Research Article

Quality, Price and Competition Strategy Effects on Performance of Soft Drink Enterprises in Rwanda

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Abstract

Amidst market performance challenges of declining customer numbers and sales for some soft drinks enterprises in Rwanda, that has caused a big concern for academics and professionals, the study set to empirically investigate the effect of quality, price and competition strategies on sales and customer retention performance for these enterprises. The study was quantitative and cross-sectional where researchers obtained data at a single point in time on more than one case. A sample size of 118 marketing managers was taken from these enterprises in the central districts of Kigali that produce carbonated drinks, mineral water and juice. Due to corona virus pandemic, virtual means of data collection were used through telephone-based questionnaire survey. Despite the positive and significant relationship between quality and price strategies with market performance, (β =0.500, t=1.09, p<0.01) for quality, (β =0.23, t=3.05, p<0.01) for price, results for competition strategies (β =0.23, t=3.05, p=0.281), show nonsignificant relationship with market performance in the studied context. This finding manifests a big gap in managing competition and therefore advise these enterprises to revisit their competition management decisions and make investment in those positioning alternatives that impact on consumer perceptions.

Keywords: Strategy, Positioning, Market Performance, Soft Drink Industry, Rwanda.

1. Introduction

Quality, price and competition strategies are part of the positioning dimensions according to Aaker and Shansby (1982), which firm managers can manipulate to create a favourable brand image in the market through altering customer beliefs and perceptions to their favour. The positioning concept is built entirely on one core foundational cause of understanding a specific target market segment and consequently directing all the marketing mix activities in order to create a unique value before the customer compared to the competitor. It is one of the marketing mechanisms in which numbers (sales) are realized by firms in their operating market space. Despite the disagreement on how firms can uniformly use quality, price and competition strategies (Kalafatis *et al.,* 2000), they are controllable decision variables that an individual firm can leverage on to win competition. On the other hand, market performance is the magnitude to which a firm achieves its set market objectives than the competitor (Morgan, 2011). How quality, price and competition strategies can influence market performance has ostensibly gained currency before researchers and practitioners given the continued problem of failure by soft drink enterprises to meet their market performance objectives in the region and world over (Financial Times, 2021; Lamwaka, 2018; Kell, 2017; Taylor & Jacobson, 2016). Like other countries in the region, soft drink enterprises in Rwanda have had challenges where some have closed down before celebrating their first anniversary with yet others experiencing consistent sales slump, besides others facing declining customer numbers (Sophia & Söderbom, 2013; Pamela & Lwakabamba, 2010; Bralirwa Annual Reports 2013, 2016, 2017). Such market phenomena happen in the aftermath of the country's good industrial growth trajectory following a decade of sustained growth in the manufacturing sector, with a compound annual aggregate growth rate of 6.5% in real terms between the years of 2001 and 2011 (Gathani & Stoelinga, 2013). The government has supported the industrial sector in general and the soft drink industry in particular, because of this industry's enormous contribution to the national economy in terms of GDP (6%) and the 14.3 per cent contribution to private sector employment according to Integrated Business Enterprises Survey (IBES) 2015 report (Department of Economic Statistics, 2015) and National Institute of Statistics of Rwanda, 2018.

Nevertheless, strategic marketing scholars have tended to agree that well positioned brands or companies achieve their market performance objectives (Kotler & Armstrong, 2018; Ries & Trout, 2001). It has been argued that for good performance results and firm's continued existence in the today's marketplace that exhibit high degree of fluidity, right positioning strategies must be developed and enacted (Mustapha, 2017), reinforced by the right set of resources and abilities as postulated by the dynamic capability theory (Eisenhardt & Martin, 2000). That said, positioning strategy (related to quality, price and competition) takes a centre stage in explaining market performance in this paper. We use a marketing perspective to measure market performance as customer retention which is a customer performance metric that evaluates the strength of customer relationship and also sales as a business performance metric which relates to financial objectives (Zahay *et al.*, 2004).

