



**EFFECT OF PLACE STRATEGY ON SALES PERFORMANCE AMONG PHARMACEUTICAL MANUFACTURING COMPANIES IN NAIROBI COUNTY, KENYA**

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**ABSTRACT**

A major obstacle to the pharmaceutical manufacturing industry in Kenya is suboptimal sales performance, which significantly hampers the growth and competitiveness of the sector. Despite a growing demand for healthcare products, various factors, such as limited market penetration, inadequate distribution networks, regulatory challenges, and high operational costs, continue to impede sales effectiveness. The objective of the research was to assess the effect of place strategy on sales performance among pharmaceutical manufacturing companies in Nairobi County, Kenya. The study was anchored on the Depot theory of distribution. The study utilized a descriptive research design. The target population included 640 employees who work in 20 pharmaceutical manufacturers in Nairobi county, across different departments dealing with sales and marketing activities. Nassiuma formula was employed to get a sample size of 94 respondents who were selected using purposive and simple random sampling techniques. Semi structured questionnaires were employed for data collection and distributed physically with the assistance of research assistants and via mail for respondents who had busy schedules. Quantitative data was analyzed using SPSS version 26.0, while qualitative data analysis was facilitated by the use of the NVivo software. Descriptive statistics were used to describe data in the form of means and standard deviation and inferential statistics were used to draw inferences. The findings show that place strategy has a significant effect on sales performance among pharmaceutical manufacturers in Nairobi County, Kenya with coefficient of 0.493. Finally, efficient distribution and logistics showed the strongest relationship with sales performance, with a strong correlation coefficient of ( $r = 0.549, p < 0.01$ ). The study concludes that efficient distribution and logistics strategies are critical for improving sales performance among pharmaceutical manufacturers in Nairobi County, Kenya. The study recommends that investments in logistics infrastructure are crucial for improving sales outcomes in the pharmaceutical manufacturing industry in Nairobi County, Kenya. Additionally, forming partnerships with reliable distributors is essential. The use of cutting-edge technologies for supply chain management is also highlighted as a key factor in enhancing sales performance.

**Key Words:** Place Strategy, Sales Performance, Pharmaceutical Manufacturing Industry, Marketing Mix

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## INTRODUCTION

In the highly competitive manufacturing industry, achieving and maintaining optimal sales performance is crucial for the sustainability and growth of the sector. One significant factor that can influence sales performance is the place strategy, which encompasses the distribution channels, logistics, and the strategic location of sales points (Kotler, 2015). According to Morgan, Clark and Gooner (2017), strategies are systematic paths that businesses take to reach a particular performance level. Through strategic marketing, a company can establish a well-organized plan for accomplishing its objectives and determine the most efficient way to do so within a given time frame (Okhiria, 2020).

Place strategy ensures that goods are offered to customers at the appropriate time and location, which eventually affects sales outcomes and customer satisfaction (Rane et al., 2023). To identify the best distribution systems that fit a company's business model, careful organizational planning is required (Carrasco Ramírez, 2024). Channels serve as middlemen between product offerings and consumers. Examples of channels include wholesalers, distributors, retailers, and internet platforms. Businesses can stand out from the competition and improve their market awareness by carefully choosing and controlling these channels (Harsono, 2017). A business must choose when and how to position its products and services in order to grow market share and client sales. The distribution plan, which includes all additional customer-facing channels in addition to physical and online retailers, is one of the 4Ps of marketing mix strategy (Harsono, 2017).

Global pharmaceutical manufacturing industry faces several specific challenges that affect their operational efficiency and optimal sales performance attainment. A significant challenge is inefficiency in distribution networks, which can result in delays and increased costs, negatively affecting product availability and customer satisfaction (African Development Bank, 2020). Pharmaceutical manufacturing companies also face

regulatory challenges and market access barriers, which can affect their ability to compete effectively. To thrive in this competitive landscape, pharmaceutical manufacturing companies need to focus on strategic marketing. Additionally, they must prioritize operational efficiency, which includes developing effective distribution systems. These efforts are essential for capturing a significant market share (Moosivand, Rajabzadeh Ghatari & Rasekh, 2019). The rise of generic pharmaceutical manufacturers and the increasing demand for innovative and specialized medications that must reach the end users further intensify this competitive pressure (Moneme & Nzewi, 2017). Effective distribution networks can also improve market reach by accessing a larger customer base.

