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The Mediating Influence of Bixa Ollerana Value Chain Government Policy on the Relationship between Product Strategy and sales performance

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Abstract:

The main aim of this study was to assess the Mediating Influence of Bixa Ollerana Value Chain Government Policy on the Relationship between Product Strategy and sales performance. The study is based on the following theories; Resource-Based Theory, Competency Theory, and Distribution Channel Theory. The study adopted descriptive and exploratory research design mixed method approaches. The target population of the study was 2,419 Bixa farmers registered by the Ministry of Agriculture in Kwale County. A sample size of 106 farmers was drawn using simple random sampling technique. The study used structured questionnaire to collect the required data from the respondents. The study used descriptive statistics such as means, standard deviation and percentages and inferential statistics using Regression Analysis. The study established that product strategy influenced the sales performance of small scale Bixa Ollerana farmers in Kwale County, Kenya. The interaction of the moderating effect of Government policy on Bixa Ollerana value chain did not change the relationship between product strategy and sales performance of small scale Bixa Ollerana farmers. The findings from the study will be of importance to practice, marketing scholarship and Ministries of Industry, Trade and Cooperatives and Agriculture on Policy formulation for local and international marketing of Bixa Ollerana products. The study recommends that the Government of Kenya puts in place a policy framework now that Bixa Ollerana is a scheduled crop, to regulate and promote its production, processing and marketing. Small scale Bixa Ollerana farmers and marketers have knowledge from this study which is useful for the design and implementation of effective marketing strategies to increase sales performance.

Keywords: Marketing strategy, marketing mix strategy, tangible marketing mix strategy, intangible marketing mix strategy, bixa marketing strategy and sales performance

1. Introduction

Marketing is undertaken through the four key elements known in the marketing mix. With the ever-rising significance of the financial sector, there has been a rise in pressure for efficient marketing management and regulation of the company's financial services. According to Green, Whitten, and Inman (2014), it is vital to point out that marketing strategies are very important in the long run performance of an organization. According to Palmer (2011), organizations use marketing mix as part of their marketing strategy. Gronroos (2010) upgraded the early version of the marketing mix from the 4Ps to 7Ps. This included people, physical appearance and process. The marketing mix is a mix of strategies or variables that managers are able to control. Marketing mix consists of 4Ps which helps a manager come up with strategies thus define the direction in which their marketing strategy will use in order to achieve and create a competitive advantage (American Marketing Association, 2008).

Marketing strategies is a way of providing an excellent product that contents client needs, present reasonable price and appealing in wider delivery and have a real promotion strategy (Adewale et al, 2013). A study conducted by Mbugua (2013) established that poor marketing affected the growth of SMEs but most small business entrepreneurs are not keen with marketing since they rely on the quality of their products as their marketing tool.

Owomoyela et al, (2013) also see marketing strategy as way of providing a quality product that satisfies customer needs, offering affordable price and engaging in wider distribution and back it up with effective promotion strategy. Marketing strategy is a vital prerequisite of Industry's ability to strengthen its market share and minimize the impact of the competition.

Sales performance is a direct inducement that offers an extra value or incentive for the product to the sales force distributors or consumers with the primary objective of creating an immediate sale (Zhang and Tang, 2010). A sales process refers to the way of applying steps or the actions required to be able to sell a product or service (Eades, 2003). The

sales pipeline is a representation of the stages in the sales process, where sales activities generate a flow of sales opportunities (Miller, 2001). A metric is a measuring system, which calculates different trends, dynamics, or characteristics. Organizations use metrics to explain phenomena, diagnose causes, share findings, and project results of future actions (Farris et al., 2010).

Bixa Orellana is a shrub that grows 2 -5 meters in height and can be grown from either seeds or cutting. For commercial production, planting spacing of 5metres by 4metres is recommended. It matures within 3 – 5 years and has an economic life of 20 years, it produces pods and inside which are about 30 – 50 seeds which, when mature, contain red pigment and, when dried can be used to produce food colorants. It is the World's second most important natural colorant (Mercadante and Pfander, 1998) and is the most frequently used in the Western world.

