and needs of the members of the segment, and establishing and sustaining a marketing mix that is greatly specialized (Moyo, 2015). By use of concentrated targeting strategy, a company is capable of marketing more efficiently

because of exceptional knowledge and a position that is strong in the needs of the customers inside every segment. Even though concentrated targeting strategy can be extremely profit gaining, it also includes a big risk because of the fact that the firms depend on some segments for their entire firm and will suffer majorly if the segment goes sour (Larsen, 2010). The strategy can also become tragic for a business that is unsuccessful in its target market which is narrowly defined (Moutinho, 2016).

2.4 Market positioning strategy and perceived organisational performance.

The technique of generating positioning strategies needs one to have the skill to form a marketplace picture and innovatively thinks about the three sub-components and the interrelationships between them (Brooksbank, 2014). These strategies are easier to make and put into use in circumstances where products are sold only to a single market that includes a group of homogeneous people that value offerings like value and convenience (Moschis, Lee & Mathur, 2017). According to Claudiu et al. (2016), seven different positioning strategies exist, that is, positioning of attributes, benefits, competitor, user, use/application, and quality/price and product category. In the case of the current study, only three positioning strategies will be applied and these include; quality, value price and competitive based positioning.

2.4.1 Quality positioning.

The company places itself in standings of one or more outstanding qualities or benefits in attribute positioning (Moyo, 2015). In this positioning, a company can place itself in relations to one or additional features or attributes (Chelimo, 2016). Often the price and quality of a product align, in the mind of the consumer, as the high price is often associated with high quality. But positioning a product based on its high quality is different from positioning based on price. Often these brands do not communicate their price point, but instead high quality or prestige is the focal point of communication. In order to create a desire, customers will want the product regardless of the price (Brooksbank, 2014).

The company can say their product is of excellent taste, or the price is low. A products price has the ability to find the class of the product in the positioning of the objective. It can also improve the perceived consumers' value in the subjective positioning (Ayele, 2012). In product positioning, it's possible for a firm to put itself in the category of the product untraditionally connected to it, thus expands opportunities for business (Moyo, 2015).

Product positioning is a scheme focusing directly on the specific benefits or attributes of a product, that is, features distinguishing brands from each other (Dibb & Simkin, 2016).

Price and perceived quality usually go hand in hand. Ayele (2012) states that perceived quality has three points: Objective quality, which is based on the performance of the brand; Manufacturing quality, which is based on how defect-free the brand is; product-based quality, which is associated with features/ parts/ ingredients/ services. Therefore, it is important to achieve perceived quality on a dimension that consumers consider important.

2.4.2 Value price positioning.

Price positioning strategy is the effort in which a business creates a promising fair pricing method. This strategy states that the perceived price is determined by the perceived total value of the product or service being sold. Pricing can influence the market positioning of a company and know how to use it as a branding tool (Gonzalez-Benito et al., 2014). Profits related to particular products do not only show how the profits are made but also show the value of the particular brand. A good reputation can be created from the quality of the product and its value. Entrepreneurs may decide to remain on the competitive zone offering subsidized prices. In such a situation, the business may get just a little reputation but not compared to those businesses on the higher zone. The entrepreneur is often viewed as simple and minimalistic since they offer cheap prices. The customers are likely to attract entrepreneurs who want painless solutions for an easy price (Monroe et al., 2015).

On the other hand, there are expensive brands. If an entrepreneur has higher social standing, then he or she is likely to have a good reputation. Most people have the perception that high quality things are expensive. This is because people have been sensitized into thinking they always get quality for what they pay for. Nevertheless, there are always exceptions. Some expensive products are not that good thus do not do very well in the market (Gonzalez-Benito et al., 2014). Pricing is crucial but cannot be done alone. Marketing has to be reflected as well as other components when planning the price of a product. This means that marketing can work as an effective branding tool. It has to be considered side by side with marketing and other components of business so that it can work as an effective branding tool.

Positioning the products or services based on price is associating the brand with competitive pricing. Generally, with pricing positioning strategy, a brand aims to be the cheapest or one of the cheapest in the market, and value becomes their position. For example, Supermarket chains often have a house brand with very low-price products in many product classes. Their

lower logistical and distribution costs allow them to price their products lower than the competitors, so price-sensitive buyers will often purchase them without knowing the price because they know it is often the cheapest option (Wang et al., 2016).

Brands can also be positioned based on price if they find a gap in the market at a certain price point. In this case, being the only option in a certain price range can become the market position. Often brands extend their product lines to fill a gap in the market (Borman & Motowidlo, 2014).

2.4.3 Competitive based positioning.

Through competitor positioning, it is likely to place certain products against offerings that are competitive. The competitive position selected by a firm to settle in is a mixture of the differential advantage it seeks to form so as to secure that market and the target market it selects (Kipyegon, 2019). In positioning of a competitor, some market offerings are better positioned against competitive offerings (Kipyegon, 2019).

Competitor based positioning focuses on using the competition as a reference point for differentiation. Brands highlight a key difference their product/service offers in their marketing to make it seem favorable and unique compared to other options in the marketplace and this makes the product or services becomes unique (Blankson & Crawford, 2017).

Brands can also use the competition as a reference point to follow a similar strategy. If a particular brand has a large market share, their positioning strategy must be attractive to a large group of customers, so they try to convert some of their customers by offering a similar product with similar benefits at the same price point (Prinsloo et al., 2014).

2.5 Perceived organisational performance.

Numerous studies have discovered the segmentation, targeting and positioning concepts and their impact on organization. In the case of the current study, only two effects of market segmentation, market targeting and market positioning on organisational performance will be applied and these include; sales volume and market share.

2.5.1 Sales volume.

Olbara (2015) studies the relationship between competitive advantage and target marketing strategy by Standard Chartered Bank. The study collected data using an interview guide, which acted as a guide during the interview. The study found that target marketing has

enabled the bank to realize competitive advantage through brand building, use of differentiation strategy, analysis of environmental factors, innovation, competitive conditions and available resources. The study concluded that the bank should continue innovating products for its target market and building the brand, which they have achieved through offering services to the targeted market.

Kipyegon (2019) assesses the positioning strategies adopted by courier firms in Kenya. The study also examined how the firms develop and use these strategies to sustain their competitive advantage. The study adopted a descriptive design and targeted ten courier firms based in Nairobi. Data was composed by usage of a self-administered open and closed ended questionnaire. The study established that acceptance of the positioning strategies by the decision makers is critical and therefore there is need for good identification of the customer needs to help in speeding up the adoption of this strategy and avoid rejection of the same. However, limiting aspects such as lack of technical skills, poor understanding of the relevance of positioning strategies by those in the management and poor internal support hinder the implementation.

Chelimo (2016) did a study on the positioning strategies put in use by Telecommunication firms in Kenya. The study collected primary data by use of questionnaires that are semi-structured, which were directed to in-charge individuals of strategic planning function, and in lack of their presence, to persons managing the marketing function. The findings of the study established that customers prefer most telecommunication firms because of their characteristics of products, advancement in technological, superior characteristics of product and prices that are competitive, as these impact on positioning to a larger degree.

Mokua, Kanyagia and M'Nchebere (2016) did a study on effect of market positioning on organisational performance in the airlines industry in Kenya; case of Kenya Airways. The study targeted 215 respondents from a population of 1230 staff and clients. Content analysis was used to analyze the data. Findings indicated that variations in performance could be explained by the pricing strategies used. A confidence interval of 95%. Strategies used in pricing had a significant effect on cost strategies, performance, service quality, innovation and varied benefits. The study also indicated a positive relationship between pricing strategies and perceived service quality.

2.5.2 Market Share.

Adina (2017) conducted an empirical study on market segmentation capability and business performance: A reconceptualization and empirical validation. The main purpose of this study was to explore the relationship between market segmentation and business performance. The study was conducted within the critical sanity paradigm and adopted a sequential qualitative and quantitative methodology, using 24 in-depth interviews with marketing managers and segmentation experts. The study indicated that employing market segmentation is perceived to have positive effects on three types of business performance measures. Firstly, through targeted marketing campaigns and tailored value propositions based on each segment's needs, segmentation implementation is perceived to increase customer performance measures, for instance customer acquisition, loyalty and satisfaction. Secondly, through identifying remaining 'pockets of value' in a maturing market and/or growing, under-served or valuable segments in a developing market, exiting shrinking segments and adapting brand communications to suit each segment's preferences, segmentation can increase market performance outcomes (e.g. increased market share, stronger competitive position). The study therefore concludes that pursuing a segmentation strategy should enhance an organization's performance.

