
Merchandizing Practices and Sales Performance of Supermarkets in Nakuru County, Kenya

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ABSTRACT

In Kenya, the challenges of sales performance are prevalent amongst the supermarkets. A declining sales performance was noted for Uchumi supermarket in its 2016 financial year leading to its poor financial performance. Nakumatt supermarket has also had poor sales performance in the recent years leading to its struggling financial position. Merchandizing is one of the aspects that can be utilized for the purposes of improving on sales performance. The purpose of the study is to determine the effect of merchandizing practices and sales performance of Supermarkets in Nakuru County, Kenya. The study seeks to examine the diverse aspects of merchandizing on sales performance and try to establish why the supermarkets are making losses and not profits on sales. The study specifically seek to determine the effect of customer attraction, product differentiation, product access and staff attributes on sales performance of Supermarkets in Nakuru town. This study used The Product Marketing Mix Theory, Customer Behaviour Theory and Impulse Buying Behaviour Theory. This study utilized descriptive research design to guide the study on data collection, analysis and presentation of findings. To obtain its data, the study will target the eight main supermarkets in Nakuru Town. The target population for the study was 590 staff comprising of management and supermarket line attendants. Nassiuma formula was used to determine the desired sample size for the study. A sample size of 86 respondents was selected. The study then use stratified sampling to select the supermarket line attendants into the study sample. This study used structured questionnaires to obtain its data from supermarket line attendants. Validity and reliability of research questionnaire was tested by conducting a pilot study. This study used Content validity to ascertain the validity of the research questionnaires. The study used Cronbach's Alpha test of internal consistency to test the reliability of the study questionnaires. Statistical Package for Social Sciences (SPSS) version 22. This study used both descriptive and inferential statistics. The entire study used tables to present the findings. The study further concluded that there was a positive relationship between product differentiation aspects and sales performance of fast moving consumer goods in Nakuru town supermarkets. The item that had the highest mean score was that supermarket stocks products based on customer specification. It was also concluded that there was a positive relationship between product access and sales performance of fast moving consumer goods in Nakuru town supermarkets. The metric that had the highest mean score was that supermarket has presence of reliable product distribution channels throughout the year. In the context of staff attributes, the study concluded that there was a positive relationship between staff attributes and sales performance fast moving consumer goods in Nakuru town supermarkets. The statement that supermarket sales staff had sufficient knowledge on product specifications had the highest mean score. The study further concluded that merchandizing strategies, namely, customer attraction, product access, product differentiation and staff attributes significantly predicted the level of sales performance of fast moving consumer goods in Nakuru town supermarkets. Staff attributes had the highest influence on sales performance of fast moving consumer goods in Nakuru town supermarkets. The study will enable the top management of supermarkets in making decisions of merchandising. This study will also help academicians in this subject area as well future researcher for the study will add to the limited literature on merchandizing strategies and sales performance.

Key Words: *Merchandizing Practices, Customer Attraction, Product Differentiation, Product Access, Staff Attributes, Sales Performance, Supermarkets in Nakuru County*

DOI: 10.35942/ijcab.v3iVI.76

Cite this Article:

Mua, L., & Anyieni, A. (2019). Merchandizing Practices and Sales Performance of Supermarkets in Nakuru County, Kenya. *International Journal of Current Aspects*, 3(VI), 16-32. <https://doi.org/10.35942/ijcab.v3iVI.76>

1. Introduction

There are noted sales performance challenges in supermarkets across the world due to diverse challenges. In the United States of America, Morley (2017) noted declining sales performance in major stores in the United States. In this context, Morley (2017) noted that there was \$3 billion less in fast-moving consumer goods (FMCG) spending in the first quarter of 2017 comparative to a similar period in 2016. Still in the United States, the sears supermarkets which was once amongst the largest retail stores in the US was forced to close some of its branches in 2018 due to declining sales performance. According to Dinapoli (2018) this was a result of 12% drop in quarterly comparable-store sales. In the United Kingdom, Coupe (2018) noted challenges in the sales performance of the Sainsbury supermarkets with a 1.4% sales drop in the general merchandise for the 2017 financial year. In Canada, Mackrael (2018) examined the sales performance of major retail stores within the month of December, 2017. Mackrael (2018) noted that sales performance at the general merchandise stores fell by 5.3% compared to similar period in 2016. On the other hand, Wood (2015) noted a 2.8% fall in its sales performance for the 2017 financial year in the Mothercare stores. In Japan, Hersey (2017) noted a 1.4% drop in sales performance in major Japanese stores in comparing the half year results in 2017 to 2016 similar period performance on a store by store basis.

The sales performance has been conceptualized differently by scholars. According to Kunga (2016) sales performance relates to the ability of the sales person or an organization to sell to the clients against a prescribed target. Amongst the aspects that Kunga (2016) utilized to measure sales performance included market share, increase in average customer spend, stock turnover rate, and customer retention rates. Kasiso (2017) examined sales performance as the volumes that of offers that are accomplished inside a predefined period contrasted with predetermined sales levels. Similar to Kunga (2016), Kasiso (2017) used market share and sales volume as the indicators for sales performance. Merchandise is the array of products in a physical or online store for the purposes of sales. Merchandizing practices are the procedures whereby a retailer avails the correct quantity of commodities at the right place and at the right time in order to meet the goals of an organization (Randhawa & Saluja, 2017). Merchandising is also defined as the strategy used to present goods to customers in a way that it can entice them to make purchases, for example, through visual displays (Mehta & Chugan, 2013).