The main product obtained from Bixa orellana is an organic dye present in the seed coat, commercially called 'annatto' in English. Due to its solubility in lipids, it is widely used in the food industry for giving red to orange-yellow colours to cheese, butter, oils, margarine, ice-cream, candy, bakery products and rice (Plant Resource for Tropical Africa, 2019). Annual world production of dried annatto seed at the beginning of the 21st century is estimated at about 10,000 tons of which 7000 tons enter international trade. Kenya exports annually about 1500 tones annatto seed and extracts and after Peru is the largest exporter, particularly to Japan. Côte d'Ivoire and Angola are also exporters (Akshatha, Giridhar and Ravishankar, 2011). In Kenya, Bixa orellana is grown by smallholders, particularly in the coastal counties of Kwale, Kilifi, and Lamu. Brazil is the largest producer of Annatto but most of it is consumed internally (Farmbiz Africa, 2019).

1.1. Statement of the Problem

Bixa Ollerana is a cash crop grown in the Kenyan Coast counties of Kwale, Lamu and Kilifi since the 1970s. The Bixa (Annatto) seeds are processed to produce Bixa (annatto) natural food colors. Despite its potential contribution to Kenya's economy and recent scheduling of Bixa Ollerana (GoK, 2019), the crop has not received adequate government attention in terms of policy that guides its production, process in and marketing. Further, the marketing of Bixa Ollerana in local and international market remains unclear with the major responsibility remaining with small scale farmers. There is need for appropriate marketing mix strategies to enhance sales performance of Bixa crop

Previous studies have proved that an effective marketing mix can create and improve sales (Saguti, 2015) and the right marketing mix strategies influence achievements of organizational objectives (Bintu, 2017; Muchoki, 2013; Lovelock, 2011). Hence the study investigated the mediating influence of Bixa Ollerana value chain Government Policy on the relationship between product strategy and sales performance. Since no studies have been conducted on the mediating influence of Government Policy Bixa Ollerana value chain on the relationship between promotion strategy and sales performance, there was a need to carry out this study to address this research gap.

2. Literature Review

McCarthy (2011) defines strategy as a direction and scope for an organization in meeting long term objectives by configuring its resources in the present dynamic business environment. According to Nagle & Holden (2012) strategy is an underlying concept in strategic management. However, the marketing mix is a set of controllable or the tactical tools in marketing which are used by an organization so as to meet the needs and demands in the target market. Therefore, the marketing mix strategies include all the responses of a firm in ensuring that the target market positively influences their product demand. Firms who aspire to meet the customer needs often have to focus on understanding the customers and developing appropriate strategies to improve their performance. The following section provides a discussion based on the 7Ps of marketing mix strategies.

Marketing strategy is the fundamental goal of increasing sales and achieving a sustainable competitive advantage (Rotich, 2016). Marketing strategy includes all basic, short-term, and long-term activities in the field of marketing that deal with the analysis of the strategic initial situation of a company and the formulation, evaluation and selection of market-oriented strategies and therefore contributing to the goals of the company and its marketing objectives. Market penetration strategy is also known as concentrated growth strategy since a company can thoroughly develop and exploit their knowledge on a specific market (Ataman,2010). Companies do this so that they can expand their customer base. This is possible through size of purchase, maximum rate of product obsolescence, getting new product users, advertising and offering inducements.

Ghouri, Khan, Malik, and Razzaq (2011), asserts that organizations that have implemented effective marketing strategies are able to increase their sales performance, market share and achieve a competitive advantage. A marketing mix is a business tool that is used by organizations to achieve a competitive advantage.

Product strategy refers to all the goods and services that a company offers to the target market in order to satisfy their needs. It also includes physical products, services, information, places, organizations or ideas that can be offered for acquisition or consumption that might satisfy a want or a need. Products are classified into two categories; tangible and intangible products (Kotler 2013). The product is, therefore, more than a branded, packaged good offered for sale. Its definition has been widened to include services and benefits and the services that can be achieved from the product. Product strategy consists of elements such as packaging, branding labeling, and product attributes that are of good quality, style, features, and design. Strong brand preference is an added feature to the product. A product consists of 4 life cycle stages that is introduction, growth, maturity and decline stage. New product development leads to a wide product range that influences the attraction and retention of many customer

2.1. Product Strategy and Sales Performance

Rizwan, Vishnu, Raheem and Muhammad (2014) researched the impact of product packaging on consumer's buying behavior. Findings revealed that product packaging influences consumer purchase decision. It was concluded that packaging elements such as color, the design of wrapper, packaging material are factors consumers consider before purchasing a product. Saeed, Lodhi, Mukhtar, Hussain, Mahmood and Ahm (2013), conducted research on the impact of labeling on customer buying behavior in Sahiwal, Pakistan. Quantitative research was used. Data was collected through a survey. The study sampled 100 customers. It was established that product labeling influences consumer buying behavior.