Onaolapo, Salami and Oyedokun (2016) empirically studied "Marketing Segmentation Practices and Performance of Nigerian Commercial Banks". The study mainly examined the impact of marketing segmentation practices on the performance of selected Nigerian commercial banks in the post consolidation era 2005 to date. Emphasis was on the forms of segmentation practices adopted, the extent to which their performance has been influenced and customers' loyalty secured. Data employed were mainly secondary while the research design was exploratory in nature relating such basic variables as market segmentation practices of market share; pricing and geographical branch location to performance. Statistical test using Herfindahl Hirschman Index was used as proxy for market concentration which was tested against performance. The study found among others that segmentation has benefited some sections of the industry more than others thus enabling dominance of the market share and customer support. It however discovered that there is a threshold point beyond which further commitment of funds into market-segmentation practices by a bank will result in negative result.

Masua (2014) studies the effects of positioning strategies on performance of micro and small scale enterprises. A descriptive research design was adopted for this study, concentrating

majorly on the furniture industry in Huruma Estate. The study targeted a population of 50 micro and small scale enterprises. The findings from the study showed that firms used positioning strategies to attain a stable competitive advantage in the market. They used quality and customized positioning, product aspects or clients' benefits and positioning by the competitor. The study recommends that the government use this study as body of knowledge to contribute in informing its efforts in the growth of the SMEs, particularly in its goal of achieving vision 2030.

2.6 Summary of the Literature Review.

Blankson and Crawford (2017), Masua (2014) and Mokua et al. (2016) agree that market positioning strategies have an impact on organisational performance. However, Blankson and Crawford (2017) conducted a study on market positioning strategies in retail firms, Masua (2014) conducted a study on positioning strategies in micro-finance institutions and Mokua et al. (2016) conducted a study on market positioning in an airline industry. These studies extensively recognized that several positioning strategies relate to numerous performance indicators.

Most of the highlighted studies in the literature review do not explicitly address the effect of market segmentation, target marketing and market positioning on organisational performance in Uganda. There's a gap in the research by scholars in this area especially in third world countries. The few that have been conducted in the third world nations have eluded criticism in the criteria, title, scope and methodology used hence the research gaps in terms of literature. This has left a literature gap which the study intends to close by carrying out a research on the effect of market segmentation, target marketing and market positioning on organisational performance in Uganda, with specific reference to Shell Uganda Limited.

Having explored the links between the variables as documented by various authors, gaps were identified to be closed by exploring primary data for inform the conclusions. As such, the next chapter shows the methodology that was used to attain this.

CHAPTER THREE

METHODOLOGY

3.0 Introduction.

This section presents how the study was conducted. It comprises of research design, study population, sample size, sampling procedures, data collection instruments, validity and reliability, data processing and analysis, and ethical considerations.

3.1 Research Design.

A cross-sectional research design was employed for this study. This design was used because it collects data from a large number of cases within a specific time (Creswel, 2013). Both quantitative and qualitative approaches were used because they supplement each other. Quantitative techniques were used to collect information expressed in numerical format; while the qualitative techniques complemented the quantitative approach by soliciting more detailed information expressed in none numerical format.

3.2 Study Population.

The study population comprised of 180 staff as a sample frame in sales and marketing department of Shell Uganda Limited to share their opinions on perceived organisational performance (Shell Uganda Limited Human Resource Record, 2023). According to the Human Resource records, these are the number of people in the sales and marketing department at the headquarters of Shell Uganda Limited (as the unit of analysis) (Shell Uganda Limited Human Resource Record, 2023).

3.3 Sampling Procedure.

Stratified random sampling technique was used to select staff of sales and marketing department of Shell Uganda Limited who participated in the research. Stratified random sampling gives each sampling unit within a stratum an equal chance of being picked for data collection. However, strata with 10 or less members do not need sampling. The study used this sampling technique because each member in this population has an equal chance of being included in the sample. This sampling technique is also convenient for a bigger population with categories and helps in the collection of data in the shortest time possible.

Simple random sampling technique was within each stratum with more than 10 staff to select respondents in the marketing department of Shell Uganda Limited from whom data was collected. Purposive sampling was applied to select manager that were knowledgeable about or experienced with a phenomenon of interest (Cresswell & Plano-Clark, 2011). The study used this technique because the respondents were knowledgeable and had long experience in management matters.

3.4 Sample Size.

A sample size of 126 respondents was determined using statistical table of Krejcie and Morgan (1970) as shown in Table 3.1 below:

Table 3.1: Target Population and Sample Size

Category of Respondents	Study Population (N)	Targeted Sample (S)	Sampling Technique
Total	180	126	Purposive and Simple random.

Source; Shell Uganda Limited (2023).

3.5 Data Collection Instruments.

3.5.1 Questionnaire as a research instrument.

A questionnaire is a quantitative data collection instrument used to gather data over a large sample of respondents (Kombo & Tromp,2006). A self-administered structured questionnaire was used. It consisted of general statements which required opinions to be illustrated by ticks against each statement. Closed statements relating to the effect of market segmentation, target marketing and market positioning on perceived organisational performance in Uganda were included in this instrument. A Likert type questionnaire anchored on (5) strongly agree to (1) strongly disagree will be used in this study. The questionnaire instrument was chosen because it has the advantage of eliciting a lot of data within a short time, providing relevant information and being a less costly method. It is also good for confidentiality purposes.

3.5.2 Interview Guide as a research instrument.

An interview guide as a research instrument is a set of questions that the researcher asks during the interview as a method of qualitative data collection (McNamara, 2009). An interview guide was used during the interviews with key informants within each stratum. The

researcher set questions intended to lead the respondents towards giving qualitative data. This was to meet the study objectives. This was also to probe the respondents in order to seek in-depth clarification about responses provided. A structured interview guide was used for collecting qualitative primary data from management staff on market segmentation, target marketing, market positioning and perceived organisational performance.

3.6 Validity and Reliability.

3.6.1 Validity of Instruments.

Triangulation involves using multiple data sources, investigators, theories, or methods, to confirm a warranted interpretation or conclusion (Daytner, 2006; 2015). In this case, the study compared results from qualitative data with those from quantitative results. Ethical recruiting were used to ensure that data is collected from individuals who are truly representative of their segment to improve validity (Oso & Onen, 2009). The researcher also tried to compare the results obtained with other evidence to further achieve validity.

For quantitative data, validity tests were conducted for content, criterion and construct validity to test how well the instrument was representative, captures relationships between the variables as well as measure the concepts (Saunders, 2007; Sekaran & Bougie, 2010). This instrument was assessed by experts including the supervisor of the study. Content validity was calculated using the formula below:

$$CVI = \frac{\text{Total Number of items validated by the expert}}{\text{Original Total Number of items in the Instrument}}$$

A content validity index of ≥ 0.5 is sufficient and according to Amin (2005), this qualifies the instrument for the study.

3.6.2 Reliability of Instruments.

For the qualitative results, reliability was ascertained by comparing the results obtained with other evidence. Also the researcher ensured that the informants are very clear on the nature of the research (Mugenda & Mugenda, 2003). All these were used to improve and determine reliability of the data.

For quantitative data, to ensure accuracy, consistency and completeness, reliability of the instrument was measured using Cronbach's coefficient Alpha test (Cronbach, 1951). The reliability of the scale items used to assess market segmentation, target marketing, market positioning and perceived organisational performance with reliability levels ≥ 0.7.

Table 3.2: Reliability and validity statistics.

Variable.	Items.	Reliability (Cronbach's alpha).	Validity (content validity Index).
Market Segmentation	11	0.684	0.85
Target Marketing	9	0.769	0.80
Market Positioning	9	0.754	0.75
Perceived Organisational Performance	6	0.756	0.90

Source; Primary data (2023).

From the above table 3.2, results confirm that there was reliability as the scores are all equal to or above 0.70.

3.7 Data Processing and Analysis.

Quantitative data collected from the field was coded, edited and entered to the software for analysis. In analyzing quantitative data, the researcher used SPSS version 20 to analyze the data since it saves time and gives correct results of the findings. A descriptive summary of the statistics was run in form of frequencies and percentages and then interpreted. An inferential analysis was performed in form of correlations and regressions. Pearson's correlation test were run to show the relationship between the variables. Regression analysis was conducted to show the effect between the variables. Given that a structured interview guide were used to collect qualitative data, quantification of qualitative data method were used in the analysis. The results of qualitative analysis supplemented the quantitative analysis which strengthens the study findings.

Qualitative data processing involved thematic analysis. The interviews were recorded with the interviewees' permission. Inductive content analysis was carried out through immersion in the details and specifics of the data collected (Thomas, 2003). According to Miles and Huberman (1994) the alternative qualitative analysis techniques for case studies; transcribe interviews verbatim, develop interview summary sheets. The analysis followed the key stages as laid out by Cresswell (2003). The results are presented in line with Bruan and Clarke, (2006) to establish relationships from the themes developed. Next was to become familiar with the data, the generation of initial codes; identification of themes; review of the themes; defining the themes and producing the report.