The merchandizing practices imparts on the sales performance in diverse ways. These ways include locking the sales after advertising campaigns, simplifying the sales process, boosting customers' buying experience, and driving the sales growth (Buleje, 2014). The main objective of visual merchandising is to display the store and its goods in a manner that will entice customers to make purchases. Other objectives of visual display include determining the optimal shelf location for each product, structure eye-catching displays, and using signage or other means for pricing and other product information (Vyas, 2008). Effective merchandising presents an opportunity to customers to see the display of goods and services

in action before making a decision for purchases (Randhawa & Saluja, 2017). The efficient product placement strategy can maximize selling opportunities by creating a need, thus driving sales. It includes special pricing and promotions also (Mehta & Chugan, 2013). There are diverse merchandizing techniques that include displaying related merchandise together, simple and spotless displays, ample walkway space, well-stocked shelf and important featuring of promotional items. Good visual merchandising uses colour to attract passer-by's attention. Visual displays would use a monochromatic, analogous, triadic, complementary, spilt complementary, double complementary or tone-on-tone colour scheme (Mehta & Chugan, 2013). The shop's image and the customers' preferences should inform the display components when working with colour schemes. Displaying merchandise enables customers to make quick decisions on purchases. Visual merchandising helps influence buying decisions a great deal. Sometimes, mere presentation creates an impact on the customer, who then decides to buy the product. For instance, in apparel retailing, customers often ask for the whole set of outfits shown on display. The buying process initiated by visual merchandising flows from when the customer's attention is caught, to the presentation which creates interest, to the story telling which generates the desire to purchase in the customers, and finally the visual merchandising and displays communicating that the merchandise is intended for that customer triggers the action of buying (Mehta, 2013).

In the distribution channel, retailing acts as the final step in which goods are presented to customers. Examples of retailing in Kenya include grocery stores, retail shops, kiosk, and supermarkets (Ngubia, 2018). Supermarkets are large and allow customers to select goods from the display as opposed to shops and kiosk that do not allow customers to select items at their leisure thus they have to wait their turn for the shop attendant behind the counter to attend to them. This leaves customers unsatisfied and creates a demand for better alternatives. Supermarkets provide these better alternatives since they have all items under one roof which reduces the amount of time customers spend running errands (Watenga, 2014). The growth in the number of supermarkets has sparked stiff competition in the industry. Some of the biggest supermarkets in Kenya include Nakumatt, Naivas, Ukwala, Tuskys, and Uchumi. These supermarkets are characterized by several branches in different parts of the country and high traffic inside the supermarket shopping mall (Oduor, Muthoka, & Oduor, 2014). These supermarkets have expanded in a few years in a bid to attract and retain shoppers from areas initially dominated by traditional channel-like shops and small supermarkets.

In Nakuru town, the population has been on a steady increase since the post-election violence of the year 2007/2008 therefore triggering a rapid expansion of the retail markets. Based on the researcher's observations between 2007 and 2017, the main supermarkets have since set up stores in the town such as Tuskys, Nakumatt, Naivas, Ukwala and Uchumi. Besides, the local stores such as Stage Matt Supermarket, Wool Matt Supermarket and Quick Serve. Some of the notable trends in the sector include: Nakumatt has nearly closed its branch in Nakuru characterized by empty shelves. Woolmatt has since expanded to three branches with the latest drive in mall, Uchumi started and closed its branch in Nakuru in two years, Naivas has downsized its drive in store and opened a new store in the central business district. Stagematt Supermarket has expanded its branch network into three while Choppies have acquired Ukwala supermarket. Besides, Gilanis Supermarket has since dominated especially in wholesale while there is emergence of many small supermarkets such as Quick matt. All these supermarket employ merchandising strategies on their own alongside established brands in their bid to increase the number of shoppers. Of concern however is the dynamics in the opening, closure, downsizing and expansion of supermarkets.

2. Statement of the Problem

Sales performance continue to be a challenge across the globe. In Kenya, the challenges of sales performance are prevalent amongst the supermarkets. Herrbling, (2017) noted a declining sales performance for Uchumi supermarket in its 2016 financial year leading to its poor financial performance. The sales had declined to 1.3 billion shillings for the year which is less than half of the previous year (Herrbling, 2017). Nakumatt supermarket has also had poor sales performance in the recent years leading to its struggling financial position (Andae, 2017). Merchandizing is one of the strategies that supermarkets use to achieve better performance. This study sought to examine the diverse aspects of merchandizing practices on sales performance and tried to establish why the supermarkets are making losses and not profits on sales. These aspects include customer attraction, product access, product differentiation, and staff attributes on the customers. This is with a view of filling existent literature gaps. Kasiso (2017) sought to identify what effects marketing strategies have on the level of sales within Small and Medium Enterprises (SMEs) in Kenya while Kunga (2016) focused on establishing the association between Marketing and Sales in Kenyan telecommunication companies. Finally, Mehta and Chugan (2013) focused on how the behaviour of customers is affected by visual merchandising. These studies do not examine the influence of merchandizing and sales performance which is the focus of this study.

3. Objectives of the Study

The purpose of the study was to determine the merchandizing practices and sales performance of Supermarkets in Nakuru town.