Nirusa (2017) conducted a research on the mediating role of perceived product quality. Survey was used to 105 firms. It was revealed that there was a relationship between organizational capability and perceived product quality. Edward (2013) conducted a research on the influence of visual packaging design on perceived food product quality, value, and brand preference. It was established that attitudes toward visual packaging directly influence consumer-perceived food product quality and brand preference.

Holmes and Paswan (2012) conducted a research on consumer reaction to new package design. Based on previous research, it is suggested that a combination of product quality and price influences customers purchase intention. Packaged goods that are priced low receive less attention than products that are high priced. In addition, studies have also suggested that customer attitude towards product package and quality influences their purchase decision to buy products that have low prices.

Deborah (2016) conducted a research on the effect of branding on organizational performance in the retailing of pharmaceutical products, on the mediating role of customers. It was revealed that findings, branding had a positive significant effect on organizational performance. Kim, Kim and Jeong (2003) conducted a research on the effect of consumer-based brand equity on firm's financial performance. It was established that brand loyalty, awareness and image have a significant positive effect on profitability whereas brand quality has a negative effect on financial performance.

Kalemb (2015) researched on Contribution of branding in enhancing performance of tourism sector in Rwanda. Findings revealed that there was a relationship between branding and tourism performance in Rwanda. Wed (2016) conducted a research on the impact of brand identity on customer loyalty and sales performance in local companies it was revealed that brand identity has an influence on the customers' loyalty and the sales performance.

Christian, Martin and Jens (2010) conducted a research on brand awareness in business markets: When is it related to firm performance. Findings revealed that brand awareness significantly influences market performance. Wang, Lee and Wu and Chang, (2012) researched on the influence of knowledge management and brand equity on marketing performance. Convenience sampling was used to select sample of 291 respondents. Findings revealed that brand equity has a positive and significant influence on marketing performance. Brassington and Pettitt (2016) states that regardless of a product being a new innovation, an update of a familiar product or an imitation of a competitor product, it needs careful considerations and planning to make sure suits the customers' needs and wants, it should have a significant competitive advantage and should be accepted in the marketplace. Van Auken, Madrid-Guijarro, Garcia- Perez-de-Lema (2015) states that innovation facilitates how small and medium businesses respond to market changes and maintain their competitive advantage. Organizations identify customers' wants and develop products to satisfy them; or develop environmentally responsible products that have fewer effects than competitor's. This increases the perceived quality of the firm's products; market share as well as customer satisfaction.

2.2. Government Policy on Bixa Olleranda

For any organization, the marketing and broader business decisions are constrained, directed, and influenced by regulatory forces. Much of the regulations from the state is the result of an active political process (Kerin & Hartley, 2017). Kenyan Agricultural policy, post-independence, focused on three main areas: land transfer programs, smallholder development and promotion of cash crops by both smallholders and large-scale farmers (Jabara 1985). In 2003, the Kenyan government launched the Economic Recovery Strategy (ERS) for wealth creation which recognized the revival of Agricultural institutions and investment in Agricultural research, extension and marketing were critical and essential for sustainable economic growth. As a follow up of ERS, a strategy for revitalizing Agriculture (SRA) was launched in 2004. The SRA also gave policy directions and actions that needed to be taken in each agricultural subsector to achieve the vision. The SRA was followed by Vision 2030 which was launched in 2008 as the new long-term development blueprint for the country. In vision 2030, Agricultural sector is considered critical in delivering the economic pillar component of vision 2030 where small holder agriculture will be transformed from subsistence to an innovative, commercially oriented and modern agriculture (GoK, 2010).

2.3. Knowledge Gap

Objective	Empirical Review	Knowledge Gap
Extent to which product strategy influences the sales performance of small scale Bixa Ollerana	Edward (2013) established that attitudes toward visual packaging directly influence consumer-perceived food product quality and brand preference. Rizwan, Vishnu, Raheem and Muhammad (2014) found out that packaging elements such as color, the design of wrapper, packaging material are factors consumers consider before purchasing a product.	The studies did not analyze the extent to which product mix strategy influences the sales performance of small scale Bixa Ollerana which is the knowledge gap that the current study hopes to fill.

