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IMPACT OF MARKET SEGMENTATION ON MARKET SHARES IN SEVEN UP BOTTLING LIMITED NIGERIA

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ABSTRACT

Bases of segmentation has been well covered in the literature especially demography, psychographic, social class, life style, geographic etc. Although, benefit segmentation is given some attention in many organizations, not much is achieved from it use due to poor understanding of the application of the strategy in marketing. In other word, it is not given the attention it deserves as a key basis of market segmentation which has resulted in less than optimum marketing performance. The study examined the impact of marketing segmentation strategies on the market shares of Seven Up Bottling Company Limited in Nigeria. The study used both primary and secondary data to achieve the objectives. Structured copies of questionnaire were sent to four hundred (400) staff of seven up bottling limited which was randomly selected among the five plants in southern Nigeria. The primary data and secondary data were analyzed using multiple regression and Dickey-Fuller Test respectively. The study found that the adjusted R square of 0.517, 0.488 and 0.537 signified the impact of customer driven strategies have on

profitability, market shares and sales growth. This was corroborated by Dickey fuller test which revealed P value of 0.01, 0.01097 and 0.01782. Based on the findings, the implications are that market segmentation strategy is very important to increased market shares. Therefore, managers should be pragmatic in the application of the strategic tool-kit in all the stages of the process while considering the strategic implications of environmental factors on the strategic plan. Efforts should be made fulfill the quality requirements of each consumer segments i.e. satisfying both the intrinsic and extrinsic desire of consumer.
Keyword: segmentation, market shares, carbonated drinks, strategies and marketing mix

INTRODUCTION

One of the most important aims of a firm is to enhance market share so as to achieve greater scale in its operations and improve profitability. In view of this, managers strive hard to expand their market shares through product strategies. Even though the efficiency of product segmentation is visible in most marketing organizations in Nigeria. Seven Up Limited is concerned about the effects of intense competition on their performance, consequently, are seriously seeking for solutions for issues that can enhance their market shares, sustainability and potential growth. As a result, the company requires an approach that is more strategic and holistic that could possibly assist them gain better grounds with the customers in the market.

Bases of segmentation has been well covered in the literature especially demography, psychographic, social class, life style, geographic etc. Although, benefit segmentation is given some attention in many organizations, not much is achieved from it use due to poor understanding of the application of the strategy in marketing. In other word, it is not given the attention it deserves as a key basis of market segmentation which has resulted in less than optimum marketing performance.

From the forgoing, one can see that studies provide an important contribution by examining the motives and mechanisms underlying marketing performance. Moreover, the importance of encouraging and utilizing customer-generated solutions has been noted by several leading innovation researchers and practitioners, including Cook (2008); Prahalad and Ramaswamy (2004); von Hippel (2005); Seybold (2006); among others. However, to date, not much is done on how to deploy some key variables such as customer co creation, benefit segmentation, customer value prepositions and differentiation as customer driven strategy to achieve optimum result of carbonated soft drinks industry in Nigeria. The study therefore, is designed to fill this gap in literature by examining the effect of customer driven strategies on the performance of carbonated soft drinks industry in southern Nigeria, with emphasis on Seven Up bottling company Limited.

Benefit Segmentation

This involves dividing a market into smaller groups of buyers with distinct needs, characteristics, or behaviors who might require separate products or marketing mixes (Kotler & Armstrong, 2014). This is because buyers in any market differ in their wants, resources, locations, buying attitudes, and buying practices. Obasan, Ariyo, and Soyebo (2013) view market segmentation as a concept and technique central to marketing culture. Thus, they defined it as the process of splitting customers or potential customers in a market into different groups or segments. Baker (2005) opined that segmentation involves identifying homogenous buying behaviour within a segment (and heterogeneous buying between segments) such that each segment can be considered as a target for a distinct marking mix. Baker (2005) further gave market-based approaches to market segmentations as: demographic, geographic, psychographic, products and services, and channels.