### Statement of the Problem

Sharp drops in sales performance have been observed in Kenya's pharmaceutical manufacturing sector, which can be attributed to issues including antiquated distribution networks, unregulated pricing policies, and low standards for product quality (UNIDO, 2019). Global trends that are contributing to this reduction include the pharmaceutical market's sluggish growth rate and declining sales numbers on a local and international level. In particular, the Nairobi County pharmaceutical manufacturing industry struggles to maximize sales performance because of ineffective location tactics that include outdated distribution networks and difficult access to medical supplies (Kenya Association of Manufacturers, 2017).

Although earlier research has examined marketing mix techniques in diverse settings, there are a number of methodological shortcomings in these studies. Gituma (2017) examined how marketing mix techniques affected Unga Feeds Limited's sales success; however, because the study only looked at one firm, the results cannot be applied to the pharmaceutical sector as a whole. Kiso (2017) investigated the marketing tactics of SMEs; however, as the pharmaceutical industry is unconnected, the findings of the study are not applicable to it. Ndumia (2020) concentrated on

commercial printing companies, highlighting issues such as biased sampling and lack of relevance to the pharmaceutical sector. Aspects of the pharmaceutical sector were examined in recent research conducted by Weru (2018), Omondi and Adhiambo (2018), and Oyoolo and Bett (2017), among others. Nevertheless, rather than concentrating on particular marketing mix techniques and how they directly affect sales performance, these studies used case study approaches and addressed more general strategic management topics. The current study employed a descriptive research design with a larger, more representative sample that provided a more comprehensive analysis. Therefore, there was a critical need to investigate how optimizing place strategy, including distribution channels and geographic placement of sales points, can enhance sales performance and competitiveness among pharmaceutical manufacturing companies in Nairobi County, Kenya. These gaps were filled by this study, which looked at how place strategy affected pharmaceutical manufacturing companies' sales performance in Nairobi County, Kenya. It also provided actionable advice on how to increase market share by investing in cutting-edge supply chain management systems to improve sales performance, streamline operations, and eliminate bottlenecks.

### **Research Objective**

The objective of the study was to examine the effect of place strategy on sales performance among pharmaceutical manufacturing companies in Nairobi County.

## **LITERATURE REVIEW**

### **Theoretical Review**

#### **Depot Theory of Distribution**

The Depot theory of distribution was proposed by Aspinwall in 1958. According to the theory, "goods move to consumption at a rate determined by the exchange needs of the end consumer" (Shaw & Jones, 2005). Depot distribution theory can be applied to analyze how location strategies such as

distribution channel planning and logistics management affect sales in the pharmaceutical industry in Nairobi County, Kenya. This theory examines the role of central warehouses, distribution networks and inventory management in optimizing drug market access and maximizing sales efficiency.

As Aspinwall (1958) specified, the rate of substitution is inversely proportional to gross margin, required, services search time and consumption time. Thus, knowing the displacement velocity provides information about other characteristics that determine the flow rate. The issue of which stores in an organization (including manufacturers, distributors, wholesalers, retailers, households) hold and change inventory, as discussed by Bucklin (1965), delay and speculation theory. Alderson (1965) developed the delay component, arguing that changes in products and inventory should be delayed to the last possible point in the marketing link to reduce risk. Bucklin (1965) added a theory of the effects of speculation that changes in form and inventory ownership should be made as early as possible in the market flow to exploit economies of scale. Thus, speculation exploits the lower costs of early modification of goods to achieve economies of scale, leading to mass production, while delay reduces risk by modifying goods later to segmented demand, leading to today's mass customization.