3.8 Ethical Considerations.

The researcher ensured confidentiality of the data collected.

The researcher secured a letter of introduction from the Makerere University which provided an appropriate identification of the researcher and the purpose of the research. The researcher also followed the necessary protocols and adhered to the ethical guidelines of the University regarding this research.

The respondents' names were withheld to ensure anonymity.

The researcher also sought the consent of the respondents before administering the questionnaires. This aimed at ensuring that respondents participate in the study basing on their own free will.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS.

4.1 Introduction.

This chapter contains the presentation, analysis and interpretation of findings. The presentation follows the order of the objectives, namely; to evaluate the relationship between Industrial market segmentation and perceived organisational performance; to establish the relationship between target marketing and perceived organisational performance; to investigate the relationship between market positioning strategy and perceived organisational performance.

4.1 Response rate.

The response rate is summarized in the table 4.1 below;

Table 4.1: Response rate.

Category	Target	Response	Response rate
Shell staff	126	96	76%

Source; Primary data (2023).

From table 4.1, responses indicated that there was an overall response of 76% obtained and was a fair representation of the study population.

4.2 Demographic characteristics.

In the section below, the demographic characteristics are presented.

4.2.1 Gender of the respondent.

The gender of the respondents was explored and the findings on this are presented in table 4.2 below;

Table 3.2: Gender of the respondent.

Gender of the respondent	Frequency	Percent
Male	58	63.0
Female	34	37.0
Total	92	100.0

Source; Primary data (2023).

From table 4.2 above, results show that males were 58 (63%) compared to females 34 (37%). This confirms that most employees who responded were males and showed more interest in the subject.

4.2.2 Age of the respondent

The age of the respondents was explored and the responses obtained on this are presented table 4.3 below;

Table 4.3: Age of the respondent

Age of the respondent	Frequency	Percent
26-35	47	51.1
36-45	30	32.6
46-55	15	16.3
Total	92	100.0

Source; Primary data (2023).

From table 4.3 above, results show that respondents were from different age groups. These included 26 to 35, represented by 47 (51%), followed by 36 to 45 represented by 30 (33%). This gives a hint on the age structure of the staff and use of middle aged and young staff to enhance the marketing team's performance.

4.2.3 Education level of the respondent.

The study further explored the education level of the respondents and the findings on this are presented in the table 4.4 below;

Table 4.4: Education level of the respondent.

Education level of the respondent	Frequency	Percent
Certificate/Diploma	8	8.7
Bachelor's degree	65	70.7
Master's degree	19	20.7
Total	92	100.0

Source; Primary data (2023)

From table 4.4, results show that Bachelor's degree holders were represented by 65 (71%) followed by Master's degree holders were represented by 19 (21%). This shows that the respondents were quite educated to understand the study, also that Shell uses staff who are quite educated to handle the products and services.

4.2.4 Number of years worked at the organization.

The years of experience are indicated in the table 4.5 below;

Table 4.5: Number of years worked at the organization.

Number of years worked at the organization.	Frequency.	Percent.
Less than 1 year	11	12.0
1-3	34	37.0
3-5	47	51.1
Total	92	100.0

Source; Primary data (2023).

Results from table 4.5 indicate that, on the number of years, the results indicate that those who had served for one year or less were 11 (12%), 1-3 years were 34 (37%), 3 to 5 years 47 (51%).

4.3 Summary Descriptive statistics.

In this section, the results are presented descriptively. The results appear as mean and standard deviation. The mean is interpreted in accordance with the scale adopted in the questionnaire, where; 1= Strongly Disagree, 2= Disagree, 3= Not sure, 4= Agree, 5= strongly agree. The standard deviation on the other hand is used to show how close or scattered the results are from the mean, essentially showing converge or divergence of opinions.

4.3.1 Market Segmentation.

In this section, the results on the state of market segmentation are presented as mean and standard deviation.

Table 4.6: Market Segmentation.

Descriptive Statistics.	**Mean.**	**Std. Deviation**
Market Segmentation		
Geographical market segmentation		
Geographical market segmentation helps Shell Uganda Limited to have a full understanding of marketplace where they operate.	3.2935	1.09482
Through geographical market segmentation, Shell Uganda Limited has improved on the ability to identify new market opportunities for commercial benefit.	3.6957	1.14584
Through geographical market segmentation, all the branches of Shell Uganda Limited are easily accessible by customers.	4.3152	.85072
Geographical market segmentation has enabled Shell Uganda Limited to set prices basing on the different locations and target customers.	2.4674	1.07367
Demographic market segmentation		
Through demographic market segmentation, Shell Uganda Limited is able to have a clear understanding of customer needs	2.1087	.65392
Demographic market segmentation helps Shell Uganda Limited to gain a competitive advantage by serving the needs of customers more effectively than competitors.	2.8913	1.16219
Shell Uganda Limited is able to determine who to market their products through demographic market segmentation.	2.6739	1.04942
Behavioral market segmentation		
Shell Uganda Limited is able to improve on techniques to predict consumer behavior through behavioral market segmentation.	2.9239	1.05073
Shell Uganda Limited has different marketing programs to reach different customers through behavioral market segmentation.	2.6087	1.45222
Behavioral market segmentation has helped Shell Uganda Limited to have different product offerings that suit the requirements of different customer segments.	3.0761	.77366
Shell Uganda Limited has insights to create personalized experiences for customers based on their needs through behavioral market segmentation.	2.8261	.99016
Summary	**Mean**	**Standard deviation**
Geographical market segmentation	3.44	1.04
Demographic market segmentation	2.56	0.96
Behavioral market segmentation	2.86	1.07

Source; Primary data (2023).

Geographical market segmentation.

From table 4.6, results indicated that (Mean= 3.44, Standard deviation=1.04). This means that there was near uncertainty among respondent regarding whether or not there was geographical market segmentation. As such, there was limited evidence to suggest the link between geographical segmentation and firm perceived performance. However, the large

standard deviation indicates large deviance in opinions. It was further indicated that that Shell Uganda Limited has improved on the ability to identify new market opportunities for commercial benefit. Also, it was revealed that all the branches of Shell Uganda Limited are easily accessible by customers.

The manager was proud to note that urban shell stations do much better than rural counterparts. *"As you know, Kampala has the largest traffic. This puts us at an advantage geographically."(*Manager 1).

Another manager stated, that location is important. "*Shell does not have price differences based on location. However, the location matters in terms of sales and market share.*"(Manager 2).

Related to the above, another manager indicated that there are some drives which are region based, *"our promotions are at times regional, Kampala region, Eastern Region, Western and so on. However, our prices and marketing efforts tend to be uniform across the country*" (Manager 3).

Unlike other managers, this manager indicated that geographical segmentation is not so vital. *"Shell can perform regardless of the location. What matters is the quality of our products and the purchasing power of the clients at any one time" (*Manager 4).

Demographic market segmentation.

From table 4.6, results indicated that (Mean= 2.56, Standard deviation=0.96). This means that there was a weak disagreement among respondent regarding whether or not there was demographic market segmentation. However, the large standard deviation indicates large deviance in opinions. Thus a limited connection between demographic market segmentation and firm perceived performance.

One of the manager indicated, "*Demographics are not key here as our products are largely not demographics sensitive."*(Manager 1).

In disagreement with other managers, another manager revealed that, "*we are leaving in a society with different incomes. A promotion for motorcycle passenger riders (Bodabodas) may not be appealing to vehicle drivers. We as such have special promotions for our bodaboda riders.*"(Manager 2).

To supplement the above, another manager revealed that, demographics were considered especially at the national level, "*our planning tends to fit into the national plan and strategy. So, the impact of demographics like gender income and the rest may not have a localized impact, but rather a national impact."* (Manager 3).

In appreciation of demographics, the manager revealed, *"Our market is demographically divided, along income, age, education, occupation, among other lines. As such, we at times act accordingly. For instance, corporate clients have refueling cards, bodaboda riders have their own promotions and so on. So, it has worked for us."* (Manager 4).

Behavioral market segmentation.

From table 4.6, results indicated that (Mean= 2.86, Standard deviation=1.07). Shows a general disagreement in the context of firm perceived performance. This means that there was uncertainty among respondent regarding whether or not there was behavioral market segmentation. However, the large standard deviation indicates large deviance in opinions.

One of the managers revealed that they do behavioral segmentation and the best example was the Motorcycle riders promotion, "*our customer behave differently and so we tend to segment them behaviorally"* (Manager 1).

Relatedly, one of the managers was quite elaborate on behavioral segmentation. She indicated that *"our segmentation in this respect looks at usage and purchase behavior, benefit driven, customer and loyalty. As such, we plan and do segmentation in accordance with the parameters above."* (Manager 2).