The quality strategy debate in the industrial organisation literature departs from Adam Smith and his contemporaries, who strongly believed that the ideal superiority principle for a firm to obtain and sustain profits than other individual competitors in the same industry, lies in the invisible market hand rule of providing the '*best*' product. This is a non-compromised truth that cannot and should not be bent! The competitive advantage theory as advocated by Adam Smith (1776), a Scottish social philosopher and a pioneer of political economy, in his book "an inquiry into the Nature and Causes of the Wealth of Nations", one of the most influential books ever written, initially suggests that states and businesses should pursue policies that create high-quality goods that guarantee selling at high prices in the market under "unfair" market share environment. (Rose *et al.*, 2010) contend that with this happening the firm gains monopoly by capturing high market position. The *'best'* product principle as a driver of competitive advantage for business entities has been and or is still ruling in business circles despite the fact that comparison of product actual performance and product performance expectations and perceptions of customers still remain controversial (Thijs & Staes, 2008).

Positioning is one aspect of the STP model (segmentation, targeting and positioning); one of the familiar strategic approaches in marketing that help marketers to prioritize propositions as they develop and deliver personalized and relevant messages for their different audiences (Bleier & Eisenbeiss, 2015). Specifically, positioning does with identification of right propositions for each segment. It embodies a set of decisions and activities including product attributes or features, quality, price, use or application, and competition (Aaker & Shansby, 1982). To have a product occupy a certain place in a consumer's mind, owes greatly from an adopted positioning strategy (Kerin *et al.*, 2007). Various studies have shown how firms have positioned themselves differently and attained their goals: for example, basing on product quality (Saqib, 2019), Service quality (Blankson & Crawford, 2012), benefit-based positioning (Chen & Zhu, 2009), service personalisation (Peppers & Rogers, 2000). Other scholars have considered other positioning constructs for example value creation by Haksever *et al.* (2004), time efficiency by Zhang *et al.* (2007), problem solutions or need, usage situation of users and competitors by Sakyi-Gyinae and Holmlund (2018); while Liu *et al.* (2016) emphasizes product aadvertising; whereasHuda, Karim and Khan, (2012), emphasise competitive distribution. The overall intention is to change the image quality of offerings that are competing for the same buyers on the market. In this regard the ideal positioning option would put into consideration needs, wants and aspirations of the target markets reflecting the idea by Aaker and Shansby (1982) that positioning mean different things to different people. According to them it is still debatable as to whether positioning means segmentation decision or image question or product features! Whereas no defined dimension in terms of numbers that marketers can use have been prescribed, positioning on the basis of limited number of dimensions has been emphasized to yield better results in terms of market share, sales and profitability (Pereez *et al.*, 2020), yet others have put emphasis on many dimensions to yield positive results (Eryigit *et al.*, 2014). It is seen here therefore from these findings that it's still unclear whether a positioning on the basis of limited dimensions is rewarding than competing on many dimensions. We are reminded however not to fall victims of trying to be everything to everyone (Akroush, 2012), presupposing that the only guide is basing the positioning priority choice on the existing market segments or consumer choice dimensions.

Despite the Resource-based and market-based theoretical contradictions on what firms should base on in their choice of strategy propositions, this study supports those internal organizational resources and capability, and external market considerations guide this process (Hooley *et al.*, 1998). The ardent changes visible in the marketing world today call for a match between market requirements and company abilities as they struggle to deliver value. The researchers observe that there is a product proliferation challenge in the soft drink industry in Rwanda where many soft drink combinations exist in different flavours, shapes, colours and sizes. This has made features of market offerings become less distinctive raising significance to intangible factors to do with management of reputation and manipulation of consumer perceptions (Makhitha, 2019). Moreover, soft drinks are bought not because of quality but their brand image (UKEssays). Positioning ostensibly fills this marketing gap ensuring that the product occupies an explicit, distinct and proper place in the minds of potential and existing consumers, relative to other rival products on the market (Ries & Trout, 2001). The marketer does this without forgetting that we are in an information society, in which a lot of commercial messages flow in different formats to the consumers necessitating that for a brand to stand out from its competitors and to be perceived as superior on a consumer's line of choice, positioning becomes prominent.

Presumably, here a product will not only be purchased, but also warranting a larger margin through the perceived added value before the target customer. There is a general belief that any potential change or improvement made on brand perceptions is a function of positioning. It goes into the whole modification of tangible characteristics and intangible perceptions of a market offering in relation to the competition (Solomon, 2011), where the practical aspect of positioning is enshrined in the consumer perception manipulation (attitudes and preferences) linked to certain good or service. This discussion sees positioning as both a consumer concept and management concept that is wide in scope. It is important therefore that every organization defines clearly its positioning propositions.