The Depot Theory of Distribution aims to clarify how a placement strategy can speed up the flow of commodities in order to satisfy consumer demand. This theory is relevant to the study because it looks for the most effective location strategies and distribution routes that these pharmaceutical enterprises in Nairobi County can employ to provide pharmaceutical products to clients as quickly as possible. This is an important theory that develops the location strategy approaches adopted by these companies. This is so that companies can take advantage of this theory by developing an effective placement strategy that aligns with the organization's marketing goals. This overall

marketing strategy would take into account factors such as drug shelf life, storage requirements and delivery system needs. With the depot theory of distribution, these pharmaceutical manufacturers can also choose experienced channel partners to distribute pharmaceutical products, to optimize their sales performance. It would also strengthen collaborations and joint venture activities such as customer service management systems, product portfolio training, logistics management systems and refresher trainings. This would promote sales of pharmaceutical products and improve the overall sales performance of the organization (Czinkota et al.2021).

The depot theory of distribution provides valuable information for the optimization of distribution networks, but faces several limitations that prevent its application in modern supply chain management (Mentzer et al., 2001). Its static nature and overly simplistic assumptions may not effectively adapt to dynamic market conditions, changing customer preferences and logistical complexities in a real distribution environment. Additionally, the theory's reliance on centralized warehouses and predetermined routes can limit flexibility and responsiveness to unexpected disruptions or changes in demand (Harrison & van Hoek, 2008). In addition, the assumption of homogeneity of market demand ignores different preferences and buying behavior in different markets, which requires more tailored and adapted distribution strategies. As supply chain operations evolve with technology and logistics practices, companies must complement traditional theories such as Depot theory with a more agile and flexible approach to distribution management systems to meet the demands of modern logistics environments (Czinkota et al.2021).

### **Empirical Review**

Shaju and Elrashid(2023) delved into the dynamics of the pharmaceutical supply chain, focusing on the impact of inventory management on sales performance. The purpose of this mixed method was to uncover the complex relationship between

dispensing practices and drug sales performance. Using qualitative interviews and quantitative surveys, the researchers worked with a diverse sample of 45 pharmaceutical manufacturers operating in different regions. The qualitative phase involved in-depth interviews with supply chain managers and sales managers to gain insight into inventory management strategies. Afterwards, a structured survey was conducted for a wider group of stakeholders, where the relationship between stock turnover, stock levels and general sales development was assessed. The results of the study showed that effective inventory management plays a key role in influencing sales results. Companies that maintained optimal inventory minimized inventory and efficiently allocated resources to production saw significant improvements in sales volumes. However, this study was conducted elsewhere and the findings may not be applicable to the Kenyan pharmaceutical manufacturing industry context.

A comprehensive study carried out by Zhang et al. (2022) on exploration of the role of technology-driven supply chain innovations on the sales performance of pharmaceutical companies aimed to assess the impact of technological advancements, such as block chain integration and data analytics, on supply chain efficiency and subsequent sales outcomes. A structured survey was disseminated to a sample of 60 pharmaceutical manufacturers operating within both developed and developing markets. The survey captured data on the extent of technology adoption within their supply chains, as well as key performance indicators related to sales performance. Additionally, qualitative interviews were conducted with select participants to gain deeper insights into the mechanisms through which technology influences supply chain and sales dynamics. The study's findings revealed a positive correlation between technology-driven supply chain innovations and sales performance. Pharmaceutical companies that embrace cutting-edge technologies demonstrated enhanced visibility, traceability, and real-time data analytics capabilities. However, this

study did not look at the challenges of technology adoption in supply chain. The current study comprehensively analyzed the challenges and barriers that pharmaceutical companies encounter when adopting technology-driven distribution logistics' innovation.