Yet another manager exhibited excellent knowledge about behavioral segmentation. However, it was not all that pronounced; "*yes I appreciate we need and actually at times use behavioral segmentation."* (Manager 3).

Another manager appreciated that there was behavioral segmentation, *"shell is aware that our clients differ behaviorally. As such, without giving you details, as this is our marketing secrete, we use and we intend to use it more and more.*" (Manager 4)

In your opinion, how has market segmentation influenced the performance of Shell Uganda Limited?

In response to the above,

Managers were very appreciative of the use of market segmentation. *"I can confidently reveal that segmentation is one of the strategies keeping shell at the top."* (Manager 1). Another manager supplemented, "*yes, segmentation has worked and results are tangible*." (Manager 2).

Another manager revealed that, "*it is prudent to segregate clients to serve them better with unique products offerings. At shell, we have perfected this and so far so good, we are reaping more sales, more markets, better feedback and so on."* (Manager 3).

Furthermore, another manager noted that *"I can largely attribute our performance excellence to the perfect segmentations in the market. At shell, every client group feel attended to. This means more sales, more profits and so on.*" (Manager 4).

4.3.2 Target Marketing.

In this section, the results on the state of target marketing are presented in table 4.7 as mean and standard deviation.

Table 4.7: Target Marketing.

Descriptive Statistics.	**Mean.**	**Std. Deviation**
Target Marketing		
Differentiated targeting strategy		
Shell Uganda Limited has special offers for customers through differentiated targeting strategy.	3.2065	1.03285
Differentiated targeting strategy helps Shell Uganda Limited to use promotional appeals as a targeting strategy.	2.3261	.66479
Shell Uganda Limited is able to develop an appropriate marketing mix through differentiated targeting strategy.	3.2283	.96195
Undifferentiated targeting strategy		
Undifferentiated targeting strategy helps Shell Uganda Limited to focus on similar wants of the customers instead of the differences.	2.4022	.86520
Undifferentiated targeting strategy helps Shell Uganda Limited to have a brand or product that is aimed to serve anyone.	2.4348	.92943
Shell Uganda Limited embraces the idea of mass marketing without individual segments through undifferentiated targeting strategy.	2.6957	.92272
Concentrated targeting strategy		
Shell Uganda Limited responds quickly to the changing needs of customers through concentrated targeting strategy.	2.0652	1.05668
Through concentrated targeting strategy, Shell Uganda Limited is capable of marketing more efficiently because of exceptional knowledge of the customers.	2.8152	.75490
Concentrated targeting strategy helps Shell Uganda Limited to have better understanding of customers' satisfactions.	2.4239	.96344
Summary	**Mean**	**Standard deviation**
Differentiated targeting strategy	2.92	0.89
Undifferentiated targeting strategy	2.51	0.91
Concentrated targeting strategy	2.43	0.93

Source; Primary data (2023).

Differentiated targeting strategy.

From table 4.7, results indicated that (Mean=2.92, Std. Deviation=0.89). This reflects a general disagreement that there is a link between differentiated targeting strategy and perceived firm performance. This means that there was uncertainty among respondent regarding whether or not there was differentiated targeting strategy actively being used. However, the large standard deviation indicates large deviance in opinions.

At shell, management revealed that there were promotions targeting different groups, for instance, *"our shell Gas Pack, Refill Price, bodaboda riders offers target different market groups."*(Manager 1).

It was also noted by management that, *" we use different offers for different client's, it public knowledge now since our promotions are broadcast on Tv, radio and newspapers, of recent, social media has also helped us spread our messages better."* (Manager 2).

In addition, it was revealed that, *"at shell, we use different strategies targeting different clients and results are always positive."* (Manager 3).

"at shell, we use different strategies targeting different clients and results are always positive." (Manager 3).

In addition*, "like any other serious business, following the know your client strategy. KYC, our customers have different things that appeal to them. As such, we use different strategies to reach out to our clients."* (Manager 4).

Undifferentiated targeting strategy.

From table 4.7, results indicated that (Mean=2.51, Std. Deviation=0.91). This reflects a general disagreement that there is a link between undifferentiated targeting strategy and perceived firm performance. This means that there was uncertainty among respondent regarding whether or not there was undifferentiated targeting strategy. However, the large standard deviation indicates large deviance in opinions.

The manager indicated that, "*the use of mass marketing is the norm, and promotions come in once in a while. This however is not as important in the bid to generate sales."* (Manager 1)

Other comments included;

"At least 12000 Shell customers have been rewarded by Vivo Energy Uganda in a February 2023 promotion." (Manager 2).

"At shell, the norm is undifferentiated marketing, promotions come in once in a while." (Manager 3).

"There are things that every customer appreciates. This is where undifferentiated targeting works." (Manager 4).

Concentrated targeting strategy.

From table 4.7, results indicated that (Mean=2.43, Std. Deviation= 0.93). This reflects a general disagreement that there is a link between concentrated targeting strategy and perceived firm performance. This means that there was uncertainty among respondent regarding whether or not there was concentrated targeting strategy. However, the large standard deviation indicates large deviancy in opinions.

It was revealed that management used concentrated target marketing *"Bodabodas is a classic example of concentrated positioning" (*Manager 1).

The manager appreciated the use of concentrated marketing *"our promotions are tailored to border trucks, and heavy duty truck drivers and so on.*" (*Manager 2).*

It was further noted that, "*out campaigns are in part concentrated and this also has an impact."* (Manager 4).

Target Marketing.

From table 4.7, results indicated that (Mean=2.62, Std. Deviation=0.91). There was thus a general disagreement that target marketing is linked to perceived firm performance. This means that there was uncertainty among respondent regarding whether or not there target marketing. However, the large standard deviation indicates large deviance in opinions.

4.3.3 Market Positioning.

In this section, the results on the state of market positioning are presented in table 4.8 as mean and standard deviation.

Table 4.8: Market Positioning.

Descriptive Statistics.	**Mean.**	**Std. Deviation**
Market Positioning		
Quality positioning		
Quality positioning helps Shell Uganda Limited to tell the customers that their product is of excellent taste.	4.2500	.56695
Shell products are explained to consumers on essential features through quality positioning.	4.3043	.50794
Quality positioning helps Shell Uganda Limited to make sure that their products are distinctive from other companies.	4.3804	.48815
Value price positioning		
Shell Uganda Limited ensures that the price/ quality of the product is aligned in the mind of the consumer through value price positioning.	4.4348	.49844
Value price positioning influences the market positioning of Shell Uganda Limited.	4.1522	.36116
Value price positioning helps Shell Uganda Limited to position its brand based on the price.	3.8913	.74799
Competitive based positioning		
Shell Uganda Limited's market offerings are better positioned against competitive offerings through competitive based positioning.	2.4239	.98599
Shell Uganda Limited uses competitive based positioning as a reference point for differentiation	2.5543	1.17074
Shell Uganda Limited highlights key difference their product/service offers in their marketing to make it favorable and unique through competitive based positioning.	1.9674	.76246
Summary.	**Mean.**	**Standard deviation.**
Quality positioning	4.31	0.52
Value price positioning	4.16	0.54
Competitive based positioning	2.32	0.97

Source; Primary data (2023).

Quality positioning.

From table 4.8, results indicated that (Mean= 4.31, Std. Deviation=0.52). This shows general agreement that quality positioning is linked to perceived firm performance. This means that there was quality positioning in Shell Uganda. However, the fairly large standard deviation indicates a fairly large deviance in opinions. In addition, quality positioning helps Shell

Uganda Limited to tell the customers that their product is of excellent taste. Shell products are explained to consumers on essential features through quality positioning. Quality positioning helps Shell Uganda Limited to make sure that their products are distinctive from other companies.

Quality positioning was revealed as being key in determining performance. "*We are known as quality fuel and lubricants suppliers. This has created business for us."* (Manager 2).

Another manager added, "Our *products are known to be safe and this has made us stand out in the market."*(Manager 4).

Value price positioning.

From table 4.8, results indicated that (Mean= 4.16, Std. Deviation=0.54). This shows general agreement that value price positioning is linked to perceived firm performance. This means that there was value price positioning in Shell Uganda. Still, the small standard deviation indicates a smaller deviance in opinions, hence more of convergence. It was further agreed that price or quality of the product is aligned in the mind of the consumer through value price positioning. It was also agreed that value price positioning influences the market positioning of Shell Uganda Limited. Furthermore, it was noted that value price positioning helps Shell Uganda Limited to position its brand based on the price.

On value price positioning, *"our prices are just affordable and clients feel value for money. This has increased our sales."* (Manager 1).

Another manager stated, *"our clients see us as a company that cares about their wellbeing. Our products are safe for the engines especially."*(Manager 3).

Competitive based positioning.

