

**EFFECT OF NEW COCA-COLA PRODUCTS MARKETING MIX VARIABLES ON SALES
PERFORMANCE IN NYAHURURU TOWN, KENYA**

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ABSTRACT

A sales performance review in the year 2015 of new soft drink products introduced by Coca cola Company in Mount Kenya region, established that, 15 percent have succeeded, 55 percent have performed poorly, 17.5 percent have failed completely and another 12.5 percent have exhibited an abnormally high artificial growth. However, there is scanty and inconclusive empirical data that would explain this trend of Coca cola products within Nyahururu town in Kenya. The purpose of this study therefore, was to examine the effects of marketing mix variables of new Coca-Cola products on the Company's sales performance in Nyahururu town. The specific objectives included examining the effects of Pricing, Distribution, Product attributes and Promotion of new Coca cola products on sales performance of the Company in Nyahururu town. The target population comprised of 375 managers and owners of outlets selling Coca cola soft drinks in Nyahururu town. The sample size was made of 75 respondents which was 20% of the target population, and was arrived at through stratified random sampling. The study used a questionnaire to obtain primary data whose validity was enhanced through discussions with the supervisors. Test-retest method was used to achieve reliability during a pilot study conducted in Subukia town. The results of correlation and regression revealed that new product, pricing of new products, distribution of new products and promotion of new products were found to have a significant relationship with sales performance of Coca Cola Company in Nyahururu. This study concluded that new products, pricing, distribution and marketing promotion affected sales of existing products, by bringing an element of cannibalization among products from the same company. The study recommends that the company marketers should push new products together with the existing products so as to have a balanced sales performance and also, all products should be focused on the health concerns of the consumers. In addition, the pricing of new products should compare favorably with existing products so as to avoid cannibalization and intra-distribution channel competition. Distribution channels should be empowered to handle both new and existing products and focus more on Kiosks and Shops as the bulk of the soft drink products reach the final consumer through those outlets. Promotion of new products should also be done through the social media in order to improve sales performance. The study further recommends that introduction of new soft drinks should be guided by prior market research. Information gained has provided insights to manufacturers and distributors of soft drinks products on how they can optimize marketing mix variables in order to guarantee success of both new and existing products in the market. It has also added to the body of knowledge that can benefit students, researchers and academicians interested in this area of study.