Table 1

2.4. Theoretical Review

2.4.1. Resource-Based Theory

Resource Based View theory is defined by Rothaermel (2012) as a theory which emphasizes resources of a firm as fundamental determinants of performance and competitive advantage. It is a theoretical approach that considers strategies like diversification as a way of seeking new uses for resources already existing or filling gaps in the resource base of an organisation (Theuven, 2004). It is a perspective that drew more from Penrose (1959) theory of enterprise growth and was popularized by Wernerfelt (1984) and Barney (1991) in their works. The traditional model of Resource Based View (RBV) was theorized in 1991 and is still acknowledged as one of the most capable models for studying and analysing resource strategy relationships 20 years later (Barney, Ketchen, & Wright, 2011). The view of the theory is that each organization is a collection of unique resources and capabilities.

The resources of a firm can be categorized into three; physical, human and organizational. These resources should be valuable, rare, inimitable and non-substitutable (VRIN) to enable a firm reach a sustainable competitive advantage (Barney, 1991). The perspective of RBV as remarked by Andreu, Claver and Quer (2008) is that the growth of a company requires a balance between exploiting the already existing resources in a firm and developing new ones. RBV leans towards the firm's sustainable competitive advantage, since it focuses on exploitation of its unique resources.

Fiol (2011) remarks that both the skills and resources and the way firms use them must constantly change, the leading creation of continuously changing temporary advantage. This suggests that it is the way resources are configured and not the capabilities as such that is the source of competitive advantage. The resource-based view of the firm predicts that certain types of resources owned and controlled by firms have the potential and promise to generate competitive advantage and eventually superior firm performance (Ainuddin et al., 2012).

This theory emphasizes the use of the available resources as a source of competitive advantage. Bixa Ollerana as a promotion strategy is a skill, the farmers' knowledge and experience are human resource assets, the processors, and marketers are resources. These resources when well utilized will promote the production and marketing of bixa Ollerana and enhance sales performance through sales earnings from Bixa. This theory was used to analyze product strategy (part of marketing mix strategies) as one of the marketing strategies influencing sales performance of small scale Bixa Ollerana farmers.

2.4.2. AIDA Model

The main proponent of the model was Aaker and Joachimsthaler (2000). The AIDA model produces a detailed illustration about the entire procedure of how advertising effects consumer behaviour and the purchase decisions. It is an acronym, which consists of the factors of attention, interest, desire and action, all of them relevant to the relationship between consumer behaviour and advertising. AIDA model is initiatory and simplest (Aaker and Joachimsthaler, 2000). It explains how personal selling works and shows a set of stair-step stages which describe the process leading a potential customer to purchase. The first element, that is attention, describes the stage in which the brand manages to gain the attention of the consumer through the advertisement that he/she has come into contact with. It could be either positive or negative attention or sometimes, in a worse case, no attention at all. From the advertiser's standpoint, only the first case is a favourable one where the consumer pays positive attention to the advertisement and eventually the brand (Kotler, 2003). Organizations creating attention, interest, desire, and attraction of their products in the market using appropriate channels of communication to reach the mass market thus stimulating demand of existing and new products in the market. Therefore, adoption of the theory by firms promotes tremendous growth of the companies in terms of client base and revenue (Aaker and Joachimsthaler, 2001). Bixa processors in Kwale County, Kenya carry out Bixa seed promotion by using; extension services and public relations, the use of local FM radio stations, supply seedling and contract farming. They all have three general stages in common, even though the amount or names of substages might differ: cognitive stage (what the receiver knows or perceives), affective stage (receiver's feelings or affective level), behavioural stage (consumer's action) (Aaker and Joachimsthaler, 2001). This model was used to analyze the influence of which product strategy on sales performance of small scale Bixa Ollerana farmers in Kwale, County, Kenya.