Benefit segmentation is widely acknowledged as one of the best ways to segment markets. Some of the benefits in the benefit dimension are: benefit segments are based on causal factors rather than descriptive factors and this is a method with great flexibility (Cole, 2013). Benefit segmentation can be used in conjunction with several closely related segmentation bases/variables. These include product/firm loyalty, psychographics, perceptions, preferences, purchase intention and purchase situations/occasions (Chinedu, et al, 2014). Benefit segmentation divides a heterogeneous population into homogeneous groups on the basis of product benefits consumers perceive as important (Gbolagade, Adesola, & Oyewale, 2013). This approach provides a more direct measure of the differences in preferences among customers and offers a more action-oriented analysis for managers (Cole, 2013).

To satisfy the target consumer’s needs, benefit needs and product attributes are the most popular variables for segmenting the market (Cateora, & Graham, 2005). Some literature has pointed out that benefit needs variables are effective variables for market segmentation (Hassan, Quresh, Sharifs & Muklitar, 2013). Olujide, Aremu, and Bamiduro (2009) evidenced that benefit needs variables integrated with benefit segmentation analysis can contribute to more focused and effective marketing strategies for health-related products and services. Myers (1976) saw benefit structure analysis as a method for finding new product opportunities in“ very broad product/service categories,” such as new foods, drinks, etc. Beane and Ennis (1987) proposed that a benefit segmentation study should attempt to do three things:

- determine the benefits people look for in a product,
- the kinds of people looking for each benefit, and
- the proximity of existing brands to these benefits needs.

Once people have been classified into segments in accordance with the benefits they are seeking, each segment is contrasted with all of the other segments in terms of demographics, volume of consumption, brand perceptions, media ha habits, personality and lifestyle and so forth. Over the longer term, systematic benefit segmentation research is likely to produce a higher proportion of successes (Haley,1995). In many markets, segmentation based on benefits, needs, or motivations has proven to be more powerful than demographic factors or product features in understanding market dynamics . Market segmentation involves the categorization of customers with similar needs and buying behavior into fragment, each of which can be contacted or satisfied by a distinct product. Kotler (2000) submits that the concept attempts to resolve differing customer needs with limited company resources, and permits product and services to be adjusted to suit different customer groups. Marketing segmentation has its roots from economic pricing theory which states that profits can be maximized when different prices are set for different class of consumers.

Wu (2001) describes segmentation as a marketing program that focus on the subset of prospects that are mostly likely to purchase its offering and when done properly will maximize returns for a given marketing expenditure. Kotler and Armstrong, (2009), a market segment is simply a group of present or potential customer with some common characteristics that are relevant in explaining their response to suppliers' market stimuli. Awodun, (2018) view market segmentation as a homogenous group of customers each reacting differently to promotion, distributional communication, pricing and other variables in marketing mixes. Brassington and Petit (2006) and Steenkamp and Hofstede (2002) suggested the two-stage segmentation process, which are; individual customer (client) and corporate customer (client) with product development classified into customer characteristics such as; geographic, demographic, psychographic and behaviouralistic. They further stated that an ideal market should follow at least two stages which are; the micro-segment and the macro-segment. The micro segment have substantial influence on the decision-making characteristics while the macro-segment is based on buyers that represent the purchasing sectors whose decisions are based largely on micro-units, that is individual decision product developed and subsequently offered in the market place. Wisegeek, (2013) also emphasized on the importance of market segmentation as a market strategy that will aid customer's satisfaction and profitability. Ateboh-Briggs (2014) states that market segmentation concept assumes that the market for any product or service can be divided into sub-markets or segments into meaningful buyer groups, each with its own discrete needs, wants or preference.