A study by Oketch (2014) applied a descriptive research design study to determine supply chain performance metrics for pharmaceutical manufacturers in Kenya. The information was obtained through a questionnaire with a total of 25 respondents, which corresponded to a 78% response rate. According to the results of the study, a total of six distinct metrics were used to evaluate a supply chain. These metrics included; cash-to-cash, cycle time, manufacturing flexibility, delivery performance, flawless order fulfillment, total cost of supply chain management and e-commerce efficiency. Combining these supply chain performance metrics were found to lead to higher levels of overall corporate performance. It was suggested that all pharmaceutical companies prioritize the application of these six supply chain performance criteria to improve the overall performance of their companies. Study was conducted in Kenya, but was limited to specific metrics. The current study fills the gap by investigating on wider scale effects of value chain performance metrics on overall pharmaceutical

manufacturing companies' performance in Nairobi, Kenya.

## METHODOLOGY

The research design used in the study was a descriptive survey. Descriptive survey research design, as demonstrated by Cooper and Schindler (2014), is a type of study that presents the situation as it is. The researcher can only take responsibility for what has happened or is happening in this design, with no control over the variables, and search for explanations for why the circumstance is as it is. Generally speaking, the purpose of using a descriptive study strategy is to highlight subsequent occurrences with responses to comparable queries in different individuals as well as individuals who participated in a typical and unaffected environment. There are twenty registered pharmaceutical factories in Nairobi County, Kenya, where the study was conducted (KAPI, 2018). According to Mugenda & Mugenda (2012), a population is, for example, a group of subjects, objects, or elements in the universe for a particular study that includes every individual, matter, case, piece, or effect that has distinguishing characteristics or uniqueness. As indicated in Table 1, the study's focus was on all 640 workers who work in various departments that handle sales and marketing-related tasks, such as administrative managers, sales and marketing managers, medical representatives, and sales assistants (KAPI, 2023).

**Table 1:**

### **Target Population**

S/No	Employee cadre	Department	Number of Employees in relevant Department
1.	Administrative Managers	Administration & Operation	130
2.	Marketing & Sales managers	Sales & Marketing	104
3.	Medical Representatives	Sales & Marketing	206
4	Sales Assistants	Sales & Marketing	100
	<b>Total</b>		<b>640</b>

**Source: Kenya Association of Pharmaceutical Industry (2023)**

The process of obtaining data about a whole population by examining a small portion of it is known as sampling (Creswell & Creswell, 2018). The

respondents for the study were chosen using a straightforward, purposeful random sampling procedure. In order to determine a sample size of

94 respondents, the study used the Nassiuma (2000) formula. Table 2 illustrates the proportionate

distribution of the sample size among the sampled groups.

**Table 2:**  
**Sample Size**

Category	Population (N)	Sample Size(S)
Medical Representatives	206	39
Sales and Marketing managers	104	16
Administrative Managers	130	24
Sales Assistants	100	15
<b>Total</b>	<b>640</b>	<b>94</b>

Source: Author (2024)

Semi-structured questionnaires were used to gather data. After coding the data to categorize the responses, data analysis involved confirming the accuracy of the raw data. Quantitative data was processed using SPSS version 26, and qualitative responses were generated with the use of NVivo software. The averages and standard deviations of the data, which were displayed in frequency distribution tables, were described using descriptive statistics. The association between site strategy and sales performance among Nairobi County businesses that produce pharmaceuticals was examined using multiple linear regression analysis in inferential statistical analysis.

The investigator employed various linear regression equations.

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$

Where;

Y is the sales performance

Sales performance = the dependent variable,

$\beta_0$  = The Regression constant term.

$\beta_1, \beta_2, \beta_3$  and  $\beta_4$  represent the Coefficients Independent Variables

$X_1$  = Place strategy

$\varepsilon$  = Error of term

## FINDINGS AND DISCUSSIONS

### Response Rate

Ninety-two of the sampled 94 respondents answered the study. As a result, the response rate was 97.9%. This was deemed adequate for examination. The response rate is shown in Table 3. This response rate was deemed satisfactory according to Bryman and Bell's (2015) theory that a sample size of 60% is enough. Both physical and electronic distribution of the surveys were carried out. The researcher's data collection techniques were credited with the high response rate. For example, before heading out into the field, the researcher called and emailed possible respondents to let them know about the study. Along with employing the drop-and-pick method, the researcher also called the respondents to encourage them to complete the questionnaire and to address any questions that could have come up. Because this method made the process of gathering data easier, the response rate was high.