3. Conceptual Framework

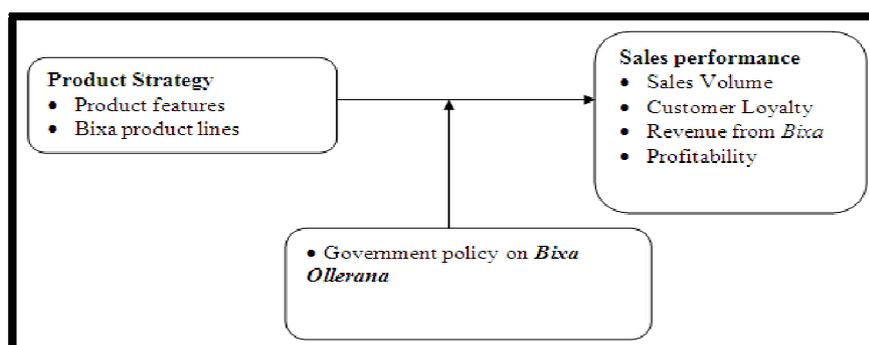


Figure 1

The independent variables of the conceptualization are product strategy which was measured in terms of; product features and product lines. The dependent variable is Sales performance of small scale Bixa Ollerana farmers in Kwale County Kenya, measured in terms of sales volume, customer loyalty, revenue and profitability from Bixa. The mediating variable is the Government Policy on the value chain of Bixa ollerana by small scale Bixa Ollerana farmers in Kwale County. When effective product strategy is used in the production and marketing of Bixa Ollerana, sales performance is expected to improve and vice versa. When government policy on Bixa Ollerana value chain is introduced as a moderating variable, the relationship between the product strategy and sales performance is expected change or remain constant depending on how the policy affect the marketing mix strategies used by the farmers.

4. Research Design

The study adopted descriptive and exploratory research design mixed method approaches to assess the influence of marketing mix strategies on sales performance of small scale Bixa Ollerana farmers in Kwale County, Kenya. This design is useful when a researcher wants to collect data on phenomena that cannot be observed directly. Its advantage is that it allows collection of large amounts of data from a sizeable population in a highly effective, easily and in an economical way, often using questionnaires.

The study targeted 2,419 Bixa Ollerana farmers in Kwale County registered by the Ministry of Agriculture (GoK, 2018), Kwale County. According to Mugenda (2003), a target population is defined as that population to which a researcher wants to generalize the results of the study. Bixa farmers in Kwale was ideal because they are already in the industry, which means they have an interest and are well versed on the factors influencing the production and marketing of bixa Ollerana.

The sample size of 106 Bixa Ollerana farmers was obtained using the coefficient of variation. Nassiuma (2000) asserts that in most surveys or experiments, a coefficient of variation in the range of 21% to 30% and a standard error in the range of 2% to 5% is usually acceptable.

$$S = \frac{N(Cv)^2}{(Cv)^2 + (N-1)e^2}$$

Where S = the sample size

N = the population size

Cv = the Coefficient of Variation

e = standard error

Therefore, the sample size was:

$$S = \frac{2,419 (0.21)^2}{(0.21)^2 + (2,419-1) 0.02^2} = 105.486 \approx 106 \text{ farmers}$$

A simple random sample is one in which each and every member of the population has an equal and independent chance of being selected (Fraenkel & Wallen, 2000). It is the most desirable kind for almost every survey and is extremely important to the reliability and validity of the data. It is the best because it is most representative of the entire population. Simple random sampling technique was used to select 106 Bixa Ollerana farmers in Kwale County who formed the sampling frame for the study.

Descriptive and inferential statistics was used to analyze quantitative data after appropriate data coding. The relationship between the level of the independent and dependent variables was measured using regression analysis. This informed whether the independent variables significantly influence sales performance of small scale Bixa Olleran farmers and thereby test the research hypotheses. In order to combine the sub-variables into the main variable for analysis, the researcher using statistical formula aggregated the sub-variables.

5. Findings and Discussions

5.1. Descriptive Statistics

Product Strategy	SD (%)	D (%)	U (%)	A (%)	SA (%)
Varieties Produced	9(8%)	32(30%)	5(5%)	44(42%)	16(15%)
customer requirements	5(5%)	-	1(1%)	61(58%)	37(36%)
Technologies maximizes production	12(11%)	8(8%)	-	57(54%)	29(27%)
Bixa produced is unique	48(45%)	36(34%)	5(5%)	15(14%)	2(2%)
Bixa product quality is considered	1(1%)	3(3%)	2(2%)	41(39%)	59(55%)

Table 1: Product Strategy

Key: SD = Strongly Disagree, D = Disagree, U = Undecided, A = Agree and SA = Strongly Agree

Table 4.9 presents the results of the descriptive statics on product strategy. The results revealed that about half of respondents 60 (57%) agreed that Bixa varieties are produced according to market requirements. Compared to 41 (38%) who disagreed and 5 (5%) who were undecided. Findings on production as per customer requirements established that majority of respondents 98 (94%) agreed that production of Bixa varieties is done as per customer requirements compared to 5 (5%) who disagreed and 1 (1%) who were undecided. This means the respondents are aware of Bixa product varieties required by customer and they produce accordingly.

