IMPACT OF MARKETING COMPETENCIES OF ENTREPRENEURS ON THE BUSINESS PERFORMANCE OF SMALL SCALE ENTERPRISES IN DAIRY INDUSTRY IN AMPARA

by



KONARA MUDIYANSELAGE ARAVINDA WARNAKULASOORIYA

EU/IS/2012/COM/39

COM 1539



A Project Report

submitted to the faculty of Commerce and Management, Eastern University, Sri Lanka as a partial fulfillment of the requirement of the Degree of Bachelor of Commerce Honours (BComHons) Degree Program

> Department of Commerce Faculty of Commerce and Management Eastern University, Sri Lanka

> > 2018

ABSTRACT

Increased organizational dependence on marketing practices drives management attention towards improving overall performance of the organizations through the help of marketing. Within several of management practices, marketing management practices is one of the finest roots of management domain. The aim of this research paper is to find out "How do marketing competencies of entrepreneurs' impacts on the business performance of small-scale enterprise in the dairy industry in Ampara?"

Conceptual model is developed based on the existing literature. Primary data that has been used for the study were obtained from dairy farmers who were in dairy industry in Ampara. Convenient sampling method was used to obtain 100 responses of smallscale entrepreneurs in the dairy industry. The collected data has been analyzed by using descriptive statistics, correlation analysis and regression analysis.

The strength of association between service and knowledge competencies with business performance has a strong positive relationship. And also, the strength of association of image, funds and skills competencies with business performance has a moderate positive relationship. Both relationships are statistically significant. The correlation coefficient between marketing competencies of entrepreneurs (jointly) with business performance of small-scale enterprise in the dairy industry in Ampara was a strong positive relationship. There is a 53.5% of variability in business performance was explained by all five marketing competencies of entrepreneurs jointly while skills, image, service, knowledge and funds competencies account for 12% 23.3%26.4% 29.8% and 16.6% percent of the variation in business performance individually.

Keywords: - Marketing, Marketing competencies, Skills competencies, Image competencies, Service competencies, Knowledge competencies, Funds competencies, business performance

TABLE OF CONTENT

ABSTRA	ACTii
ABBRIV	VATIONSii
TABLE	OF CONTENTiv
LIST OF	F TABLEix
LIST OF	F FIGURESxi
CHAPT	ER ONE1
INTROI	DUCTION1
1.1	Background of the Study1
1.2	Problem Statement
1.3	Research Questions4
1.4	Objectives of the Study5
1.5	Significance of the Study
1.6	Scope of the Study5
1.7	Chapter Summary6
CHAPT	ER TWO LITERATURE REVIEW7
2.1 In	ntroduction7
2.2 D	airy Industry in Sri Lanka7
2.3 C	urrent Position of the Dairy Industry in Sri Lanka8
2.4 S	cope of Management Competencies9
2.5 M	Ianagement Competencies for SMEs11
2.6 N	12 farketing in SMEs
2.7 E	ntrepreneurial marketing14
2.8 D	Development of competencies for marketing in SMEs15
2.9 B	Business Performance17
2.10	Chapter Summary18

CHAPTER THREE CONCEPTUALIZATION AND OPERATIONALIZATION 19		
-	3.1 Introduction	9
	3.2 Conceptualization	9
	3.3 Definition of variables	0
	3.3.1 Marketing Competencies	0
	3.3.2 Skills	1
	3.3.3 Marketing Planning Process	1
	3.3.4 Allocation of Marketing Department Resources Activities2	1
/	3.3.5 Integration of Marketing Activities	1
	3.3.6 Control and Evaluation of Marketing Activities2	
	3.3.7 Advertising Effectiveness	1
	3.3.8 Awareness of Organizational Marketing Weaknesses2	1
	3.3.10 Image	2
	3.3.11 Effectiveness of Public Relations2	2
	3.3.12 Image2	2
	3.3.13 Locations of Facilities2	2
	3.3.14 Services	2
	3.3.15 New Service Development Process2	2
	3.3.17 Awareness of Organizational Marketing Strengths2	2
	3.3.18 Quality of Service and Offerings2	2
	3.3.19 Knowledge	3
	3.3.20 Knowledge of Competitors2	:3
	3.3.21 Knowledge of Customers2	!3
	3.3.22 Knowledge of Industry Trends2	!3
	3.3.23 Funds2	!3
	3.3.25 Accuracy of Profitability and Revenue Forecasting2	23
	3.3.26 Effectiveness of Pricing Programs2	23

3.3.27 Business Performance	10 - 11-12
3.3.28 Sales Growth	ŀ
3.3.29 Return on Investment	ŀ
3.3.30 Customer Satisfaction	ŀ
3.3.32 Market Development	ŀ
3.4 Operationalization of Variables	ŀ
3.5 Chapter Summary	7
CHAPTER FOUR	3
METHODOLOGY	}
4.1 Introduction	
4.2 Research Design	>>
4.4 Sampling Plan)
4.5 Study Population)
4.6 Sample)
4.7 Sample Technique and Sampling Framework)
4.8 Collection of Data)
4.9 Method of Measurements)
4.10 Method of Measuring the Demographic Characteristics	l
4.11 Method of measuring Marketing Competencies	l
4.12 Data Presentation	2
4.14 Data presentation for Demographic Characteristics	2
4.15 Data Presentation for Marketing Competencies and Business Performance32	2
4.16 Data Analysis and Evaluation	2
4.17 Statistical Tools	2
4.18 Reliability Test	3
4.19 Univariate Analysis and Evaluation	3
4.20 Bivariate Analysis and Evaluation	4

	4.21	Simple and Multiple liner Regression Analysis and Evaluation	
	4.22C	hapter Summary	
С	HAPTI	ER FIVE	
D	ATA P	RESENTATION AND ANALYSIS	
	5.1 Int	roduction	
	Data F	Presentation – General and Personal Information	
	5.2	Sample Distribution Based on Gender.	
	5.3	Sample Distribution Based on Age.	
1	5.4	Sample Distribution Based on Education level.	
	5.5	Sample Distribution Based on Years in This Industry	
	5.6	Analysis of Reliability for the Instrument	
	5.7	Data Presentation – Research Variables	40
	5.8 Fi	requency Distribution for Marketing Competencies of Entrepreneu	rs40
	5.10	Univariate Analysis	
	5.12 1	Mean and Standard Deviation of Business Performance	46
	5.13	Bivariate Analysis	47
	5.14	Correlation Analysis	47
	5.15	Multiple Regression Analysis	
	5.16	Impact of Marketing Competencies of Entrepreneurs with	th Business
	Perfo	rmance	
	5.17	Simple Regression Analysis	50
	5.18	Impact of Skills on Business Performance	50
	5.19	Impact of Image on Business Performance	51
	5.20	Impact of Service on Business Performance	51
	5.21	Impact of Knowledge on Business Performance	51
	5.22	Impact of Funds on Business Performance	52
	5.23	Chapter Summary	52

СНАРТ	TER SIX			
DISCU	SSION AND FINDINGS53			
6.1	Introduction			
6.2	Discussion on General and Personal Information53			
6.3	Discussion of Research Information54			
6.5	Chapter Summery56			
CHAPT	TER SEVEN			
7.1	Introduction			
7.2	Conclusion			
7.3	Contribution of the Study			
7.4	Recommendations			
7.5	Limitations of the Study			
7.6	Future Research Direction60			
7.7	Chapter Summary61			
REFFERANCESS				
APPENDIX 01				
APPENDIX 02				