Kotler and Armstrong (2012) further suggest that firms from all sectors are increasingly embracing marketing segmentation. The essence is to satisfy the heterogeneous market with different behaviour. Kotler and Armstrong further submit that segmentation can be done along different range of variables. Consequently, there are no single ways to segmenting the market. Companies have to try different segmentation variables, along and/or in combination, to achieve optimal marketing performance (by increasing sales growth, profitability and a sizeable market share); Majorly studies have identified variables that are used in segmenting consumer markets; geographic, demographic, psychographic, and behavioral variables. Geographic segmentation is separating the market into different geographical units, such as nations, regions, states, counties, cities, or even neighborhoods. Geographical segmentation can also refer segmenting on climatically bases. Seven up has decided to operate in all geographical regions of Nigeria with attention to differences in needs and wants. Firms today are localizing their products, advertising, promotion, and sales efforts to fit the needs of individual regions, cities, and even neighborhoods. For example, in cities like Lagos State, pet drink has more potential as must people get the chances to refresh in traffic jams. Demographic segmentation is a situation when the market is divided into segments based on variables such as age, income, gender, family life cycle, occupation, family size, education, religion, ethnicity, religion, generation, and nationality. These are perhaps the most common bases for segmenting customer groups. Basically, the consumer needs, wants, and usage rates often vary closely with demographic variables. Also, demographic variables are easier to measure than most other types of variables. As companies define segments using other bases, like benefits sought or behavior, the demographic characteristics must be taken into consideration to appraise the size of the target market and reach it efficiently.

Age largely determined the consumer needs and wants. Different marketing strategies for different age and life-cycle group are used by most companies. For example, the production of pepsi light and regular pepsi for aged and young ones respectively. Gender segmentation has long been used in clothing, cosmetics, toiletries, and magazines but it is rarely used in carbonated soft drink industry. Although recent study by KPMG shows that the female gender are more favourable towards certain brand of soft drink than their male counterpart.

Psychographic segmentation divides buyers into diverse segments based on, lifestyle, and social class. Consumers in the same demographic grouping can have very different psychographic characteristics. Also, behavioral segmentation divides consumers into segments base on their attitude, knowledge or responses to the product. Studies have shown that behavioral variables are the most excellent starting point for building market segments. Buyers can also be grouped according to occasions when they get the idea to buy, actually make their purchase, or use the purchased item. Some holidays, such as Mother's Day and Father's Day, were at first promoted partly to increase the sale of candy, flowers, cards, and other gifts. Many companies prepare special offers and advertisements for holiday occasions. For example, Pepsi special ads and packaging for holidays and events such as Christmas, Easter, and Sallah. Companies rarely limit their segmentation analysis to one or a few variables. They often use multiple segmentation variables in an attempt to identify smaller, well-defined target groups.

Market Shares

A market is a collection of persons (or institutions) who are likely to purchase a certain class of product (Kotler and Armstrong, 2014). For consumer products and services, the market is a group of consumers who are potential buyers of a product or service, such as detergent, air travel, or coffee. Those consumers who never buy a product are out of the market (Kotler and Armstrong, 2014). If we define market in this manner, market shares should mean shares of potential consumers. However, clearly this is not the common usage of the term. In most cases, market shares mean shares of the actual sales (either in quantity sold or dollar volume) for a product in a given period and in a given geographical area. Market in those situations should be taken at the sales performance of a product class in the market, rather than a collection of buyers for the product.

Theoretical Framework

Knowledge Based View Theory of the Firm:

The Knowledge Based View (KBV) of a firm considers knowledge as the most strategically significant resource of the firm. It proponents argue that because knowledge base resources are usually difficult to imitate and socially complex, heterogeneous knowledge bases and capabilities among firms are major determinant of sustained competitive advantage and superior corporate performance. This knowledge is embedded and carried through multiple entities including organizational culture and identity, policies, routines, documents, systems and employee. Information technology plays an important role in the Knowledge Based View of the firm, in that information systems can be used to synthesize, enhance and expedite large-scale intra- and inter-firm knowledge management.

Carrilat et al., (2004) posits that marketing driving potentially allows firms to better match customer value opportunities with their own capabilities. Market driven firms are superior in terms of market focus learning capabilities and marketing capabilities (Berghoff, Hartmut, Philip, & Uwe, 2012). Further, when these capabilities are deeply embedded within the organization, all functional activities and organizational processes are better directed toward anticipating and responding to changing market requirements (Weerawardena & O'cass, 2004). In today's competitive business arena, companies are continuously challenged to anticipate rather than follow changes in customer value and firms must be designed do that they can quickly absorb new knowledge into the organization and thus, create new customer value while concurrently exploiting existing best practices (O'Reilly & Tushman, 2004; Berghman, Matthyssens & Vandenbempt, 2006).