Moreover, the customer environment today, by and large, demand products and services that are "newer, imaginative, exciting, innovative and, products with increased variety and availability, shorter lead times, and increased differentiation at the same or lesser price" (FR. Oswald & Mascarenhas, 2018)! The kind of existing heterogeneity in consumer tastes and preferences makes it rarely possible to provide goods and services that optimally meet all need of clients on the market. This very kind of variations in consumer tastes and preferences makes it hard to satisfactorily live to expectations of every client and this has always remained a virgin area that constitutes opportunity for those companies that have always strived to do their best in delivering best products and services in the last 2 or 3 decades. Evidently, firms which have been able to emphasise product-related features: i.e product quality, product variety and best brands, in their value offering to the market have been able to survive and grow fast **(**Badenhorst-Weiss *et al.*, 2014).

Among others, price ostensibly remain a sensitive marketing issue, for, every customer today expects a high-quality product at a low price (Razak *et al.*, 2016). Positioning on the basis of price, though, still one of the most flexible elements of the marketing mix, which interferes directly and in a short term over the profitability and cost effectiveness of a company (Borenstein *et al.*,1997) is practiced with caution for fear of price wars which in themselves reduce profitability (Krämer *et al.*, 2016). What is apparent is that for a low-price positioning strategy to be sustainable, it requires that costs are at least low compared to competitors. Competition-based positioning has also proven to yield results especially when linked to manipulation of market intelligence for the sake of firm interests (Kunle *et al.*, 2017).

Besides positioning strategy offering explanation on market performance, different industrial organization and strategic management researches have shown mixed findings on possible causes for business success or failure. For example, Arasti (2011), attribute firm performance success or failure to expended efforts of business managers in achieving their goals, whereas, Appiah (2011), attributes performance failure to organisation's inability to predict its environment. Richard *et al.* (2009), also in their empirical study focusing on measuring Organizational Performance, attribute performance success to existing political environment while specifically referring to changes in government policies and programmes which influence the ability of economic entities in achieving their goals. Pratten (2004), agrees to this position arguing that regulatory changes have the potential to promote or inhibit market competition. In yet another related study, Arasti *et al.* (2014) associate failures in firm performance with institutional policies, whereas Blankson, and Crawford (2012) posit that a firm's poor market position stems, in part, from its ineffective positioning activities. In a rather different way Mustapha (2017) attribute product market performance failure to marketing challenges. A review of results of the aforementioned studies reveals inconclusiveness and do not provide a framework for understanding market performance variations across soft drink manufacturing enterprises in a developing country context. Besides this study continuing this debate due to disagreements in reviewed studies, it was partly also a response to many calls by strategic and relationship marketing scholars for a continued empirical examination of the relationship between positioning strategy and market performance (Butt *et al.,* 2017). Lack of information on how quality, price and competition strategy influence market performance, is regrettable because it is a source of evidence for soft drink producers to build long term quality, price and competition management decisions. From this study findings soft drink enterprises will, first of all, attain desired insights in how quality, price and competition strategies link with positive market outcomes, secondly, in consideration of survival in the highly competitive soft drink industry in Rwanda, managers, will allocate due consideration to these strategy areas to reap from positioning effects and improve their market position. The rest of the paper presents literature review, methodology, results, discussion, implications, conclusions, recommendations and limitations.

2. Literature Review and Hypothesis Development

Despite the significant relationship which has been found to exist between quality, price and competition strategies and market performance, suggested by dynamic capability theory and market orientation perspectives, there are still empirical evidence in literature showing results that are disagreeing (Saqib, 2019; Butta *et al.*, 2017; Hooley *et al.*, 1998). For example, Anderson *et al.* (1994) have specifically shown that an effective quality strategy guarantees customer satisfaction and continued sales. Relatedly, Lagat et al. (2015) also reports a positive association between positioning dimensions of quality, price, and market performance. Their findings concur with Blankson and Crawford (2012) who found positive effects of positioning strategies on service retail firms in U.S. Further still, Wu (2013) observes that a company that fails to provide services or whose service quality does not fall within the consumer's choice scope may negatively affect the quality perceptions of its physical products as well. Quality is the natural reason for the customer to buy. The relationship between price and customer retention has also been emphasised (Dawes, 2009). Although strategy literature is sparse on how competition should uniformly be handled, a theoretical study by Medlin and Ellegaard (2015) show that competing is a firm-based process which is customer and data oriented. McMullen *et al.* (2009), posits that competition strategy enables a firm to minimise threats caused by external environment. It is reflected in the firm's internal behavioural adaptation as it strives to acquire new customer and competitor information and insights. This however according to Arnold *et al.* (2010) requires heavy investment in acquiring new capabilities that go into process improvements that benefit the customer in a sustainable manner. Going through the whole cumbersome process of uncovering, modifying and finally satisfying the customer needs by the firm in question explain the whole practical gist of this customer centric strategy (Chong & Chen, 2009). Here the customer develops feelings of being loved and consequently become loyal to the providing firm which have future sales implications besides making referrals.