From table 4.8, results indicated that (Mean=2.32, Std. Deviation=0.97). This shows general disagreement that competitive based positioning is linked to perceived firm performance. This means that there was no competitive based positioning. However, the large standard deviation indicates large deviance in opinions.

It was revealed that shell uses competitive positioning*, "we are known as a company that offers products at competitive prices."* (Manager 2).

Another manager revealed, "*Our customers care mostly about quality, so, we work on that and competition is not our problem."* (Manager 3).

4.3.4 Perceived Organisational Performance.

In this section, the results on the state of perceived organisational performance are presented in table 4.9 as mean and standard deviation.

Table 4.9: Perceived Organisational Performance.

Descriptive Statistics.	**Mean.**	**Std. Deviation.**
Perceived Organisational Performance		
Sales volume		
The sales volume of Shell Uganda Limited over the last three years has been increasing.	2.8261	1.23688
The profitability of Shell Uganda Limited over the last three years has been increasing due to increased sales volume.	2.8913	1.28778
Shell Uganda Limited has been meeting its sales targets over the last three years as a result of increased sales volume.	4.0543	.71659
Market Share		
The clientele of Shell Uganda Limited over the last three years has been increasing due to increased market share.	3.2717	1.13004
Market share of Shell Uganda Limited over the last three years has been increasing.	3.6196	1.16584
Shell Uganda Limited has a stronger competitive position in the market over the last three years due to increased market share.	4.2283	.86575
Summary	Mean	Standard deviation
Sales volume	3.26	1.08
Market Share	3.71	1.05

Source; Primary data (2023).

Sales volume.

From table 4.9, results indicated that (Mean=3.26, Std. Deviation=1.08). This shows general uncertainty that sales volume is linked to perceived firm performance. This means that there was uncertainty regarding sales volume with a standard deviation large enough to show large deviances opinions.

The manager first shade a light on how shell operates. *"In Uganda, Shell products and services are provided by Vivo Energy, a licensee of the Shell brand"*. The manager went on

to indicate that the volumes declined a bit following the sudden increase in prices. However, later, clients got used and volumes were picking up. "As *you know, the fuel prices increased rapidly and suddenly. Since it's a necessity, demand naturally fell but later we are back and better."*(Manager 1).

Another manager's comment on the volume of sales was not detailed, but rather proportionate. She indicated, *"Our sales have been constant over time, except, in the late 2020, we had a 30% shrinkage. Today all seems well with volumes increasing by 10% per quarter"* This gave an optimistic impression (Manager 2).

Another manager in response noted that being located in the city Centre, this manger was just excited by the sales, *"Our sales have not declined at any one time. We had complaints over prices increases but still clients were buying as usual."* (Manager 3).

In addition, being located in the midst of the industrial area, this manager had no complaint regarding the sales volumes. *"I may be hesitant to tell the figures, all I can say is all is well, we are meeting sales targets at least, though we can do better."* (Manager 4).

Market Share.

From table 4.9, results indicated that (Mean=3.71, Std. Deviation=1.05). This shows general agreement that market is linked to perceived firm performance. This means that respondents agreed that there was a sizeable market share. However, the large standard deviation indicates large deviance in opinions.

The manager described the market share is convincing, *" at the national level, I am told we are at 30%, but here locally, I can say our products cover a substantial market, estimated at about 45%"*.(Manager 1).

Another manager indicated that the market share was promising, *"I think shell Uganda is the best and customers have spoken, I believe in this location we are at 50%.* (Manager 2).

Like I stated earlier, *"our market share is good and above that of any of our close competitors, like 50%.* (Manager 3)

"Our market share in this particular location can easily be 52%. Our clients can only buy from rivals if we can't supply and this is again rare." (Manager 4)

4.4 Inferential statistics.

In this section, the results from inferential statistics are presented. These include correlation and regression.

4.4.1 Correlation results.

Correlation was used to tell the direction and magnitude of the relationship. This was expressed as Pearson correlation coefficients and at a significance level of 0.01. The results are presented in table 4.10 below;

Table 4.10: Correlation results.

Correlations				
	1	2	3	4
Market Segmentation(1)	1			
Target Marketing(2)	.498**	1		
Market Positioning(3)	.578**	.348**	1	
Perceived Organisational Performance (4)	.797**	.139	.301**	1
**. Correlation is significant at the 0.01 level (2-tailed).				

Source; Primary data (2023).

4.4.1 Industrial market segmentation and perceived organisational performance Correlation.

From Table 4.10 above, the correlation results on the relationship between industrial market segmentation and perceived organisational performance indicate (R=.797**, P< 0.01). This means that industrial market segmentation is strongly, positively and significantly correlated with perceived organisational performance. This means a change in industrial market segmentation is likely to lead to improvements in perceived organisational performance.

4.4.2 Target marketing and perceived organisational performance Correlation.

From Table 4.10 above, the correlation results on the relationship between target marketing and perceived organisational performance indicate (R= .139, P> 0.01). This shows that there is a positive but insignificant association between target marketing and perceived organisational performance in Shell Uganda. This means that an improvement in Target marketing is likely to lead to a positive change in perceived organisational performance in Shell Uganda.

4.4.3 Market positioning strategy and perceived organisational performance. Correlation.

From table 4.10 above, the correlation results on the relationship between market positioning strategy and perceived organisational performance indicate (R=.301**, P< 0.01). This means that there is a positive and significant relationship between Market positioning strategy and

perceived organisational performance in Shell Uganda. This means that a change in market positioning is likely to lead to improved perceived organisational performance in Shell Uganda.

4.5 Regression results.

The regression results are presented in table 4.11 below. The regression was run to determine the ability of the independent variables to predict the variance in the dependent variables.

Table 4.11: Regression results.

Model Summary.									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	**Change Statistics.**				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.797[a]	.635	.631	.37069	.635	156.813	1	90	.000
2	.851[b]	.724	.718	.32431	.089	28.578	1	89	.000
3	.868[c]	.754	.745	.30819	.030	10.556	1	88	.002
a. Dependent Variable: Perceived Organisational Performance									
b. Predictors: (Constant), Market Segmentation									
c. Predictors: (Constant), Market Segmentation , Target Marketing, Market Positioning									

ANOVA[a]						
Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	21.547	1	21.547	156.813	.000[b]
	Residual	12.367	90	.137		
	Total	33.914	91			
2	Regression	24.553	2	12.277	116.721	.000[c]
	Residual	9.361	89	.105		
	Total	33.914	91			
3	Regression	25.556	3	8.519	89.688	.000[d]
	Residual	8.358	88	.095		
	Total	33.914	91			
a. Dependent Variable: Perceived Organisational Performance						
b. Predictors: (Constant), Market Segmentation						
c. Predictors: (Constant), Market Segmentation , Target Marketing						
d. Predictors: (Constant), Market Segmentation , Target Marketing , Market Positioning						

Coefficients[a]						
Model		**Unstandardized Coefficients.**		**Standardized Coefficients.**	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.978	.349		5.661	.000
	Market Segmentation	1.287	.084	.797	12.522	.000
	Target Marketing	-.368	.069	-.327	-5.333	.000
	Market Positioning	-.383	.118	-.212	-3.249	.002
a. Dependent Variable: Perceived Organisational Performance						

Primary data (2023).

In model 1, the sample reflected 63.1% (0.631) of the phenomenon obtaining in the population, the remaining 36.9% (369) of the phenomenon being reflected by other factors. In model 2, the sample reflected 71.8% (0.718) of the phenomenon obtaining in the population, the remaining 28.2% (0.282) of the phenomenon being reflected by other factors. In model 3, the sample reflected 74.5% (0.745) of the phenomenon obtaining in the population, the remaining 25.5% (0.255) of the phenomenon being reflected by other factors.

In the ANOVA[a], the first equation represents a set of regression coefficients statistically significant from zero (F=89.688, sig. = .000d). The second equation represents a set of regression coefficients statistically significant from zero (F=116.721, sig. = .000c). The third equation represents a set of regression coefficients statistically significant from zero (F=156.813, sig. = .000b).

Market segmentation explains 79.7% (.797) of the variance in the perceived organisational performance, the remaining 30.3% (.303) being explained by other factors. Target marketing and market positioning have negative Beta values which means that for every 1-unit increase in the predictor (IV) variable, the outcome variable (DV) will decrease by the beta coefficient value. Target marketing explains -32.7% (-.327) of the variance in the perceived organisational performance. Market positioning explains -21.2% (-.212) of the variance in the perceived organisational performance. For any unit increase in the predictor variable, the outcome (DV) will decrease by the beta coefficient value.

Qualitative results.

How would you pronounce the effect of target marketing on the performance of Shell Uganda Limited? In response to this, several responses were made, that,

The manager noted, *"target marketing has worked for us.*"(Manager 1).