The following specific research objectives guided the study;

- (i) To determine the effect of customer attraction on the sales performance of Supermarkets in Nakuru town
- (ii) To establish the influence of product differentiation on sales performance of Supermarkets in Nakuru town
- (iii) To establish the influence of product access on sales performance of Supermarkets in Nakuru town
- (iv) To assess the influence of staff attributes on sales performance of Supermarkets in Nakuru town

4. Theoretical Review

4.1 The Product Marketing Mix Theory

This study used The Product Marketing Mix Theory. This theory was developed by McCarthy in 1960 originally with four levels of marketing decisions (4P's), namely; product, price, promotion, and place (Thanimlaksana, 2010). The first P is product and the theory states that the product should be able to meet the expectation of the customers by meeting their needs. In regard to the second P, the place, the theory states that the product should be available at a place where the customers can access relatively easy and at minimal cost. The third P is price whereby the theory states that price should be proportionate to the quality and value of the product. In regard to the fourth P, that is promotion, the theory states that the promotion should provide the information the customers are seeking to know about the product (Amofah 2015). The theory is applicable to this study in the context that the customer needs to be attracted to the product in order for a purchase to occur. However, to improve on the sales performance there is need for product differentiation in order to distinguish a

product from similar products by diverse manufacturers. The promotional aspect is key to the product access components.

4.2 Customer Behaviour Theory

Customer behaviour theory was developed by Oskar Morgenstern, John von Neumann and Nicholas Bernoulli in the year 1990. The theory explains the behaviour of a customer in making decision to purchase commodities and services. The theory is based on five approaches. The first approach is economic man approach. Economic man approach states that a customer purchases goods and services that maximize their utility regardless of marketing practices that are put in place. The customer only considers those goods and solves their immediate needs. The second approach is psychodynamic approach. This approach states that the customer decision to make a purchase is informed by biological drives that are beyond the customers' control. These biological drives can be inform of psyche, customer identity and ego (Ntale, 2016). The third approach explained by the customer behaviour theory is behaviourist approach. The approach states that the behaviour of the customer is determined by external factors. This may include the display of commodities, packaging and other merchandizing practices. The fourth approach includes cognitive approach. This approach states that the customers only purchase those goods and services they have perfect information about. After receiving information of certain goods and services, the customer processes the information and then makes a decision to purchase or not to make the purchase. Therefore sufficient and relevant information about a product is the determinant of sales. The last approach of the theory is humanistic approach. This approach states that in addition to external influences, biological drives and the information that a customer has on certain goods, the customer needs to try the goods. Upon testing the goods, the customer may then make a decision to purchase the product or not (Suleiman, 2013). The customer behavior theory was therefore relevant in guiding the current study to determine the merchandizing practices and sales performance of supermarkets in Nakuru town.

4.3 Impulse Buying Behaviour Theory

This theory was developed by Beatty, Sharon and Elizabeth in the year 1998. The theory is based on the customer traits in response to external urge to make a purchase. The traits may be tendency to purchase goods and make show off to other people, joy of possessing a lot of things and being self-centered. This theory states that human beings derive their satisfaction from material possession. In respect to this, customers will buy a lot of goods to show off and also to fit a certain social class in the society (Gituma, 2017). The following pressures result into impulse buying. The first pressure is hedonic pressure. This is the pressure to have the joy of doing shopping which leads to impulse buying. The second pressure into impulse buying is competition in social status. In regard to this, individuals may buy products that they may not be using just to derive the joy from position of commodities that are associated with certain class of individuals in the society. The last urge is product proneness. This refers to the amount of attractiveness and persuasiveness that the customer has towards a certain product. This may make the customer purchase such a product in large numbers even if the product is not of any use to them (Henry, 2014). This theory was relevant in explaining how the merchandizing practices results in purchase decision by customers and therefore determining the sales performance of Supermarkets in Nakuru town.

5. Empirical Literature

This section reviews the relevant literature on the context of merchandizing practices and sales performance. Customer attraction can result to more purchases and hence improving the

sale performance. Amongst these ways include colorful assortment of clothing, lighting system in the shops, in-store music encouraged customers to make more purchases, and advertisements (Henry, 2014). Other aspects included end-aisle display, free-standing product display rack, in-store flyers, free-standing advertisements and shelve advertisements (Suleiman, 2013). These aspects have the influence of letting the clients know on the goods and services availability as well as appealing to their interests leading to purchase (Gituma, 2017). Customer attraction can result to more purchases and hence improving the sale performance. Henry (2014) carried a study that sought to establish visual merchandising strategies used by small businesses in United States of America. The study focused on six visual merchandising strategies, namely; store layout/design, music, colour, fixtures, window displays and lighting. The study used case study research design and quantitative research approach. Data was collected using survey questionnaires. Using a five point Likert scale, 1 = strongly agree; 2 = agree; 3 = neither agree nor disagree; 4 = disagree; 5 = strongly disagree, the study found that colourful assortment of clothing increases customers' interest to make more purchases (mean of 2.48), lighting system in the shops determined whether or not the customers made purchases (mean of 2.00) and that in-store music encouraged customers to make more purchases. The study also found out that the arrangement of products in the shopping stores attracted customers to make purchases (mean of 3.17) and that the product fixtures encouraged the customers to shop for long hours as indicated by a mean of 2.42 on this metric. The study was based in the United States of America while the current study was based in Nakuru County, Kenya. The supermarket retail sector in the United States is different from that of Nakuru County and thus this study filled the contextual gap.