**Table 3:**  
**Response Rate**

Response	Frequency	Percent	Cumulative Percent
Valid			
Invalid Questionnaire	2	2.1	2.1
Valid Questionnaire	92	97.9	100.0
<b>Total</b>	<b>94</b>	<b>100.0</b>	

### Descriptive Statistics for Place Strategy

The purpose of the study was to investigate how Nairobi County, Kenya's pharmaceutical manufacturing businesses' place strategies affected their sales performance. Participants were asked to score their agreement with the statements on their

company's approach for product development. Every item featured a 5-point Likert-type scale, with 1 denoting extremely low, 2 low, 3 moderate, 4 high, and 5 very high. The scale continued from 1 to 5. The outcomes are displayed in Table 4.

**Table 4:**  
**Place Strategy**

Statements	N	Mean	Std. Deviation	CV (%)
Different levels of channels are used in distribution of pharmaceutical products in the market	92	4.07	1.156	28.40
Efficient stock management systems positively affect sales performance of pharmaceutical products	92	4.23	.915	21.63
Strategic warehousing locations contribute to improved sales performance of the pharmaceutical products	92	3.54	1.190	33.62
Timely delivery of orders of pharmaceutical products enhances customer satisfaction.	92	4.63	.641	13.84
Effective delivery management systems contribute to increased sales of pharmaceutical products	92	4.43	.775	17.49
The place strategy expands on easily reaching customers by incorporating e-commerce distribution platforms.	92	3.89	.966	24.83
<b>Overall Mean</b>		<b>4.13</b>		

The item with the highest mean score was "Timely delivery of orders of pharmaceutical products enhances customer satisfaction" with a mean of 4.63. This indicates a very strong agreement among respondents about the importance of timely delivery while the item with the lowest mean score "Strategic warehousing locations contribute to improved sales performance of the pharmaceutical products" with a mean of 3.54. This suggests a more moderate agreement on the impact of strategic warehousing location. Further analysis of variability reflects that "Timely delivery of orders of pharmaceutical products enhances customer satisfaction" had the lowest CV of 13.84%. This indicates the least relative variability, showing a strong consensus among respondents while "Strategic warehousing locations contribute to improve sales performance of the pharmaceutical products" had the highest CV of 33.62%. This suggests the most relative variability, indicating differing opinions among respondents in pharmaceutical company in relation to product development. It's clear from the findings that

highest level of agreement was experienced in "Timely delivery of orders" with the highest mean (4.63) and lowest CV (13.84%), indicating strong and consistent agreement while the most varied aspect was "Strategic warehouses locations" with the lowest mean (3.54) and highest CV (33.62%), suggesting moderate agreement and high variability. The overall mean was 4.13 which suggest general agreement on the importance of these product development strategies, with varying degrees of consistency across different aspects of sales on sales performance among pharmaceutical manufacturing companies. The results agree with those of Murphy et al. (2021), who emphasizes that efficient logistics and supply chain management are vital for ensuring product availability and meeting consumer demand, thus enhancing sales performance. Conversely, the moderate impact of strategically located warehouses and e-platforms for pharmaceutical distribution suggests that while these elements are important, they may not be as influential as other logistical factors. These results agree with assertions of Owomoyela et al. (2013),



Mustapha (2017), and Zekarias (2019) who found that place strategy has a significant effect on overall business performance.

Qualitative responses on place strategy demonstrate the critical role of optimizing distribution channels and leveraging digital platforms to enhance product visibility and market reach. Efficient distribution networks and placement in strategic locations such as pharmacies and with major distributors were mentioned as vital for improving brand visibility and sales outcomes. As one respondent noted: *"Product availability with major distributors across the market has helped us improve on our brand visibility leading to increased sales,"* (Respondent one). Additionally, the use of digital marketing and e-commerce platforms emerged as a modern approach to broaden market reach and increase product accessibility, with one respondent highlighting, *"E-commerce platforms and timely responses to queries have improved our product's reach and sales"* (Respondent two).