The management indicated, "*Target marketing has created more sales, it is thus becoming our norm."* (*Manager 2).*

It was noted that, *"without revealing details, target marketing increases our overall performance by at least 15 %."* (Manager 3).

Another manager added, "*all I can comment is that, in business, you cannot avoid target marketing, it is the only way out."* (Manager 4.

How would you explain the effect of market positioning on the performance of Shell Uganda Limited? In response to the above question,

It was revealed that market positioning was important *"it has helped us to understand and serve our clients better."* (Manager 1).

It was further noted by another manager, *"shell is a popular brand that is all."* (Manager 2).

In addition, it was revealed that market positioning defined shell, "*our company is known by its ability to provide customised products that work specific segments."* (Manager 3).

Finally, the management revealed that*, "more sales, better feedback, increased market share and better image are some of the benefits realized from our efforts to do market positioning*." (Manager 4).

CHAPTER FIVE

DISCUSSION OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS.

5.1 Introduction.

This chapter contains the summary and discussion of findings, conclusions and recommendations. The presentation is in accordance with the study objectives namely; to evaluate the relationship between Industrial market segmentation and perceived organisational performance; to establish the relationship between target marketing and perceived organisational performance; to investigate the relationship between market positioning strategy and perceived organisational performance.

5.2 Discussion of Findings.

In this section, the results in chapter four are compared with literature to make a discussion following the order of the study objectives.

5.2.1 Industrial market segmentation and perceived organisational performance.

The first objective explored the relationship between *Industrial market segmentation and perceived organisational performance*. The correlation results on the relationship between industrial market segmentation and perceived organisational performance indicated a strong, positive and significant relationship. As such, an increase in industrial market segmentation is likely to lead to an increase in perceived organisational performance given the positive association. Industrial market segmentation is a significant predictor of perceived organisational performance in Shell Uganda. In support of this, Hoek et al. (2015) states that at an instinctive level, market segmentation looks useful in terms of increasing organization's sales and revenue.

These findings have been reinforced by the qualitative results, for instance; *"I can confidently reveal that segmentation is one of the strategies keeping shell at the top." "I can largely attribute our performance excellence to the perfect segmentations in the market. At shell, every client group feel attended to. This means more sales, more profits and so on.*"

As such, it is clearly indicated that *industrial market segmentation is positively associated with perceived organisational performance.*

Geographical market segmentation.

It was revealed that there was uncertainty among respondents regarding whether or not there was geographical market segmentation. This finding relates to the observation made that differences in preference and purchase patterns for petroleum products/services do not appear to emerge along regional lines, thereby removing the usefulness of geographic segmentation (Charnes et al., 2018).

Segmentation was vital in understanding of marketplace where Shell operates. Similarly, consumers that live in different geographic regions typically display varying needs, wants, and cultural characteristics that can be specifically targeted for more efficient and better marketing (Walletzký, 2015).

It also enhanced the ability of Shell to identify new market opportunities for commercial benefit. In relation to the current study, geographical market segmentation can divide a densely populated city in more manageable populations (Kara & Kaynak, 2017).

It was further noted that all the branches of Shell Uganda Limited were easily accessible by customers. In agreement with this, literature has noted that geographical segmentation is associated with an ability to gain a full understanding of a particular market, improved techniques to predict consumer behavior, and an improved ability to identify and exploit new market opportunities for commercial benefit (Heok et al., 2015).

These results were further reinforced with qualitative results. For instance, *"As you know, Kampala has the largest traffic. This puts us at an advantage geographically."* "*Shell does not have price differences based on location. However, the location matters in terms of sales and market share. "our promotions are at times regional, Kampala region, Eastern Region, Western and so on. However, our prices and marketing efforts tend to be uniform across the country*".

As such, it is evident that the efforts of Shell to use geographical segmentation have yielded benefits. Hoek et al. (2015) comments on the current study results noting that consumers with similar demographic characteristics may respond in a similar way to a change in pricing strategy but may have very different reactions to a promotional theme.

Demographic market segmentation.

It was further revealed that there was uncertainty among respondent regarding whether or not there was demographic market segmentation. Boyd et al. (2016) note both the behavioral and decision orientations would be very useful and productive for any segmentation strategy of the industry's business-customer market.

As such, there were gaps for Shell Uganda Limited in its ability to have a clear understanding of customer needs. This results rhymes with literature suggesting that evidence indicates that demographic measures, outside of education, are not an accurate predictor of consumer behavior (Smith, 2014; Minhas & Jacobs, 2015; Hiam & Schewe, 2014).

There were also gaps in ability to gain a competitive advantage by serving the needs of customers more effectively than competitors. It was also quite challenging to tell who to market Shell products through demographic market segmentation. Relatedly, demographic and socio-economic segmentation, based on age, sex, marital status, income, occupation, education, religion, social class and so on, assumes these variables have an influence on consumer behavior, (Green & Krieger, 2014). It helps to locate the target segment.

The study further proved the association between demographic segmentation and perceived organisational performance, "*Demographics are not key here as our products are largely not demographics sensitive."* "*We are leaving in a society with different incomes. A promotion for Bodabodas may not be appealing to vehicle drivers. We as such have special promotions for our boda riders.*"

From the above, there is a clear link showing that use of demographic segmentation can yield positive performance results. In relation to the current study, companies try to segment their customers by identifying groups of persons with need structures that are as similar as possible within each group and significantly varied between groups (Smith, 2014).

Behavioral market segmentation.

The study further confirmed that there was uncertainty among respondents regarding whether or not there was behavioral market segmentation. In contrast, companies that use behavioral segmentation can increase their marketing effectiveness by using the insights to create personalized experiences for audiences based on their needs, preferences, and stage of the buying process (Hajar et al., 2014).

The study exhibited gap is Shell's ability to improve on techniques to predict consumer behavior through behavioral market segmentation. It has been noted that segmentation leads to more satisfied customers, because it offers the practitioner a number of clear benefits: improved understanding of customer needs, more appropriate resource allocation, clearer identification of market opportunities, and better adjusted and positioned marketing programs (Kotler, 2014).

Segmentation was not effectively used to reach different customers through behavioral market segmentation, and gaps in ability to have different product offerings that suit the requirements of different customer segments. There were also gaps in ability to create personalized experiences for customers based on their needs through behavioral market segmentation. The link between behavioral market segmentation and perceived organisational performance was further established qualitatively, "*our customers behave differently and so we tend to segment them behaviorally"* "*yes I appreciate we need and actually at times use behavioral segmentation."*

It is noted that encouraging different product and marketing offerings to be developed to suit the requirements of different customer segments (Assael & Rossie, 2016; Blattberg et al., 2014).

In the above analysis, a clear link is revealed between behavioral market segmentation and perceived organisational performance.

5.2.2 Target marketing and perceived organisational performance.

The second objective of the study was to explore the relationship between target marketing and perceived organisational performance. The correlation results revealed a positive but insignificant association between target marketing and perceived organisational performance in Shell Uganda. This means that an improvement in target marketing is likely to lead to an insignificant but positive change in perceived organisational performance in Shell Uganda. However, the regression reflected this factor as a negative predictor, suggesting that the way Shell was doing it was inversely contributing to the organisational performance. These results are partly supported and partly contradict a range of authors including Larsen (2015), Moyo (2015) and Lhotáková and Klosová (2018). This presents target marketing as an insignificant predictor of perceived organisational performance.

In support of this, qualitative evidence suggested, *'target marketing has created more sales, it is thus becoming our norm." "Without revealing details, target marketing increases our overall performance by at least 15 %."*

As such, there is a positive link between target marketing and perceived organisational performance.

Differentiated targeting strategy.

The study revealed that there was uncertainty among respondent regarding whether or not there was differentiated targeting strategy actively being used. The reason for this was that most staff were not keen about the technicalities but on close examination, differentiated marketing existed but occasionally. It has been suggested that higher sales are experienced by the company and each market segment gets a better position (Larsen, 2015).

In support of the above, qualitative results indicated, *"our shell Gas Pack, Refill Price, bodaboda offers target different market groups.""" we use different offers for different client's, it is public knowledge now since our promotions are broadcast on Television, radio and newspapers, of recent, social media has also helped us spread our messages better." In relation to this, it has been highlighted that in this method, marketers* do not necessarily use different marketing mix, they however use different promotional appeals as the basis for a differentiated targeting strategy (Moyo, 2015). This creates avenues for getting more sales and market share. This proves that the use differentiated targeting ads to perceived organisational performance. His is further supported by Lhotáková and Klosová (2018) noting that same brands are given in two segments or more but with a different market strategy in each.

Undifferentiated targeting strategy.

It was also revealed that there was uncertainty among respondents regarding whether or not there was undifferentiated targeting strategy. Further analysis from the qualitative results revealed existence of undifferentiated marketing as a mass marketing form targeting everyone and being the norm with promotions being the exceptions. In support of this, it was stated that the organization focuses on the similar wants of the customers instead of the differences (Larsen, 2015). As such, Shell had some offering meant or all and still was able to succeed in their marketing.