This finding indicated that all other product strategies were effective including; Bixa varieties are produced according to market requirements, production of Bixa as per customer requirements, farming technologies that maximize Bixa production output are used and Bixa product quality as per customer requirements except Bixa produced is unique and cannot be easily imitated.

The finding on Bixa produced according to customers requirement is supported by Edward (2013) who conducted a research on the influence of visual packaging design on perceived food product quality, value, and brand preference. It was established that attitudes toward visual packaging directly influence consumer-perceived food product quality and brand preference. Findings on product produced according to customers' requirement are further supported by Kamotho (2011) who conducted research on the influence of packaging and labeling on consumer perception of hair care products quality. The study used descriptive research design. 60 hairdressers and 60 salon customers were sampled. It was concluded that icon, symbols, font size and patterns, usage instructions, country of origin and information are the example of package label attributes that customers look for when buying a product. It was recommended that hair care companies should put more emphasis on the product, package appearance, and colors they use on their package. Further findings on Technologies maximizes production revealed that majority of respondents 86 (81%) agreed that farming technologies that maximize Bixa production output are used compared to 20 (19%) who disagreed. Concerning Bixa produced is unique, the study established that majority of respondents 84 (79%) disagreed that Bixa produced is unique and cannot be easily imitated compared to 17 (16%) who agreed and 5 (5%) who were undecided. Last, findings on Bixa product quality revealed that majority of respondents 98 (94%) agreed that Bixa product quality as per customer requirements is taken into consideration during production compared to 4 (4%) who disagreed and 2 (2%) who were not sure.

Policy Issue	SD (%)	D (%)	U (%)	A (%)	SA (%)
Regulates the industry	71 (67%)	32 (30%)	-	2 (2%)	1 (1%)
Government provides subsidies	72 (68%)	33 (31%)	-	1 (%)	-
Government extension officers	70 (66%)	33 (31%)	-	2 (2%)	1 (1%)
Roads network	15 (14%)	45 (43%)	14 (13%)	31 (30%)	2 (2%)
Information on marketing Bixa	58 (55%)	45 (42%)	2 (2%)	1 (1%)	-
Government Agency for Bixa	61 (57%)	43 (41%)	1 (1%)	1 (1%)	-
Information on new Varieties	64 (60%)	41 (39%)	-	1 (1%)	-
Policy on value chain	67 (63%)	36 (34%)	-	1 (%)	2 (2%)

Table 2: Government Policy on Bixa Ollerana Value Chain

Key: SD = Strongly Disagree, D = Disagree, U = Undecided, A = Agree and SA = Strongly Agree

Findings on Government Policy on Bixa Ollerana Value Chain shown on Table 4.13 revealed that majority of respondents 97% disagreed that the government regulates Bixa industry and updates farmers on prices compared to 3% who agreed. Concerning Government provision on subsidies, the study established that majority of respondents 99% disagreed that the government provides subsidies like fertilizer and land preparation for Bixa farming compared to 1% who agreed. Findings on Government extension officers established that majority of respondents 97% also disagreed that government extension officers provide technical training on Bixa farming compared to 3% who agreed.

Further findings on policy on road network revealed that about half of respondents 57% disagreed that the policy addresses Roads network in Bixa growing areas compared to 32% who agreed and 14% who were not sure. Concerning information on marketing Bixa revealed that majority of respondents 97% also disagreed that there is sufficient information and training on marketing of Bixa crop from Government officials compared to 3% who were undecided and 1% who agreed. Findings on Government Agency for Bixa established that majority of respondents 98% disagreed that there is a Government Agency charged with the promotion of bixa crop compared to 1% who were undecided and agreed respectively. Findings concerning information on new Varieties revealed that majority of respondents 99% disagreed that government extension officers have provide information on new varieties of Bixa crop to be planted compared to 1% who agreed. Last, concerning policy on value chain, the study established that majority of respondents 97% also disagreed that government policy on Bixa value chain is effective compared to 3% who agreed.