This current study adapt marketing orientation construct in explaining the links between marketing and performance. This is because market orientation help determines an organization sustainable competitive advantage and used as the basis for the development of modern marketing concepts and are often used as subjects of marketing strategies.

Ansoff Matrix Theory

The Ansoff matrix was invented by Igor Ansoff in 1965 and is used to develop strategic options for businesses. It is one of the most commonly used tools for this type of analysis due to its simplicity and ease of use (Ansoff, 1965). The matrix gives managers four possible scenarios, or strategies for future product and market activities as discussed below:

(a). Market Penetration: This strategy focuses on increasing the volume of sales of existing products to the organization's existing market. The questions that are commonly asked under this strategy are: (i) How can we defend our market share? (ii). How can we grow our market?

(b). Product Development: This strategy focuses on reaching the existing market with new products. The question that is commonly asked is: How can we expand our product portfolio by modifying or creating products?

(c). Market Development: This strategy focuses on reaching new markets with existing products in the portfolio. Questions asked include: how can we extend our market (ii) through new market sectors? (ii) Through new geographical areas?

(d). Diversification: This strategy focuses on reaching new markets with new products. Diversification can be either related or unrelated. Related diversification is when the organization stays within a market they have familiarity with while unrelated diversification is when the organization moves into a market or industry they have no experience with. This is considered a high risk strategy. It is to be noted however, that this framework does not take into account any external factors such as available resources or risk management. So, it is recommended that this theory be used as part of a larger marketing tool kit (Ansoff, 1957).

Empirical Evidences

In a study conducted by Wu (2001) examined benefit needs to segment the online marketing in a virtual market. The study focused on groups and a random sampling survey was used to indentify the consumer benefit needs. The study groups were then segmented using the benefits derived by consumers. The outcome of the study revealed that the different segments have significant disparity in the benefits sought, lifestyles and demographics etc. Hence, the benefits derived was an effective segmentation variable for the online marketing market. Based on the results, managers can focus on one or a few segments that show manifest consumer preferences for the benefits provided by their products or services.

METHODOLOGY

The research design adopted for this study both longitudinal cross sectional survey methods. The longitudinal survey method used because of its accuracy in collecting large amount of data and it is very simple to use for sampling a large population. The data structures created through the survey method when considering the whole population helps the researcher to make inferences about the target population as a whole. Thus, this research design incorporates choice of population, sample size, sampling techniques, the research instrument, methods of data collection and analysis.

The population of the study consists of the marketing staff of seven up plc plants in southern, Nigeria. There are a total of one thousand one hundred and fifty two (1,152) in the plants based on 2017 annual reports of the company. The plants in the southern Nigeria include, Aba, Benin, Enugu, Lagos and Ibadan.

Sample Size and Sampling Technique

The sample size for this study was determined through the application of Taro Yamene's formula. The formular is given as shown below:

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

Where: n = desired sample size;

N = population of the Study;

I = theoretical constant;

e = expected error margin (5%)

$:.\ n = 1,152/1+1,152\ (0.05)^2$

$= 22/1+2.88$

$n =1,152/3.88$

$n=400$

A random sampling technique was adopted for selecting the staff. The rationale for using random sampling method is as a result of the homogeneity of staff with the same corporate culture across the 7UP plants in Nigeria. Thus, the researcher was guided by certain characteristics of the population that was necessary in choosing the sample elements that were most likely provide the required data for investigation. The characteristics may include demographic parameters such as age, gender, and career, level of educational qualifications, common language, and access to the products of the company.

Methods of Data Collection

Primary data and secondary data were the main source of data for this study. The study made use of questionnaire as instrument of primary data collection. The questionnaire was structured into two main sections. The first section focus on demographic characteristics (i.e. age, gender, marital status, career status, education qualifications, access to the products of the company, year(s) of experience as customer and average recharge per week) of the respondents. The second section focused on questions relating to customer driven marketing strategy and sustainable long term competitive advantage of 7UP, Nigeria. Thus, a total of four hundred hundred (400) copies of questionnaire were sent to the staff of the two 7UP plants.