Furthermore, management results revealed, *"the use of mass marketing is the norm, and promotions come in once in a while.* Different customers have same requirements that are met with a joint marketing mix (Moyo, 2015). *This however is not as important in the bid to generate sales."* These and other qualitative results serve to confirm that undifferentiated targeting is worth pursuing in a bid to get better perceived organisational performance.

Concentrated targeting strategy.

There was uncertainty among respondent regarding whether or not there was concentrated targeting strategy. This finding was however checked by the large deviation pointing to the fact that concentrated targeting strategy was in place. Similarly, it was noted that use of concentrated targeting strategy, a company is capable of marketing more efficiently because of exceptional knowledge and a position that is strong in the needs of the customers inside every segment (Moyo, 2015).

More evidence from qualitative results support the view that concentrated targeting was existing and useful to Shell, "*"Bodabodas is a classic example of Concentrated positioning" "our promotions are tailored to boda, trucks, and heavy duty truck drivers and so on.*" Relatedly, the entire market is reflected to be indifferent and the brand or product is aimed at anyone (Lhotáková & Klosová, 2018). This proves that Shell is justified when it at times adopts the concentrated strategy of marketing.

5.2.3 Market positioning strategy and perceived organisational performance.

The study explored the relationship between market positioning strategy and perceived organisational performance. The correlation results revealed a positive and significant relationship between market positioning strategy and perceived organisational performance in Shell Uganda. However, the regression reflected the relationship between these two as being inverse. Masua (2014) notes that firms used positioning strategies to attain a stable competitive advantage in the market. They used quality and customized positioning, product aspects or clients' benefits and positioning by the competitor.

As market positioning improves, there is a likelihood of getting better perceived organisational performance in Shell Uganda since the two variables exhibit positive associations. Brooksbank, (2014) and Claudiu et al. (2016) support the correlation results but contrast the regression results, suggesting that better market positioning is associated with better perceived organisational performance. The study presents market positioning as an insignificant predictor of the variance in perceived organisational performance in Shell Uganda.

The study noted that Shell Uganda uses market positioning mostly although there were instances of non-market positioning as revealed by the fairly large standard deviation.

As such, Shell positioned itself as provider of quality and safe products that can make engines last for long with no need for repairs.

These results were further supported by qualitative results, *it has helped us to understand and serve our clients better. "Shell is a popular brand that is all."* "*Our company is known by its ability to provide customised products that work specific segments."*

Quality positioning.

There was quality positioning in Shell Uganda (mean=4.31, SD=0.52). It was further revealed that quality positioning helped Shell Uganda Limited to tell the customers that their products are of excellent taste. Shell products were explained to consumers on essential features through quality positioning. Quality positioning helped Shell Uganda Limited to ensure that their products were distinctive from other companies. In relation to this, it was noted that in literature that brands do not communicate their price point, but instead high quality or prestige is the focal point of communications (Brooksbank, 2014).

In agreement with the quantitative results, qualitative evidence also suggested positive links between market positioning and perceived organisational performance "*we are known as quality fuel and lubricants suppliers. This has created business for us."* "Our *products are known to be safe and this has made us stand out in the market".* As such, use of market positioning has been proved to enhance perceived organisational performance.

Value price positioning.

The study further revealed that there was value price positioning in Shell Uganda (mean=4.16, SD=0.54). It was further revealed that price or quality of the product was aligned in the mind of the consumer through value price positioning. It was in relation to this observed in literature that a good reputation can be created from the quality of the product and its value (Monroe et al., 2015). The study further noted that value price positioning influenced the market positioning of Shell Uganda Limited and helped Shell Uganda Limited to position its brand based on the price. Relatedly, most people have the perception that high quality things are expensive. Some expensive products are not that good thus do not do very well in the market (Gonzalez-Benito et al., 2014).

These results are further proved by the qualitative evidences*, "our prices are just affordable and clients feel value for money. This has increased our sales." "Our clients see us as a*

company that cares about their wellbeing. Our products are safe for the engines especially." As such, the study confirm positive links between value price positioning and perceived organisational performance.

Competitive based positioning.

However, it was revealed that there was no competitive based positioning (mean=2.32, SD=0.97).However, the large standard deviation indicates large deviance in opinions. Similarly, positioning of a competitor, some market offerings are better positioned against competitive offerings (Kipyegon, 2019).

As such, Shell did not mind much about the price of the products but was mindful of the quality. Similarly, it is possible for a firm to put itself in the category of the product untraditionally connected to it, thus expands opportunities for business (Moyo, 2015). In support of this, qualitative evidence suggested positive links between competitive positioning and perceived organisational performance, *"we are known as a company that offers products at competitive prices."* "*Our customers care mostly about quality, so, we work on that and competition is not our problem."* Often brands extend their product lines to fill a gap in the market (Borman & Motowidlo, 2014).

Shell has mastered this and is reaping benefits. In addition, it is key to have a favorable and unique position compared to other options in the marketplace and this makes the product or services becomes unique (Blankson & Crawford, 2017). The evidence thus supports the view that better competitive based positioning has a potential of enhancing perceived organisational performance.

5.3 Conclusion.

5.3.1 Industrial market segmentation and perceived organisational performance.

The use of industrial segmentation promotes activities, behavior and processes that finally lead to a significant improvement in perceived organisational performance given the significant and positive association between these two variables ($r=.797^{**}$). Such market segmentation takes the form of geographical market segmentation, demographic market segmentation and behavioral market segmentation. This has been proved by both empirical and qualitative findings in relation to Shell Uganda.

5.3.2 Target marketing and perceived organisational performance.

Given the positive but insignificant association between target marketing and perceived organisational performance in Shell Uganda and the negative predictive potential of target marketing to organisational performance, target marketing should be customized and tailored to fit the marketing environment if it is to generate positive impacts, else, it can easily be a negative force in the marketing mix. The potential to enhance perceived organisational performance expressed in the correlation (r=.139) means that target marketing per say is good but requires careful configuration. The tailoring needs to focus on the differentiated targeting strategy, undifferentiated targeting strategy and concentrated targeting strategy.

5.3.3 Market positioning strategy and perceived organisational performance.

The study concludes that there is a positive and significant relationship between market positioning strategy and perceived organisational performance in Shell Uganda (.301**). However, the negative regression observed indicate poor configuration of market positioning making it rather a negative force. Nevertheless, firms like Shell Uganda continue to use market positioning strategies, they are likely to enhance perceived organisational performance. Such activities include, quality positioning, value price positioning and competitive based positioning.

5.4 Recommendations.

The study found out from the regression results that market segmentation was a significant predictor of perceived organisational performance.

The study recommends that shell should consider an in-depth exploration of the best way to implement geographical market segmentation since it exhibited a high contribution and acceptance level (mean=3.44, SD=1.04; Beta=1.082). This can be done basing on regions, districts, economic zoning and so on as deemed fit for marketing purposes. This will enhance its appeal to the market and improves sales, revenue and market share.

The study also recommended the use of demographic market segmentation has revealed to be of profound importance (mean=2.56, SD=0.96; Beta=1.082). As such, management of Shell Uganda should consider use of big-data analytics, have a comprehensive know your customer database in terms of education, income, location, nature of work, time of fuel or other products consumption among others. These should then be used to draft specialized and targeted campaigns to enhance marketing and overall performance.

Besides the study also recommends that behavioral market segmentation should be considered by the staff and management of Shell Uganda to match the customer's behaviour with the product offerings (mean=2.86, SD=1.07; Beta=1.082). The time of consumption, public event like Enkuuka, corporate end of year parties, festive seasons should all be exploited with the view to promoting sales.

5.5 Limitations of the study.

The study faced a number of limitations. First of all, there was unwillingness of the respondent to answer questions due to the sensitivity of the topic which was more investigative. This was resolved by giving respondents more time to think through the study and adjust appointments until they were ready to respond

The study also faced some issues in relation to permissions owing to trade secrets but these were fixed so as to get the required information willingly and in time.

The staff were busy from the pilot survey and to ensure better compliance, the questions were made to be as precise as possible. In addition, the researcher made arrangements with the respondents at an appropriate time so as to get the required information for the study.

Furthermore, given that the cross-sectional nature of the study, data collection was limited to a single time period. Therefore, changes overtime were not assessed.

5.6 Areas for further study.

There is need to explore the relationship and associated factors underlying the relationships between the variables below for better marketing decisions and practices;

There is need to explore why target marketing fails to deliver on perceived organisational performance.

There is need to explore the most appropriate strategies to implement market positioning for better perceived organisational performance results.

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APPENDIX I: KREJCIE AND MORGAN TABLE.