The findings on Government Policy on Bixa Ollerana Value Chain indicated that the Government did not have effective policy that supports Bixa production and marketing. This was evident with lack of effective policy on; regulation on Bixa industry and updates farmers on prices, provision of subsidies like fertilizer and land preparation for Bixa farming, extension officers provision of technical training on Bixa farming, policy that addresses roads network in Bixa growing areas, policy on sufficient information and training on marketing of Bixa crop from Government officials, policy on agency charged with the promotion, production and marketing of Bixa crop, extension officers provision of information on new varieties of Bixa crop to be planted and policy on Bixa value chain effectiveness.

The implication of respondents view on Government Policy on Bixa crop value chain is that although Kwale County is a reliable source of Bixa Ollerana crop for local and international market with existing potentiality in the production of the crop, there was inadequate Policy supporting the entire value chain in the County leading to less investment in the production and marketing of the crop.

Sales Performance	SD (%)	D (%)	U (%)	A (%)	SA (%)
Sales volume increased	0	0	0	68 (64%)	38 (36%)
Customer loyalty	1 (1%)	0	0	67 (63%)	38 (36%)
Sell all the Bixa produced	3 (3%)	0	0	43 (41%)	60 (56%)
Sales revenue increased	0	0	0	30 (28%)	76 (72%)
Bixa profitable	0	0	0	20 (19%)	86 (81%)

Table 3: Bixa Sales Performance

Key: SD = Strongly Disagree, D = Disagree, U = Undecided, A = Agree and SA = Strongly Agree

Table 3 presents the results of Bixa sales performance by small scale farmers in Kwale County. Findings on sales volume revealed that all respondents 100% agreed that the sales volume of Bixa crop has increased since the marketing mix strategies were employed by the farmers. Further findings on customer loyalty revealed that majority of respondents 99% agreed the marketing mix strategies have led to customer loyalty to the small scale Bixa Ollerana farmers compared to 1% who disagreed. Concerning sale of Bixa products revealed that majority of respondents 97% agreed that Kwale Small Scale Bixa farmers are able to sell to the market all the Bixa that they produce compared to 3% who disagreed. Findings on increase in sales revenue revealed that all respondents 100% agreed that small Scale Bixa farmer's sales revenue has increased and that Bixa farming has become profitable in Kwale County respectively

This finding indicated that the use of marketing mix strategies improved sales performance of Bixa by small scale farmers in Kwale County. This was evident from the analyzed data where the respondents agreed that; the sales volume of Bixa crop increased since the marketing mix strategies were employed by the farmers, the marketing mix strategies lead to customer loyalty to the small scale Bixa farmers, Kwale small scale Bixa farmers were able to sell to the market all the Bixa that they produce, small scale Bixa farmers sales revenue increased and that Bixa farming was profitable in Kwale County.

5.2. Inferential Statistics

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	4.045	.240		16.872	.000
	Varieties on market requirement	.015	.022	.058	.689	.492
	Production as per customers requirement	.108	.044	.227	2.423	.017
	Technology to maximizes production	-.083	.024	-.308	-3.502	.001
	Unique product and cannot be imitated	.111	.027	.367	4.076	.000
	Quality as per customers requirement	.021	.040	.047	.516	.607

Table 4: Relationship between Product Strategy and Bixa Sales Performance

Table 4.21 shows the results of the analysis of the relationship between product strategy and Bixa sales performance. The study established insignificant relationship between Bixa varieties are produced according to market requirements and sale performance by of small scale Bixa Ollerana farmers $r=0.015$, $p=0.492>0.05$. Findings on the relationship between production of Bixa as per customer requirements and sale performance by of small scale Bixa Ollerana farmers established a positive significant relationship $r=0.108$, $p=0.017<0.05$. Further, the study established a significant relationship, though negative between farming technologies that maximize Bixa production output are used and sales performance of small scale Bixa Ollerana farmers $r = -0.083$, $p=0.001<0.05$. This finding is supported by Muthengi (2015) also did a study on effects of marketing strategies on sales performance of commercial banks in Kenya. The findings of the study indicated an overall significance of the marketing variables adopted, although not much effect was seen when a marketing variable is compared with bank performance in isolation of other variables.