In Zanzibar, Suleiman (2013) carried out a study to examine the effect of advertising on sales performance of Zanzibar Bottlers Limited. The study adopted descriptive case study research design. The target population included 435 people whereby probabilistic sampling was done to obtain a sample size of 70 respondents. The study obtained its data by use of questionnaires, interviews, observation and document analysis. The study found out that 805 of the customers were attracted by reminder advisement by the Zanzibar Bottlers Limited. On the same context, 52.2% of respondents were attracted to purchase a product by advertisements when done through radio, television and newspapers. The study further found that because of advertisements, 72.2% of customers made more purchases as compared to the period before the advertisement was made. While Suleiman (2013) has linked the role of advertising on the sales performance, the study was based on a bottling company within Zanzibar. However, this study was based on the supermarket within Nakuru County, Kenya. While the bottling company mainly deals with a singular and specialized product, supermarkets often deal with a wide variety of goods and services. This study thus sought to examine the role of advertising on sales performance within such a context of the multiple products and services.

On Kenya Context, Oyuga (2015) carried out a study to examine how customer marketing practices affects the sales performance of supermarkets operating within Nairobi County. The study used descriptive survey design to target 24 medium and large supermarkets operating in Nairobi County. The study sampled all the supermarkets using census sampling and therefore issued 24 questionnaires to the respective supermarket managers. The study used a five point Likert scale where 'very low extent' was 1 and 'very great extent' was 5. The study found out that among the aspects that attracted customers to shop in the supermarkets were end-aisle display (mean of 4.2545, std. dev. of 1.2140) free-standing product display racks (mean of 4.3364, std. dev. of 0.9902), in-store flyers (mean of 3.4053, std. dev. of 0.8268), free-standing advertisements (mean of 2.8643. std. dev. of 0.9598) and

shelve advertisements indicated by a mean score of 3.8273 and a standard deviation of 0.7558. While the study examined the role of customer marketing practices within the context of Nairobi County, this study was geographically based on Nakuru supermarkets. The Nakuru supermarkets have different economic environment compared to the Nairobi as Nakuru town is slow paced and less competitive to Nairobi economic environment.

Gituma (2017) carried a study that focused on marketing mix and sales performance of Unga Feeds Limited. In meeting its objectives, the study used Descriptive research and targeted 127 employees of Unga Group Limited. To obtain data, the study used structured questionnaires. The study used a Likert scale whereby the highest point was strongly agree (5) and the least was strongly disagree (1). The study found out that the product quality (mean=4.71), packaging (mean=4.48), company's brand image (mean=4.28) attracted customers to make purchases. The study further established that customer attraction through product promotion significantly and positively affected sales performance ($\beta= 0.444$, $p<0.001$). Gituma (2017) study was based on the Unga feeds limited and the manner in which marketing mix influences sales performance. However, this study was based on the sales performance of supermarkets.

Product differentiation may affect the sales performance in diverse ways. Product differentiation in terms of cost, quality and security features is key in sales performance (Ndumbaro, 2013). Other ways of differentiations include offering broad product line, offering products that meet customer needs and having products that has market appeal. Other aspects such as price reduction, product advertisement through different media, offering products with unique designs, adding new features in the existing products and product branding influenced the sales performance (Kakiso, 2017). The product differentiation is critical in ensuring that customers prefer a particular supermarket compared to others leading to higher performance. In Tanzania context, Ndumbaro (2013) conducted a study on the influence of product differentiation on the performance of sales in banking sector. Explanatory research design was used with both quantitative and qualitative approaches. The study targeted 30 banks and 2500 employees. A sample of 24 banks and 250 respondents was selected for the study. Data collection was through questionnaires, interviews and observation. Using Chi-Square analysis, the study found out that product differentiation in terms of cost, quality and security features was significantly related to sales performance as indicated by chi-square value of 5.325, 2 degrees of freedom and a p-value less than 0.05. Ndumbaro (2013) study was based on the role of product differentiation on the sales performance in the banking sector in Tanzania. However, this study focuses on the role of product differentiation on sales performance of supermarkets within Nakuru County, Kenya.

Kakiso (2017) carried out a study to establish how marketing strategies influences the sales performance of small and medium sized companies operating within Nairobi Central Business District. The study focused on price, product, promotion and place differentiation. The study used descriptive survey research design whereby it targeted 500 SMEs operating within Nairobi CBD. The study used stratified sampling technique to obtain a sample size of 50 managers of the targeted SMEs. The study used semi-structured questionnaire to obtain its data. Using a five Likert scale the study found out that the following differentiation aspects influenced sales volumes; offering broad product line (mean of 4.32), offering products that meet customer needs (mean of 4.11) and having products that has market appeal (mean of 3.75). Other aspects such as price reduction (mean of 4.22) and product advertisement through different media (mean of 4.25) were found to increase the sales performance of the SMEs. Kakiso (2017) study differs from the current study in the context of the contextual scope of the study. This is because while Kakiso (2017) study focuses on

the SMEs firms within Nairobi CBD, this study focused on supermarkets within Nakuru County.