The Likert rating scale of five points was employed for measuring the respondents' opinions as expressed in the questionnaire. This enabled the researcher to rate the respondents' responses on the scale ranging from strongly agreed to strongly disagree. Strongly agree is 5 point, agree 4 point, undecided 3 point, disagree 2 point, strongly disagree 1point. Saunders, Lewis & Thornhill, (2000) assert that the Likert-style rating method of questionnaire design enables researcher to ask respondents on how they agree or disagree with a series of statements. It also has the advantage, in that it enables numerical value to be assigned to cases for easy quantitative analysis.

Methods of Data Analysis

The descriptive and statistical analyses were used in presenting and analyzing the data collected from the field, with the aid of Statistical Package for Social Sciences (SPSS, 17.0 Version) and the secondary data Box-Ljung test and Augmented Dickey-Fuller Test were used**.** The data obtained from the field of study were presented and analyzed using descriptive statistic of simple percentage. Descriptive analysis enabled the researcher to calculate the frequency distribution of the variables and their respective percentages. Uni-variant regression analysis tool were used to test the hypotheses. The rationale for using regression analysis is because it is a statistical tool that indicates the direction and magnitude (the degree of variability changes in the level of dependent variable as a result of the independent variable) of the effect of one variable (independent) on another variable (dependent variable).

Factor Analysis

Factor analysis is a data reduction device which is used in summarizing the variable structure in a given set of data. Before the conduct of factor analysis certain condition needs to be met. Hair et al., (2010) asserted that the general rule of thumb for a factor to be carried is that there should be a minimum of 5 respondents per variable under study. Comrey and Lee (1992) stated that a sample size of 50 as very poor, 100 as poor, 200 as fair, 300 as good, 500 as very good and 1000 as excellent. Therefore, with a good data of 364 and seven variables the study has met with this condition.

Hair et al., (2010) asserted that the value of measure of sampling adequacy (MSA) must exceed 0.5 for the overall test as well as individual variables, item load lower than 0.5 is removed, although a loading of 0.3 is considered as minimum (Tabachnich & Fiddel, 2014). In determining the number of components (factors) to extract, there is need for considering other vital output (KMO, total variance explained). The naming of the factor is solely on item with higher loading. Item loading and cross loading of 0.5 and above on one factor is considered in this study due to its statistical and practical significance (Hair et al., 2010; Tabachinick& Fidell, 2014). The above mentioned decision rules were used as a basis for conducting principal component analysis in this study. The factor analysis for dependent and independents variables are as follows:

Independent variables – Marketing Segmentation Strategy

The independent variables of this study are the Marketing segmentation, all measured as uni-dimensional. The innovativeness has 34 items. The total items measured the entire four independent variables (Benefit segmentation, psychological segmentation, geographical segmentation and demographic segmentation). Before the conduct of factor analysis in, the Kaiser – Meyer – Olkin for measuring, sampling adequacy (KMO/MSA) was performed with the following value 0.722 which was over and above the minimum value of 0.6 for a good factor analysis (Hutcheson & Sofroniou, 1999). The Bartllett's test of sphericity was significant at p<0.000 which strongly supported the factorability of correlation matrix.

Demographic Profile of the Respondents

This study distributed four hundred copies of questionnaire for the respondents and a total of 370 copies questionnaire were finally retrieved, giving a response rate of 92.5%. The raw data collected was subjected to an examination which was in line with opinions of Cooper and Schindler (2007) who believed that should be done to be able to ascertain the completeness, accuracy, consistency and eligibility of the respondents. Based on that, this study was able to discover six (6) copies of questionnaire that were not eligible to be considered due to incompleteness and outliers.

This accounted for 91% valid response rate. Therefore, a response rate of 91% is considered adequate for the analysis in this study because Sekaran (2003) suggested that a response rate of 30% is sufficient for surveys. Table 4.1 summarized the response rate for the data collected for the analysis.

