

THE IMPACT OF MARKETING STRATEGIES ON THE PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES IN YEMEN

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Abstract: SME organisations are one of the most effective monetary powers in the world. SMEs companies play a major role in everybody's lives as monetary exercises are very much dependent on SMEs companies today. Small and medium-sized companies offer a range of management skills to merchandisers that satisfy their clients and customers' fast needs, such that the high quality of products that are offered by small and medium-sized firms adds to. This study seeks to determine the effect of innovative marketing strategies on the performance of small and medium firms in Yemen by answering the main research question what is the impact of Marketing Strategies. This study will help small and medium firm's proprietors and directors to recognize the fundamental marketing strategies to upgrade their performance. This study seeks essentially to fill the knowledge gaps in corporate administration, Marketing Strategies, and performance in Yemen. Sample of 300 small and medium enterprises was used for the study. The population are the medium and small companies in Yemen, which number 573 companies. Simple random sampling and stratified sampling method were used to select the respondents. Result shows that Innovative marketing strategies play a significant role and influence to increase the performance of SMEs in Yemen, as empirical findings are consistent with results of this research. One of the most prominent recommendations of the study that marketing strategies are important tools in SMEs for the survival and expansion of businesses and to reach the largest segment of markets and customers and should be developed. The Marketing strategies concentrate specifically on the long-term competitive advantage of the company, its clients, rivals and stakeholders. The marketing strategies should be valued to be fair in the ever-evolving market environment. Based on the study, marketing strategies have made an important contribution to improve performance.

Keywords: Marketing Strategies, Innovative Marketing Strategies, SMEs, Performance.

1. RESEARCH BACKGROUND

The development and arrangements of small and medium-sized companies in the various financial fields, especially in terms of livelihood, have increased as a particular area of research. The value and the main components of such endeavours in different economies are accepted (De Pelsmacker et al., 2018). Small companies are characterized as a self-employed, minimal hugely organized organization in which a hundred employees are not exactly employed. Small businesses are usually more creative and innovative than larger companies. Small businesses have the limits to operating and can determine easily (Awan and Hashmi, 2014). Previous studies showed that the SME segment is a critical component and that small and medium-sized enterprises form a noteworthy private segment in creating countries. As such, it is important to accelerate small and medium-sized enterprises' growth and to take into consideration the ultimate objective of increasing supporting progress across the country.

Financial analysts have a general understanding that we are moving towards small and medium businesses in this modern

age. Since small and medium businesses in a continually increasing economy display changes over those of large enterprises in the business sector over this developed world. Observational studies have shown that small companies are more competent and creative in running, advertisement and promotional processes (Awan and Hashmi, 2014). In this way, small and medium firms need to figure their objectives obviously and after that assess the different creative promoting options in view of their capacities and assets. Showcasing can work viably just when the dedication from the administration and individuals in the association comes. Therefore, small and medium firms can without much of a stretch get the imaginative promoting rehearses, as they don't have layers between the chiefs and the general population who actualize these choices. The small and medium firms' imaginative showcasing methodology can work, on the off chance that it depends on plainly figured advertising project to achieve the potential and existing clients (Choe & Ji, 2019).

2. THEORETICAL FRAMEWORK

The marketing mix theory has been coined by Borden according to Gronroos (1994). The theory is also used for taking crucial decisions prior to the implementation of a marketing strategy. Any elements of the commercial campaign around the habits, expectations and psychology of the target consumer are structured through the concept of a marketing mixture theory. Marketing Mix Theory puts together many elements to improve and strengthen the identity of a product and help sell a product or service. The goods, price, promotion and position forming the four p's are the combined components. These four Ps are the criteria to be controlled by the marketing manager subject to both internal and external marketing constraints. The aim is to make decisions that concentrate the four Ps on the target market customers to build perceived value and positive response.

3. METHODOLOGY

Sampling selects a part (sample) from a larger group (population) from which to make inferences about the population (Creswell, 2013). This study adopted systematic random sampling (Creswell, 2013). to randomly select 300 individuals. SME employees are targeted because of their knowledge, experience, and been involved in the business. A population is any complete group of entities that share some common set of characteristics. The population of interest comprised some of the small and medium enterprises in Yemen. According to self-research and observations, there are about 27.796 small and medium enterprises within Yemen country (YMIT, 2014). A sample of 300 small and medium enterprises was used for the study. The sample was 11% of the total population as recommended by Mugenda (2003) that a sample of 10-30% is adequate if properly selected. Simple random sampling and stratified sampling method were used to select the respondents from the respective small and medium enterprises within the country. Stratified sampling was used to classify the population into subgroups (strata) after which simple random sampling was used to select the respondents from each stratum.

4. INSTRUMENT'S RELIABILITY

If a tool isn't reliable and invalid, then the outcomes of the experiments will usually be doubtful (Salkind, 2010). reliable measure contributes to a less statistical error in the evaluation and will increase statistical strength (De Vellis, 2003). One is unable to possess a legal instrument deprived of it firstly actuality reliable (Salkind, 2010).

In carrying out a reliability analysis for this research, the Cronbach's alpha was utilized which is the most common among others. preferably, the Cronbach's alpha should be above 0.70 (Pallant, 2007). Corrected item-total Correlation less than 0.3 indicates that the item is examining something different. to examine the reliability of Cronbach's Alpha value, the inner consistency of the variables was measured via suggestions from (George & Mallery, 2019). the rule of thumb says; values higher than 0.9 = excellent, higher than 0.8 = very good, higher than 0.7 = right, higher than 0.6 = appropriate, higher than 0.5 = questionable and less than 0.5 = unacceptable.

Table 1: Scale Reliability Alpha – Pilot Test of Model's Questionnaire (N=40)

Variable	N. of Items	Cronbach's alpha
Innovative Marketing Strategies	9	0.852
Performance	8	0.858

5. SUMMARY

This study shows that Innovative marketing strategies play a significant role and influence to increase the performance of SMEs in Yemen, as empirical findings are consistent with results of this research. Marketing strategies are important tools in SMEs for the survival and expansion of businesses. Marketing strategies to reach the largest segment of markets and customers should be developed. The Marketing strategies concentrate specifically on the long-term competitive advantage of the company, its clients, rivals and stakeholders. The marketing strategies should be valued to be fair in the ever-evolving market environment. Based on the study, marketing strategies have made an important contribution to improve performance. The relationship between Innovative marketing strategies and the performance It was positive. To enhance the performance of SMEs, marketing strategies increase customer, build confidence and stimulate demand.

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