Besides the fact that quality, price and competition strategy as predictors of market performance have been widely researched in the micro-enterprise setting in Brazil (Porto *et al.*, 2017) and others in used car market contexts (Tellis & Wernerfelt, 1987), and others on micro-level firm comparison (Matsubayashi, 2007) we are not sure whether theories that tested these relationships can produce similar results for soft drink context. This study examined effects of quality, price and competition strategies on Market performance of soft drink enterprises in Rwanda.

Although positioning by quality and price has generally been found to relate strongly with market performance (Blankson *et al.*, 2008), only a handful of studies have been done in Rwanda (Mukeshimana *et al.*, 2019); besides a few studies have specifically examined whether positioning strategy has sales and customer retention benefits claimed (Chang *et al.*, 2015; Kalafatis, 2000; Blankson & Crawford, 2012).

The significance of positioning strategy cannot be overemphasised though since; empirical evidence shows that no one positioning strategy achieves results in all situations (Saqib, 2020). This finding agrees with a study by Hooley *et al.* (1998), who conclude that in reality, there is a never-ending number of ways in which firms might position themselves in their markets. Moreover, besides the effects of positioning being negative in contexts of co-branding (Wason & Charlton, 2015) the success of quality, price and competition strategies is dependent on customer orientation (Butta *et al.*, 2017).

The researchers base on above differing views to infer that the discussion on effects of quality, price and competition strategies on market performance is still inconclusive, particularly when viewed in the soft drink industry context in Rwanda. We consequently hypothesised as follows:

***H1**: Quality, price and competition strategies do influence market performance of soft drink enterprises*

3. Materials and Methods

This study employed telephone-based questionnaire survey to collect data (Vallance *et al.*, 2014; Tomlinson *et al.*, 2009) because of the need to honour Corona virus pandemic prevention guidelines related to social distancing. This minimised the risk of contracting corona virus and collected data with ease. Data was collected at a point in time (Bell *et al.*, 2018) in June 2020 aided by the soft drink enterprises' contact list from the Rwanda Revenue Authority report (2018). Directors of Human Resources served as contact persons and helped to identify respondents who were majorly marketing managers in these enterprises.

From the population of 167 soft drink enterprises in the three city districts of Kigali (Rwanda Revenue Authority report, 2018), the study investigated 118 enterprises determined using a formula by Yamane (1967) i.e

$$n=N/1+N(e)^2$$

Where, n= corrected sample size, N = population size, and e = Margin of error (MoE), e = 0.05 based on the research condition.

Practically, as per the sample determination formula, sample size (n) = 167 / (1 + 167 (0.05^2) = 167 / 1.4175 = 117.60 ~ 118

City region districts were emphasised by researchers because it is in the same region where 70% of soft drink enterprises are located and therefore a good representative sample. Soft drink enterprises were categorized using stratified sampling with enterprises categorized by district and type of drink (Carbonates, mineral water and Juice). Only formally registered enterprises were considered and selected from each district using simple random sampling technique (Standage *et al.*, 2006).

Guided by previous works on positioning strategy and market performance (Aaker & Shansby, 1982; Trout & Ries 1972; Delen *et al.*, 2013) and a pre-test with 16 academic and industry experts, we were able to develop scales for five variables in our model: (1) Quality strategy (2) price strategy (3) competitor strategy (4) sales and (5) customer retention. A 5-point likert scale was used to measure perception of respondents where 5 stood for strongly agree, and 1 stood for strongly disagree.

An effort was made to ensure that each construct was measured as the sum of its items' responses. Details of validity and reliability of the scales are provided in Table 1.

Table 1. Variable Validity and Reliability Statistics.