Based on fashion retailing, Musyimi (2016) carried out a study to find out how marketing capabilities affects the firm performance. The study used cross section survey design to guide the study. The target population was 62 branded fashion retailer shops in major shopping malls in Nairobi County. The study used census sampling to sample all the 62 Marketing Managers from the 62 retailer shops. The study collected data using of questionnaires. Using a five point Likert scale running from 1 to 5, the study found out that offering products with unique designs (mean of 4.061), adding new features in the existing products (mean of 4.121) and product branding (mean of 3.818) influenced the sales performance. Regression analysis showed that one unit increase in product differentiation would increase sales performance by 1.749 units due to unstandardized beta coefficient of 0.1949 and p value of 0.001. Musyimi (2016) study does well to examine the role of marketing capabilities within the branded fashion retail shops while the current study focused on the marketing aspects within the sales performance of supermarkets in Nakuru County.

Focusing on water bottling companies, Nuru (2015) did a study to examine how service and product differentiation affects performance of the companies in Mombasa County. A descriptive cross sectional survey was used as the research design. The study focused on the 34 water-bottling companies. The study collected data by use of questionnaires with both open and close-ended questions. The study established that the company to a very great extent (32%), great extent (43%) and moderate extent (14%) has product adopted differentiation strategies. Using a five point Likert Scale running from 1=very small extent to 5=very great extent, the study found out that product differentiation resulted into stocking of high quality products (mean of 3.961), carefulness in selecting product suppliers (mean of 3.246), selecting product based on customer specification (mean of 4.113) and having products in assorted style that is different from competitors (mean of 3.238). Using regression analysis the study found out that a unit increase in product differentiation resulted to 0.877 increase in sales performance due to unstandardized beta coefficient of 0.877 which was significant at 5% significance level. Nuru (2015) study is based on water bottling companies that focus on a single specialized product while the current study focused on the sales performance of the supermarkets.

The role of product access is critical to sales performance of the retail sector. Aspects influencing product access included product location aspects, place strategy, distribution channels of the products, distribution channels influencing product availability, store location near to customers, and store location close to stores selling similar commodities (Gituma, 2017). The product access has an influence on sales performance due to accessibility of the product leading to more sales of the product (Ntale, 2016). The role of product access is critical to sales performance of the retail sector. Kasiso, (2017) undertook a study to establish how marketing strategies affected the level of sales performance among the small and medium enterprises (SMEs) in Kenya. In achieving the set study objectives, Kasiso, (2017) examined the role of the product accessibility on the sales performance aspects. To achieve its objectives data was collected from 50 SMEs that were purposively chosen within Nairobi Central Business District. Kasiso (2017) conceptualized the sales performance as the volumes of sales made within a predefined timeline. Using a five point likert scale (1= No extent to 5=Very Great Extent) to measure the influence of product accessibility on sales performance, the study found that product accessibility influenced sales performance (mean of 4.15), and presence of reliable product distribution channels (mean of 3.95). Other aspects included product location aspects (mean of 4.20), and place strategy in respect to where SMEs place their products (mean of 3.65). There were high consensus aspects amongst the

respondents in respect to these metrics due to standard deviations that were between 0.5 and 1. Using correlational analysis, the study found that product access was positively correlated with the sales performance of the SMEs at a correlation coefficient of 0.614. This correlation coefficient was found to be statistically significant at 1% level of significance. Kasiso (2017) examined the role of product access on sales performance of SMEs within Nairobi County while current study seeks to link the two components within the context of supermarkets in Nakuru County.

Focusing on Unga feed limited, Gituma (2017) examined the role of product access on sales performance amongst other aspects. Structured questionnaires were distributed to 127 Middle Level Managers at Unga feed limited and descriptive research design was used. Using a five point likert based questionnaires (1= No extent to 5=Very Great Extent), the study examined the influence of product access on sales performance. Amongst the aspects of product access that the study found to have an influence on sales performance included distribution channels of the products (mean of 4.59), distribution channels influencing product availability (mean of 4.70), store location near to customers (mean of 4.13), and store location close to stores selling similar commodities (mean of 4.33). The current study is contextually different from Gituma (2017) as it seeks to link the role of product access on sales performance within supermarkets, unlike Gituma (2017) study that did the same within the context of Unga feed company.

In a study based on the sales performance of monitor publications in Uganda, Ntale (2016) carried out a study to examine the role of product accessibility on the sales performance. The study used structured questionnaire to collect data from 226 respondents. Amongst the aspects of newspaper, availability that were examined had diverse scores highlighting their importance in a five point likert scale. Amongst these aspects include; diverse ways of accessing the newspaper (mean of 4.3), location of monitor publications near other newspapers (mean of 4.3), good treatment of dealers and agents (mean of 4.1), and ease of purchase of the newspaper (mean of 4.1). Using regression analysis, the study found that product accessibility influenced 10.9% of the sales performance of the newspaper due to R Square of 0.109. Ntale (2016) study was based in Uganda while the current study is based in Nakuru with a focus on the supermarkets.

In a study focusing on the large hotels in Nairobi, Wawira (2016) examined the influence of product access on the sales performance. The study was based on 30 hotels as the target population derived from Tourism Regulatory Authority. Structured questionnaires were used for the purposes of data collection. Using a five point likert scale to examine the influence of diverse product access attributes on performance the study found that product access attributes influenced performance as follows; making hotel visible to niche market (mean of 4.0), and offering of broad product line (mean of 3.5). Others are development of products with broad appeal (mean of 3.67), and proper positioning of the hotels (means of 3.52). Using correlational analysis, the study found that product access was positively correlated with performance at a correlation coefficient of 0.334 and an achieved p value for 0.096. This showed that these correlational results were not statistically significant in nature.