Table 2 Response Rate of the Questionnaire

Response	Frequency	Percentage (%)
No. of Questionnaire	400	100
Questionnaire returned	370	92.5
Questionnaire not returned	30	8.4
Questionnaire Valid	364	91
Questionnaire not Valid (Due to outliers, double ticking and incomplete)	6	1.5
Valid response rate		91%

Source: Authors computation 2019

Analysis of Segmentation Bases in Seven Up limited

The study observed different ways Seven Up limited have categorized their marketing segmentations. Table 3 revealed that on the benefits segmentation, the company uses packaging of the products based on returnable glass bottle (RBG) and pet bottle which are disposable and non returnable. On psychological, the company uses pricing, mostly, the small sizes and the larger sizes. On demographic, age is most commonly used, the older people prefer the less sugary drinks such as "pepsi light" while the young one prefer the sugary and attractive colours. On geographical, it was observed that Soda drinks and lemon flavoured such are more prominent in the southern plants, while same cannot be said of the Northern plants.

Seven up Market Segmentation

S/N	Segmentation			Bases
	Benefit	RBG	Pet Bottle	Packaging
	Psychological	50Naira bottles	80Naira bottles	Pricing
	Demographic	Regular Drinks	Sugar free drinks	Products

Geographical	**More sugary products in northern plants**	**Less sugary products in southern plants.**	**Distribution**

Source: Authors computation 2019

Regression Analysis and Hypotheses Test between Marketing segmentation Strategies and Market Share

Multiple regression analysis was conducted in determining the relationship between Marketing Segmentation Strategies (Benefit segmentation, psychological segmentation, geographical segmentation and demographic segmentation).

Table 3: Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.710[a]	.504	.488	.32315	1.890

a. Predictors: (Constant), benefit, psychographic, geographical, and demographic Segmentations
b. Dependent Variable: Market Share

Source: Authors computation 2019

The model summary as indicated in table 3 showed that R Square is 0.50; this implies that 50% of variation in the dependent variable (Market Share) was explained by the constant variables (Benefit segmentation, psychological segmentation, geographical segmentation and demographic segmentation) while the remaining 50% is due to other variables that are not included in the model. This means that the regression (model formulated) is useful for making predictions.

Table 4: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	12.852	4	3.213	30.769	.000[b]
	Residual	12.636	121	.104		
	Total	25.488	125			

a. Dependent Variable: Market Share
b. Predictors: (Constant), benefit, psychographic, geographical, and demographic Segmentations

Source: Authors computation 2019

The table 4 summarized the results of an analysis of variation in the dependent variable with large value of regression sum of squares (12.852) in comparison to the residual sum of squares with value of 12.636 (this value indicated that the model does not fail to explain a lot of the variation in the dependent variables. However, the estimated F-value (30.769) as given in the table above with significance value of 0.000; which is less than p-value of 0.05 ($p<0.05$) which means that the explanatory variable elements as a whole can jointly influence change in the dependent variable of Market share).

Table 5: Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF

1	**(Constant)**	**2.166**	**.221**		**9.810**	**.000**		
	Benefit	**.247**	**.051**	**.428**	**4.794**	**.000**	**.514**	**1.946**
	Psychographic	**.102**	**.055**	**.159**	**1.838**	**.069**	**.550**	**1.820**
	Geographical	**.152**	**.053**	**.233**	**2.854**	**.005**	**.617**	**1.620**
	Demographic	**.014**	**.057**	**.021**	**.247**	**.806**	**.580**	**1.726**

a. Dependent Variable: Market Share

Source: Authors computation 2019

The dependent variable as shown in the table 5 explains the influence of marketing segmentation strategy on market share of Seven-Up Bottling Company. This was used as a yardstick to examine the influence between the variables (i.e., benefit, psychographic, geographical, and demographic Segmentations). According to the result in the table above, benefit segmentation t-test coefficient is 4.794 and the P-value is 0.000 which is less than 0.05 (i.e. P<0.05). In addition, co-creation strategies test coefficient is 2.854 and p-value is 0.005. This means that these variables are statistically significant at 5% significant level. However, the result of the demographic segmentation as indicated in the table (t-value = 0.247; p-value = 0.806) did not significantly influence the market share of the business. Likewise, psychographic segmentation strategies test coefficient is 1.838 and p-value is 0.069. The overall summary of this regression outcome in relations to the coefficient of marketing segmentation strategy have significant influence on market share of the business. This implies that the null hypothesis was reject.