Variable	***CVI***	***Cronbach's Alpha***
Quality	0.840	0.848
Price	0.936	0.769
Competition	0.709	0.732
Market performance	0.830	0.857

As can be observed in Table 1, all of the measures had acceptable levels of validity and reliability (Field, 2009).

As part of data analysis, hypothesis testing and estimating the relationship between positioning strategy (quality, price and competitor) and market performance, we used Pearson Correlation and Linear Regression (Tabachnick *et al.*, 2007). We defined our linear regression model as follows:

$$MP = \beta 0 + \beta 1QS + \beta 2PS + \beta 3CS + \mu \; \ldots\ldots\ldots\ldots\ldots \; (1)$$

Where, MP= Market Performance, β0 constant, β1QS coefficient of quality strategy, β2PS coefficient of price strategy, β3CS coefficient of competitor strategy and μ =Error term

We analysed the data using SPSS version 20.

4. Results and Discussion

4.1. Results

Table 2 contains the profile of respondents and surveyed enterprises. The majority of respondents were males and the predominant respondent age was between 26 and 35. On average the enterprises surveyed had employees ranging between 21 and 100 (76.7%), which means the survey largely covered small firms. It was found out also that majority of enterprises had stayed in business for at least seven years which suggests that the sample had a good industry experience. In terms of products produced, the majority (66.7%) produced juice and all of them find market in Rwanda besides some having other international markets.

Table 2. Demographic Profile of Respondents and Enterprises Surveyed.

Respondent age	**%**
Less 25	7.4
26-35	36.3
36-45	33.5
46 and above	22.8
Respondents' Gender	%
Male	65.0
Female	35.0
Firm size	%
21-100	76.7

101-250	6.7
251 and more	16.6
Firm Age	%
less than 2 years	3.3
3-7 years	76.7
8-15 years	3.3
More than 15 years	16.7
Products produced	%
Carbonated drinks	13.3
Mineral Water	20.0
Juice	66.7
Markets in which they sale their products	%
Rwanda	100.0
East Africa	16.7
Africa	6.7
International markets outside Africa	10.0

Source: *SPSS; Primary Data*

Table 3. Regression Model Summary.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	0.643	0.413	0.410	0.213	0.409	35.182	3

a. Predictors: (Constant), competition_based_strategy, pricing_strategy, quality_strategy
b. Dependent Variable: market_performance

The study results in Table 3 generally portray a significant positive relationship between quality, price and competition strategies and market performance of SDMEs ($r = 0.643$, $p < 0.01$). However, hierarchical regression results show positive but insignificant relationship between competition strategies and market performance (Table 4). The implication of this is that better quality and price management strategies are related to increased possibility of attaining desired market outcomes, supporting our study hypothesis. As indicated in *table 3*, the whole model accounted for 41% (r^2=0.41) of the variations in performance of SDMEs, and other factors not specified in the model explain 59%.

Table 4. Regression Coefficients.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.401	0.412		.973	0.000
	quality_strategy	0.293	0.267	0.500	1.098	0.000
	pricing_strategy	0.502	0.165	0.230	3.051	0.000
	competition_based_strategy	0.086	0.128	0.071	0.673	0.281

a. Dependent Variable: Market_performance

The beta coefficient ((β =0.500, t=1.09, P< 0.01)), shows that any positive change in quality management strategy would result into a positive change in market performance (Table 4). Though a similar trend was found for price strategies, (β =0.23, t=3.05, p < 0.01), the beta coefficient for competition strategy i.e (β =0.07, t=0.67, p>0.5), shows that the relationship is positive but not significant. This finding emphasises that competition strategy did not contribute to the variations in performance. This is a realization of a big gap in managing competition by these SDMEs.

4.2. Discussion

The study generally established a significant and positive relationship between quality, price and competition strategies with market performance. The results show that at 95% significance level, 41% of variations in market performance are explained by these strategies soft drink enterprises use. This finding implies that if these positioning dimensions are emphasised by an enterprise, a resultant change in its market performance in terms of customer retention and market sales is guaranteed. Though regression test results (beta coefficients), show a relatively bigger contribution of quality strategy to the performance variation than either price or competition strategy, this does not refute the robustness of the study findings but rather to show the multidimensional nature of positioning as a concept where one dimension may yield for a firm than or different from others.