The role of staff attributes on sales performance is critical. Amongst the staff sales attributes that are considered critical include staff offering good service, bank staff serving customers with care and enthusiasm, and availability of sufficient staff. Other aspects include knowledge of product performance, understanding of product specifications, and ability to express one's self. Other aspects include sales person provision of required details by the customers, and sales person provision of stimuli in buyer's questions leading to purchase decision. The role of staff attributes on sales performance is critical. Thanimplaksana (2010)

examined the diverse staff attributes on the performance of a commercial bank. From a likert scale running from Strongly Disagree denoted as 1 and Strongly Agree denoted by 5, the study found the diverse ways in which the staff attributes influence performance. These aspects include bank staff offering good service (mean of 3.74), bank staff serving customers with care and enthusiasm (mean of 3.74), and availability of sufficient staff (mean of 3.59). To achieve its objectives, the study used a structured questionnaire. While Thanimplaksana (2010) study examined the role of sales staff attributes within the context of commercial banks in Thailand, the context of the study is different from the current study in the context that this study seeks to link staff sales attributes and sales performance of supermarkets in Nakuru county, Kenya.

Focusing on Malaysian telecommunications company, Ahmad, Sah, and Kitchen (2010) examined the role of sales staff attributes and sales performance. The study used a judgemental sample of 114 sales persons and collected data using structured questionnaires. Using factor analysis, the study found that there were diverse staff attributes that were of importance to the sales performance aspects. These aspects include knowledge of product performance (factor loading of 0.81 to technical skills), understanding of product specifications (factor loading of 0.85), and ability to express one's self (factor loading of 0.64 with communication skills). The current study differs from Ahmad, Sah, and Kitchen (2010) in the context that it focused on the Malaysian telecommunications company while the current study was based on Nakuru supermarkets. In a study that examined the role of personal selling strategies on the performance of pharmaceutical firm in Nairobi, Mbugua (2014) looked at the role of staff attributes on performance. A descriptive survey research design was used and 33 respondents made of pharmaceutical firms in Nairobi were targeted by the study. Self-administered structured questionnaires were used for data collection. Using a likert scale, it was established that amongst the staff attributes that were critical to sales performance included: sales person provision of required details by the customers (mean of 4.14), and sales person provision of stimuli in buyer's questions leading to purchase decision (mean of 4.21). Others are sales person tracking the mental state of buyer while making questions (mean of 4.02), sales person matching products to consumer benefits (mean of 4.15), sales person systematic presentation of ideas (mean of 4.46), and sales presentation towards problem solving (mean of 4.21). Using correlational analysis, the study found that sales staff attributes are positively and significantly correlated to sales performance at a correlation coefficient of 0.464 and a p value of 0.043.

In a study focusing on Tanzania, Kayega (2013) examined the role of sales staff attributes on the performance of public institutions. The study was based on descriptive research design and sampled 50 respondents through purposive sampling from employees of public organizations. Structured questionnaires were utilized for the purposes of data collection. The study found that personal selling improved diverse aspects of sales performance such as number of customers, revenue collection and product awareness levels. Ingari's (2018) study examined the role of staff attributes on performance of Nairobi City Council. Descriptive research design and a target population of 157, 460 registered businesses at the Nairobi county was used. The study sampled 399 employees arrived at using the slovin formula. From 5-point likert scale, the study established that amongst the aspects that were useful to performance included: staff willingness to help clients (mean of 4.33), employee instilling confidence in customers (mean of 4.00), and staff being knowledgeable (mean of 4.08), and officer giving clients customized attention (mean of 4.32). The reviewed study presents a contextual research since it was done on service industry while the current study was on physical goods and therefore the measurement of performance differed.

6. Conceptual Framework

The study sought to determine merchandizing practices and sales performance of Supermarkets in Nakuru town. In so doing, the study focused on four merchandizing practices, namely, customer attraction, product access, product differentiation, and staff attributes (independent variables) and sales performance (dependent variable). Figure 2.1 shows that hypothesized association between the independent variables and dependent variable.