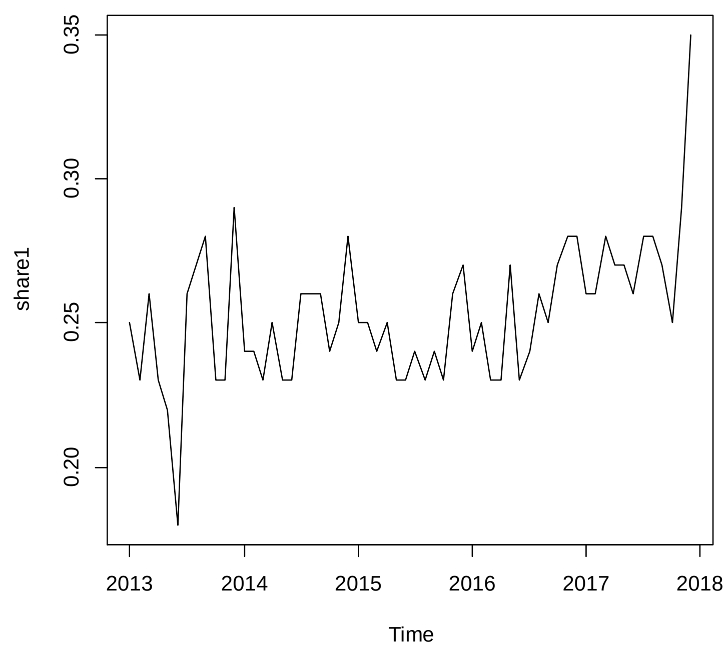

Figure 1: Time plot of share from Jan. 2013 to Dec. 2017

Source: Authors computation 2019

Figure 1 showed the time plot of Company's shares from January 2013 to December 2017 and from the plot it is little evident that there is presence of seasonal variation in the share. There is also no evident of trend but there is random component in the recorded share figure within the period.

Augmented Dickey-Fuller Test

To test for the stationary of the share, Augment Dickey-Fuller (adf) test is carried out. The results of the **Dickey-Fuller Test** are as shown below:

data: profit

Dickey-Fuller = -5.2389, Lag order = 3, p-value = 0.01782

Alternative hypothesis: stationary

From the results, the null hypothesis of Non-Stationary is rejected in favour of Stationary (p-value < 0.05)

Box-Ljung test

Box-Ljung test that observations in vector or time series *x* are independent is also carried out on the profits figure and the results are as shown below:

data: share X-squared = 6.5579, df = 1, p-value = 0.01044

From the results, null hypothesis of independent of observations is rejected in favour of dependence of time series observations (p-value < 0.05).

Decomposition of share values

Figure 1 showed the decomposition of the share values into three components namely: Seasonal variation, Trend component and Random variation. The graphical presentations (Plots) of these components with the original share values are shown in Figure 1. The multiple plots show the components exhibited by the original share values which are the Seasonal variation, Trend and Random variation.

CONCLUSION AND RECOMMENDATIONS

The findings of this study served as a reinforcement of earlier researches on the association between marketing segmentation strategies and market shares. The study has been able to emphasize the cogent variables of segmentation that can contributed to the market shares of Seven up bottling Limited with the ultimate goal of achieving its objectives.

Based on research findings from the data analysis the implications are that market segmentation strategy is very important to increased market shares. Therefore, managers should be pragmatic in the application of the strategic tool-kit in all the stages of the process (formulation, analysis and implementation), while considering the strategic implications of environmental factors on the strategic plan. Efforts should be made fulfill the quality requirements of each consumer segments i.e. satisfying both the intrinsic and extrinsic desire of consumer. Also, Products should be well packaged to be able to appeal to different segments of the market.

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