Findings on the relationship between Bixa produced is unique and cannot be easily imitated and sale performance of small scale Bixa Ollerana farmers was positive and significant $r = 0.111$, $p = 0.000<0.05$. Last, the study established insignificant relationship between Bixa product quality as per customer requirements and sale performance by of small scale Bixa Ollerana the small-scale farmers $r = 0.021$, $p=0.607>0.05$. The hypothesis H_{01} that product strategy has no statistical significant influence on the sales performance of small scale Bixa Ollerana farmers in Kwale County, Kenya was rejected. This was based on statistical test that established significant relationship between the following product strategies; production of Bixa as per customer requirements, farming technologies that maximize Bixa production output are used and Bixa produced is unique and cannot be easily imitated and sale performance of small scale Bixa Ollerana farmers. The two product strategies which did not have significant relationship with sales performance of small scale Bixa Ollerana farmers were; Bixa varieties are produced according to market requirements and Bixa product quality as per customer requirements. The researcher established that product strategy influenced the sales performance of small scale Bixa Ollerana farmers in Kwale, County to great extent.

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.045	.240		16.872	.000
	Production on requirement	.015	.022	.058	.689	.492
	production on customers' needs	.108	.044	.227	2.423	.017
	Farming technology	-.083	.024	-.308	-3.502	.001
	Unique production process	.111	.027	.367	4.076	.000
	Quality on customers' needs	.021	.040	.047	.516	.607
2	(Constant)	3.997	.326		12.270	.000
	Production on requirement	.016	.023	.060	.703	.484
	production on customers' needs	.112	.049	.236	2.291	.024
	Farming technology	-.082	.024	-.306	-3.457	.001
	Unique production process	.111	.027	.367	4.056	.000
	Product Strategy- Quality as per customers requirement	.021	.040	.047	.514	.608
	Government Policy	.017	.076	.020	.223	.824

Table 5: Mediating Influence of Government Policy on Bixa Ollerana Value Chain

When Government Policy on Bixa Ollerana Value Chain was introduced as mediating factor on the influence of sales product strategy and sales performance of small-scale farmers of Bixa Ollerana in Kwale County, there was no significant change on the relationship. The study therefore concluded that Government Policy on Bixa Ollerana Value Chain is not a mediating factor that mediate the influence of product strategy on sales performance of small-scale farmers of Bixa Ollerana.

6. Conclusions and Recommendations

6.1. Conclusions

The study established that out of the 5 product strategies only 3 were effective including; production of Bixa as per customer requirements, farming technologies that maximize Bixa production output are used and Bixa produced on the farm is unique and cannot be easily imitated. Bixa varieties are produced according to market requirements and Bixa product quality as per customer requirements is taken into consideration were not effective

The hypothesis Ho₁ that product strategy has no statistical significant influence on the sales performance of small scale Bixa Ollerana farmers in Kwale County, Kenya was rejected. This was based on statistical test that established significant relationship between the following product strategies; production of Bixa as per customer requirements, farming technologies that maximize Bixa production output are used and Bixa produced is unique and cannot be easily imitated and sale performance of small scale Bixa Ollerana farmers. The two product strategies which did not have significant relationship with sales performance of small scale Bixa Ollerana farmers were; Bixa varieties are produced according to market requirements and Bixa product quality as per customer requirements. The researcher established that product strategy influenced the sales performance of small scale Bixa Ollerana farmers in Kwale, County to great extent.

The study established that product strategy influenced sales performance of small scale Bixa Ollerana farmers. This was based on statistical test that established significant relationship between the following product strategies; production of Bixa as per customer requirements, farming technologies that maximize Bixa production output are used and Bixa produced is unique and cannot be easily imitated and sales performance by of small scale Bixa Ollerana farmers. The two product strategies which did not have relationship with sale performance of small scale Bixa Ollerana farmers were; Bixa varieties are produced according to market requirements and Bixa product quality as per customer requirements. The researcher established that product strategy influenced the sales performance of small scale Bixa Ollerana farmers in Kwale, County to great extent.

6.2. Recommendations

The study recommends that the Ministry of Agriculture, Livestock and Fisheries develops policy that promotes Bixa Ollerana production, processing and marketing now that the crop was recently schedule. Third, Bixa Ollerana being an export crop and foreign exchange earner should be supported by the Government in terms of; introduce favourable tax incentives for inputs, developing trade policies to protect the small-scale farmers. The government should promote preferential trading agreements and conditions for Bixa products with world trading partners to make the Kenya Bixa Ollerana competitive that in turn will increase and stabilize market demand and stakeholders' confidence. Such achieved confidence will lead to production and marketing of Bixa to achieve improvement in the small-scale farmers' socio-economic status.

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