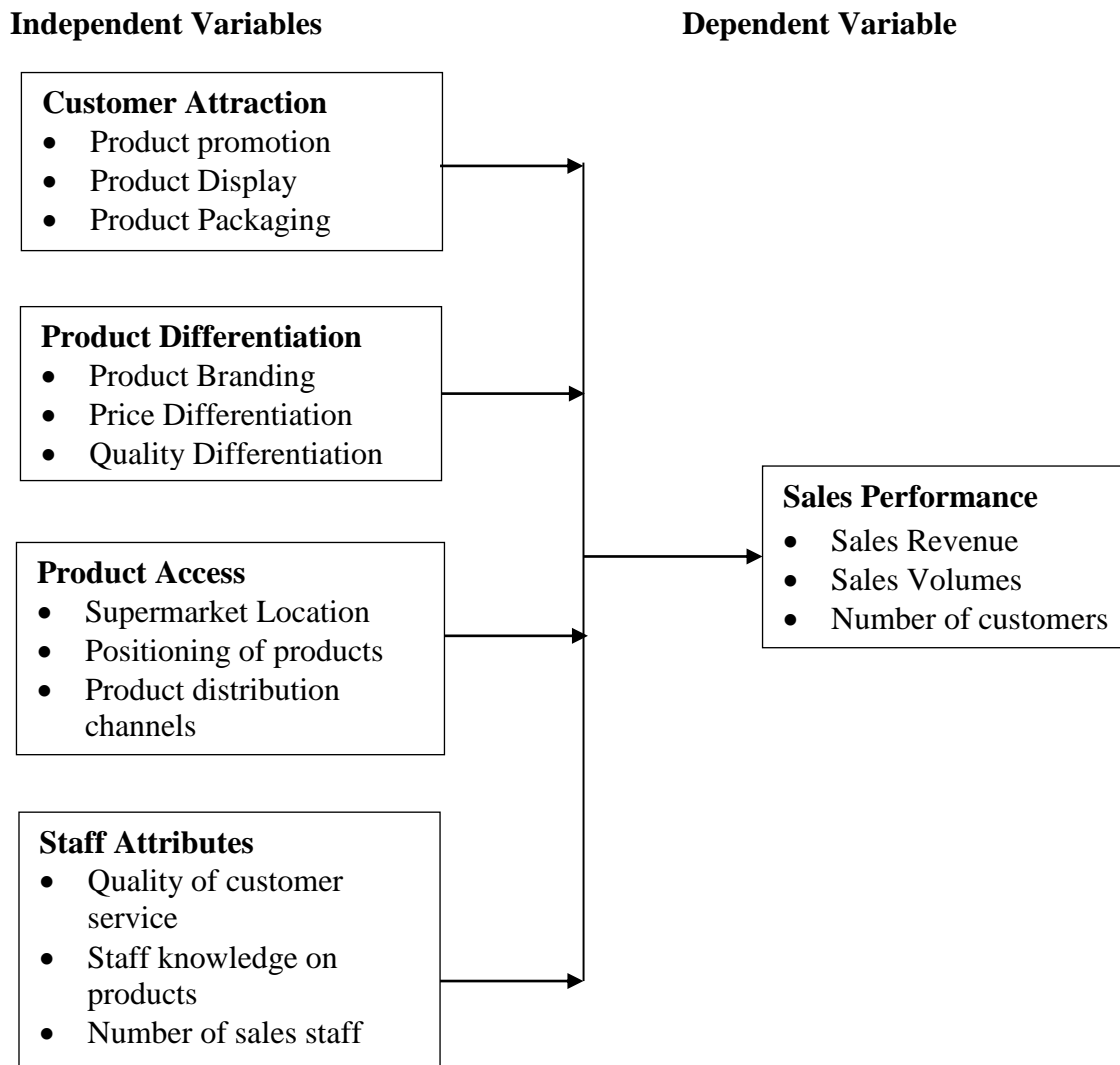


Figure 1: Conceptual Framework

7. Research Methodology

A descriptive research design was used to guide the study on data collection, analysis and presentation of findings. Descriptive design is a research methodology whereby the events or phenomena under investigation are studied in their natural setting without manipulation (Jankowicz, 2005). This study endeavored to determine the effect of customer attraction, product access, product differentiation and staff attributes by consumers on sales performance of Supermarkets in Nakuru town without manipulation. Descriptive research design yields a lot of information even from relatively small sample size as it is the case in this study and therefore selected for this study (Keller, 2014). The target population of the study was the the management staff and line attendants' staff of the eight supermarkets, namely; Nakumatt,

Woolmatt, Tuskys, Choppies, Naivas, Gilanis, Stagematt and Quickmatt. This is because they have the required information on the supermarkets performance and the influence of merchandizing. The total number of management staff and line attendants' staff of the supermarkets are 67 and 523 respectively making a total of 590 staff which is the population of the study.

A sample size of 86 respondents was be selected. The study then use stratified sampling to select the management and supermarket line attendants into the study sample. Stratified sampling involves classifying the study population into groups of common characteristics and from each group to select a number of individuals according to the group size (Sekaran & Bougie, 2011). The stratification was based on the employee category that is management staff and line attendants. The study used structured questionnaires to obtain its data from supermarket line attendants. The researcher first examined the questionnaires obtained from the field for completeness. Only questionnaires filled to completion were used in the analysis of data. The researcher then coded the responses in the questionnaire into Statistical Package for Social Sciences (SPSS) version 22. Coding involved integrating the responses obtained into the Likert scale used in the study. After this, the data was entered into the software for analysis. This study used both descriptive and inferential statistics. Descriptive statistics involves the description of basic characteristics of data (Kombo & Tromp, 2009). In this study, frequencies mean and standard deviation were used for descriptive statistics (Jankowicz, 2005). For inferential statistics, the study used multiple linear regressions to show how the independent variables and dependent variable relate.

8. Data Analysis Results

Multiple linear regression was used to establish the influence of merchandizing strategies, namely, customer attraction, product access, product differentiation, and staff attributes (independent variables) on sales performance (dependent variable). Table 4.12 shows the model summary.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.945 ^a	0.893	0.887	0.06309

Predictors: (Constant), Staff Attributes, Customer Attraction, Product Access, Product Differentiation

Source: Survey Data (2019)

The study revealed that there was a strong correlation between the observed and predicted values of sales performance. This is because of R value of 0.945. The achieved R Square value was 0.893, which implied that 89.3% of the variation on sales performance is due to changes that occur in aspects of customer attraction, product access, product differentiation, and staff attributes. The achieved adjusted R Square (0.887) imply that any addition predictor variable would improve the modeless than expected. This is because the achieved adjusted R Square was less than the R Square. The standard error of estimate in this study was 0.06309. This implied that the model was accurate in its prediction since the error term is very low. This study results were similar to those by Kakiso (2017) on the significance levels of the merchandizing practices on sales performance levels.