Table for Determining Sample Size from a Given Population

N	*S*	*N*	*S*	*N*	*S*
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note.—*N* is population size.
S is sample size.

APPENDIX II: INTERVIEW GUIDE.

Dear respondent,

I am Odeke John Michael, a student of Makerere University, pursuing a Degree of Master of Business Administration. As a requirement in partial fulfillment for the award of the above mentioned course, I am to carry out a field research study on *"Industrial market segmentation, target marketing, market positioning and organisational performance in Uganda, A Case Study of Shell Uganda Limited''.* I therefore request you to take a few minutes of your time and answer the questions below. Your responses will be used for academic purposes only and will be treated with utmost confidentiality. Thank you.

SECTION A: INTRODUCTION.

Briefly tell me about your role in Shell Uganda Limited.

SECTION B: Market segmentation.

Describe how the following types of market segmentation have enhanced performance of Shell Uganda Ltd;

- Geographical market segmentation.
- Demographic market segmentation.
- Behavioral market segmentation.

In your opinion, how has market segmentation influenced the performance of Shell Uganda Limited?

SECTION C: Target marketing.

Describe how the following target marketing techniques influence performance of Shell Uganda Ltd;

- Differentiated.
- Undifferentiated.
- Concentrated.

How would you pronounce the effect of target marketing on the performance of Shell Uganda Limited?

SECTION D: Market positioning.

Describe how the following market positioning stances impact performance of Shell Uganda Ltd;

- Quality positioning.
- Value Price positioning.
- Competitive based positioning.

How would you explain the effect of market positioning on the performance of Shell Uganda Limited?

SECTION E: Perceived Organisational Performance.

How best would you describe the performance of Shell Uganda in terms of?

- Sales volume.
- Market Share.

Thank you for your time and cooperation.

APPENDIX III: QUESTIONNAIRE.

Dear respondent,

I am Odeke John Michael, a student of Makerere University, pursuing a Degree of Master of Business Administration. As a requirement in partial fulfillment for the award of the above mentioned course, I am to carry out a field research study on *"Industrial market segmentation, target marketing, market positioning and organisational performance in Uganda, A Case Study of Shell Uganda Limited ''*. I therefore request you to take a few minutes of your time and answer the questions below. Your responses will be used for academic purposes only and will be treated with utmost confidentiality. Thank you.

SECTION A: Background Characteristics (*Please tick where appropriate*)

1. Gender of the respondent

(a) Male ☐ (b) Female ☐

2. Age of the respondent

(a) 18-25 ☐ (b) 26-35 ☐ (c) 36-45 ☐ (d) 46-55 ☐

(e) 56 and above ☐

3. Education level of the respondent

(a) None ☐ (b) Certificate/Diploma ☐ (c) Bachelor ☐ (d) Masters ☐

(e) PHD ☐ (f) Other (Specify) …….

4. Number of years worked at the organization

(a) Less than 1year ☐ (b) 1-3 ☐ (c) 3-5 ☐ (d) 6 and above ☐

SECTION B: MARKET SEGMENTATION.

Under the following sections, please tick according to your level of agreement using a scale of; **1= Strongly Disagree, 2= Disagree, 3= Not sure, 4= Agree, 5= Strongly agree**

S/N	Statement on market segmentation	5	4	3	2	1
	Geographical market segmentation					
1	Geographical market segmentation helps Shell Uganda Limited to have a full understanding of marketplace where they operate.	5	4	3	2	1
2	Through geographical market segmentation, Shell Uganda Limited has improved on the ability to identify new market opportunities for commercial benefit.	5	4	3	2	1
3	Through geographical market segmentation, all the branches of Shell Uganda Limited are easily accessible by customers.	5	4	3	2	1
4	Geographical market segmentation has enabled Shell Uganda Limited to set prices basing on the different locations and target customers.	5	4	3	2	1
	Demographic market segmentation					
5	Through demographic market segmentation, Shell Uganda Limited is able to have a clear understanding of customer needs	5	4	3	2	1
6	Demographic market segmentation helps Shell Uganda Limited to gain a competitive advantage by serving the needs of customers more effectively than competitors.	5	4	3	2	1
7	Shell Uganda Limited is able to determine who to market their products through demographic market segmentation.	5	4	3	2	1
	Behavioral market segmentation					
8	Shell Uganda Limited is able to improve on techniques to predict consumer behavior through behavioral market segmentation.	5	4	3	2	1
9	Shell Uganda Limited has different marketing programs to reach different customers through behavioral market segmentation.	5	4	3	2	1

10	Behavioral market segmentation has helped Shell Uganda Limited to have different product offerings that suit the requirements of different customer segments.	5	4	3	2	1
11	Shell Uganda Limited has insights to create personalized experiences for customers based on their needs through behavioral market segmentation.	5	4	3	2	1

SECTION C: TARGET MARKETING.

Under the following sections, please tick according to your level of agreement using a scale of; **1= Strongly Disagree, 2= Disagree, 3= Not sure, 4= Agree, 5= Strongly agree**

S/N	**Statement on target marketing**	5	4	3	2	1
	Differentiated targeting strategy					
1	Shell Uganda Limited has special offers for customers through differentiated targeting strategy.	5	4	3	2	1
2	Differentiated targeting strategy helps Shell Uganda Limited to use promotional appeals as a targeting strategy.	5	4	3	2	1
3	Shell Uganda Limited is able to develop an appropriate marketing mix through differentiated targeting strategy.	5	4	3	2	1
	Undifferentiated targeting strategy					
4	Undifferentiated targeting strategy helps Shell Uganda Limited to focus on similar wants of the customers instead of the differences.	5	4	3	2	1
5	Undifferentiated targeting strategy helps Shell Uganda Limited to have a brand or product that is aimed to serve anyone.	5	4	3	2	1
6	Shell Uganda Limited embraces the idea of mass marketing without individual segments through undifferentiated	5	4	3	2	1

	targeting strategy.					
	Concentrated targeting strategy					
7	Shell Uganda Limited responds quickly to the changing needs of customers through concentrated targeting strategy.	5	4	3	2	1
8	Through concentrated targeting strategy, Shell Uganda Limited is capable of marketing more efficiently because of exceptional knowledge of the customers.	5	4	3	2	1
9	Concentrated targeting strategy helps Shell Uganda Limited to have better understanding of customers' satisfactions.	5	4	3	2	1

SECTION D: MARKET POSITIONING.

Under the following sections, please tick according to your level of agreement using a scale **of; 1= Strongly Disagree, 2= Disagree, 3= Not sure, 4= Agree, 5= Strongly agree**

S/N	**Statement on market positioning.**	5	4	3	2	1
	Quality positioning.					
1	Quality positioning helps Shell Uganda Limited to tell the customers that their product is of excellent taste.	5	4	3	2	1
2	Shell products are explained to consumers on essential features through quality positioning.	5	4	3	2	1
3	Quality positioning helps Shell Uganda Limited to make sure that their products are distinctive from other companies.	5	4	3	2	1
	Value price positioning.					
4	Shell Uganda Limited ensures that the price/ quality of the product is aligned in the mind of the consumer through value price positioning.	5	4	3	2	1
5	Value price positioning influences the market positioning of Shell Uganda Limited.	5	4	3	2	1
6	Value price positioning helps Shell Uganda Limited to position its brand based on the price.	5	4	3	2	1
	Competitive based positioning.					
7	Shell Uganda Limited's market offerings are better positioned against competitive offerings through competitive based positioning.	5	4	3	2	1
8	Shell Uganda Limited uses competitive based positioning as a reference point for differentiation	5	4	3	2	1
9	Shell Uganda Limited highlights key difference their product/service offers in their marketing to make it favorable and unique through competitive based positioning.	5	4	3	2	1

SECTION E: PERCEIVED ORGANISATIONAL PERFORMANCE.

Under the following sections, please tick according to your level of agreement using a scale **of; 1= Strongly Disagree, 2= Disagree, 3= Not sure, 4= Agree, 5= Strongly agree**

S/N	**Statement on perceived organisational performance**	5	4	3	2	1
	Sales volume					
1	The sales volume of Shell Uganda Limited over the last three years has been increasing.	5	4	3	2	1
2	The profitability of Shell Uganda Limited over the last three years has been increasing due to increased sales volume.	5	4	3	2	1
3	Shell Uganda Limited has been meeting its sales targets over the last three years as a result of increased sales volume.	5	4	3	2	1
	Market Share.					
4	The clientele of Shell Uganda Limited over the last three years has been increasing due to increased market share.	5	4	3	2	1
5	Market share of Shell Uganda Limited over the last three years has been increasing.	5	4	3	2	1
6	Shell Uganda Limited has a stronger competitive position in the market over the last three years due to increased market share.	5	4	3	2	1

Thank you for your time.