The findings agree with some scholars in strategic marketing management literature who observe that positioning is a multidimensional construct related to quiet an array of performance indicators proposing that firm should pursue multiple strategies as a way of yielding positive market performance outcomes (Eryigit *et al.*, 2014; Blankson & Crawford, 2012). This view however contradicts Chang *et al.* (2015)'s and Pereez *et al.* (2020)'s position emphasising on positioning on the basis of few or limited dimensions. They seem to be biased on pursuing many positioning claims (alternatives) since they tend to confuse a consumer (Mitchell & Papavassiliou, 1999), create disbelief (Kotler, 2003), all this earlier alone described by Evans *et al.* (1996) as enemies of positioning, allegedly, that consumers do not usually have a clear mind picture of the needed brand since human brain naturally has challenges in remembering multiple brand associations (Trout & Rivkin, 1996). What is apparent is that there is no defined competitor-based positioning rule, but Czepiel (1992) advises that every business entity should play cards well but don't fall a prey to having a target to satisfy demand for all. This line of thinking matches with the argument by Prahalad and Hamel (1993), who tend to emphasise forging a strategic position in the operating environment commensurate with the business entity's core competencies. It utterly reflects on positioning as a need-and-resource-based function. Resource-based and market-based theories support these kinds of argument where choice of a strategy propositions, should base on not only firm's resources and capability but also a consideration of external market conditions (Hooley *et al.*, 1998). It is observable that many soft drink products in different flavours, shapes, colours, and sizes exist on the market in Rwanda and competition is high but the ability of these soft drink enterprises to promise and deliver high value will distinguish them in terms of realised market outcomes. It is important for marketers in the multinational marketplace to realise that there is no single positioning strategy that works for all business entities (Gulati & Garino, 2000). It's important to note however that the adopted strategic positioning option should be a true representation of consumers' perceptions on products or their purchase intentions as reference point for positioning before competition (Camelleri, 2018). Camelleri argues that positioning is an image question (it's a mind thing), calling for attention on which product features guarantees customer patronage.

5. Managerial Implication

First, the study highlighted the critical role quality, price and competition strategies play in the market performance of soft drink enterprises in Rwanda. The study findings remind marketers on the key positioning dimensions that these enterprises should place emphasis on in order to be able to alter consumers' perceptions on their products. From the study findings, such strategic positioning options are crucial in determining not only improved customer retention performance but also improved sales performance.

6. Conclusion and Recommendation

The study concludes that generally, quality, price and competition strategies positively influence market performance, though competition strategy, specifically, was found to have no significant relationship with market performance in the studied context. The results provide confirmation of the significant role of the quality and price positioning alternatives in creating a favourable market position in terms of increased customer loyalty and market sales. This study presents empirical evidence to academic community that supports the relationship between quality and price with market performance in soft drinks industry in Rwanda. The study adds to the existing stream of market performance knowledge and a debate in the quest for performance improvements in a firm. SDMEs are hereby challenged to constantly revisit their competition-based positioning management strategies in order to attain better market performance outcomes. It's of strategic imperative for SDMEs in Rwanda to set right strategies related to quality, price and competition that permits them to not only satisfy the target market needs but to also overcome or minimise threats caused by entry of international players on the local market.

The study recommends that soft drink enterprises infuse better competition management processes. They should position their brands based on dimensions that are appealing to their market segments. They can revisit their competition management decisions and make investment in those positioning alternatives that impact on consumer perceptions.

Although there is a lot of literature on positioning strategy and market performance, there is still ambiguity of the precise meaning of these concepts. This may have affected the conceptualisation of the study and therefore results.

Moreover, the study focused on quality, price and competition strategies as predictors of market performance. Secondly, due to unusual situation of corona virus pandemic, virtual means were used to capture self-report questionnaire-based data. We resorted to virtual interview because of wanting not to violate social distance guidelines of the government. Besides falling a prey to certain social desirability, the researchers missed out on the facial impression that would enrich the findings. Thirdly, the present study was limited to soft drink enterprises operating in the central districts of Kigali. This makes it possible that the results are only applicable to soft drinks sector in Rwanda. Lastly, the study is cross-sectional; it is possible that opinions held by people may change over time. In spite of the limitations, company owners, managers, academicians and policy makers interested in the field of positioning strategy and market performance might find this study useful. Future research may wish to carry out a long-tudinal study to test how quality, price and competition strategies predict market performance in non-soft drink manufacturing settings in another country.

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