To establish whether the regression model provides a good-fit for the data, the study used ANOVA and F-test as shown in Table 2.

Table 2: ANOVA^a

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.429	4	0.607	152.593	0.000
	Residual	0.291	73	0.004		
	Total	2.720	77			

a. *Dependent Variable: Sales Performance*

b. *Predictors: (Constant), Staff Attributes, Customer Attraction, Product Access, Product Differentiation*

Source: Survey Data (2019)

Table 2 gives F-test statistics of 152.593 (df=4,73) which is greater than the critical value and a p-value less than the chosen significance level of 0.05. This implied that the regression model was statistically significant predictor of sales performance using customer attraction, product access, product differentiation, and staff attributes as its predictors. To establish the influence of each of the study variables on the sales performance, the study used brat coefficients, t-statistics and it's associated P-values as shown in Table 3.

Table 3: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.215	0.165		1.310	0.194
	Customer Attraction	0.248	0.017	0.559	14.551	0.000
	Product Differentiation	0.255	0.019	0.540	13.671	0.000
	Product Access	0.258	0.022	0.444	11.469	0.000
	Staff Attributes	0.295	0.021	0.545	13.784	0.000

a. *Dependent Variable: Sales Performance*

Source: Survey Data (2019)

The study established that there was a positive relationship between customer attraction and sales performance of Supermarkets in Nakuru town. This was due to unstandardized beta coefficient of 0.248, a t-statistic of 14.551 and $p < 0.05$. The first research question seeking to establish the effect of customer attraction on the sales performance of Supermarkets in Nakuru town was in this respect answered. Due to the established unstandardized beta coefficient of 0.248, it implied that a one unit increase in customer attraction led to 0.248 units increase in sales performance among supermarkets in Nakuru town. This concurs with Henry (2014) who noted that customer attraction aspects positively influenced the level of sales. The study further established that there was a positive relationship between product differentiation aspects and sales performance of Supermarkets in Nakuru town. This is because of unstandardized beta coefficient of 0.255, a t-statistic of 13.671 and $p < 0.05$. In response to the second research question, the study established that one unit increase in product differentiation led to 0.248 units increase in sales performance among supermarkets in Nakuru town. Ndumbaro (2013) found out that product differentiation in terms of cost, quality and security features was significantly related to sales performance.

The study also found out that there was a positive relationship between product access and sales performance of Supermarkets in Nakuru town. This was due to unstandardized beta coefficient of 0.258, a t-statistic of 11.469 and $p < 0.05$. In response to the second research question, the study established that one unit increase in product access led to 0.258 units increase in sales performance among supermarkets in Nakuru town. Kasiso (2017) found that

product access was positively correlated with the sales performance. A positive relationship was found between staff attributes and sales performance of Supermarkets in Nakuru town. This was based on unstandardized beta coefficient of 0.295, a t-statistic of 13.784 and $p < 0.05$. In response to the second research question, the study established that one unit increase in staff attributes led to 0.295 units increase in sales performance among supermarkets in Nakuru town. Mbugua (2014) found that sales staff attributes are positively and significantly correlated to sales performance.

9. Conclusions

The study sought to establish the merchandizing practices and sales performance of the supermarkets in Nakuru town. In the context of customer attraction, the study concluded that there was a positive relationship between customer attraction and sales performance of supermarkets in Nakuru town. Display arrangement of products in the supermarket had the highest mean score. The study further concluded that there was a positive relationship between product differentiation aspects and sales performance of supermarkets in Nakuru town. The item that had the highest mean score was that supermarket stocks products based on customer specification. It was also concluded that there was a positive relationship between product access and sales performance of supermarkets in Nakuru town. The metric that had the highest mean score was that supermarket has presence of reliable product distribution channels throughout the year. In the context of staff attributes, the study concluded that there was a positive relationship between staff attributes and sales performance fast moving consumer goods in Nakuru town supermarkets. The statement that supermarket sales staff had sufficient knowledge on product specifications had the highest mean score. The study further concluded that merchandizing strategies, namely, customer attraction, product access, product differentiation, and staff attributes significantly predicted the level of sales performance of f supermarkets in Nakuru town. Staff attributes had the highest influence on sales performance of supermarkets in Nakuru town.

10. Recommendations

In respect to customer attraction, the study recommends supermarkets to improve or urge manufacturers to improve the quality of products sold in order to attract more customers to the supermarket. The study further recommends supermarket to offer products with unique designs as well as selling product brands that are of higher quality compared to its substitutes. This recommendation is made because of low mean score obtained on the two aspects of product differentiation. Focusing on product access, the study recommends supermarket to be located near other supermarkets that offer similar commodities so that it improves on product access. This metric had the lowest mean score among other aspects of product access. The study also recommends that supermarket to increase the number sales staff. This is because the study established that this aspect of staff attributes was rated lowest. In policy making aimed at improving the sales volumes, the study recommends the prioritization of aspects of staff attributes, followed by product access aspects, then product differentiation and lastly customer attraction aspects. This was the established order of influence.


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