Challenges such as stock-outs due to delays in sourcing active pharmaceutical ingredients and antiquated distribution channels were noted as prevalent concerns. Intermittent stock-outs disrupt the supply chain and affect product availability, while inefficiencies among distributors can lead to inconsistencies in pricing and distribution effectiveness. Competition from large multinational pharmaceutical companies with broader distribution networks also poses a challenge, highlighting the need for efficient and timely delivery to maintain a competitive edge. As one respondent pointed out, *"Timely delivery has contributed to the success of our new pharmaceutical offerings and also detailed explanation of how the product works,"* (Respondent three).

#### Descriptive Statistics for sales performance

The research also evaluated pharmaceutical companies' sales success. A Likert scale with five points was used to accomplish this, as shown in Table 5.

**Table 5:**  
**Sales Performance of Pharmaceutical Companies**

Statements	N	Mean	Std. Deviation	CV (%)
Sales cycle duration of pharmaceutical products is predictable and tracked	92	3.61	1.027	28.45
Customer conversions rate has been on steady rise	92	3.66	.893	24.40
Customer satisfaction with pharmaceutical products sales is high	92	3.83	1.012	26.42
Pharmaceutical product portfolio has a strong competitive position in the market	92	3.98	.949	23.84
Sales performance of pharmaceutical products align with industry trends	92	3.73	1.120	30.03
The sales performance and profitability of pharmaceutical products are highly influenced by marketing mix strategies.	92	4.25	.921	21.67
<b>Overall Mean</b>		<b>3.84</b>		

Table 5, shows that the highest mean score was for the item "The sales performance and profitability of pharmaceutical products are highly influenced by marketing mix strategies," with a mean of 4.25. This indicates a strong agreement among respondents regarding the impact of marketing mix strategies on sales performance. Conversely, the item "Sales cycle duration of pharmaceutical products is predictable and tracked" had the lowest mean score of 3.61, suggesting a more moderate agreement on the

predictability and tracking of the sales cycle duration. Further analysis of variability revealed that the item with the lowest variability was "The sales performance and profitability of pharmaceutical products are highly influenced by marketing mix strategies," with a CV of 21.67%. This shows the least relative variability and indicates a strong consensus among respondents. On the other hand, the item "The sales performance of pharmaceutical products aligns with industry

trends" had the highest variability, with a CV of 30.03%, indicating the most relative variability and differing opinions among respondents. The overall mean was 3.84, suggesting that respondents generally have a positive perception of various aspects of sales performance, although some measures are viewed more favorably than others in relation to sales performance among pharmaceutical manufacturing companies. These results are in agreement with Kotler and Keller (2016) assertions; marketing mix strategies have a direct impact on sales outcomes, for example, differentiation of pricing strategies to cater to various market segments and geographical areas underscores the necessity for strategic flexibility in pricing to maximize sales performance.

Findings from open-ended questions on sales performance highlight critical performance deliverables contributing to effective sales outcomes in the pharmaceutical manufacturing industry in Nairobi County, Kenya. Emphasis was placed on product innovation, effective promotional tactics, and distribution efficiency. Respondents noted that innovative product ranges, user-friendly packaging, and improved product efficacy contribute significantly to increased sales. Similarly, personalized selling and sampling were identified as

critical tactics for boosting brand visibility and driving customer conversions. Effective use of medical sponsorships and medical educational campaigns were also highlighted as means to build trust and enhance product awareness. Furthermore, the role of digital avenues and e-commerce in expanding market reach and easing product access is increasingly significant, with respondents noting that "*e-commerce platforms and timely responses to customer queries have improved our product's reach and sales,*" (Respondent four).

Furthermore, the respondents pointed out that government regulations and market dynamics influence sales performance. Regulations on market entry, pricing, and distribution ensure fair competition and product quality but can also impact pricing strategies and market accessibility. These results are in agreement with Kotler and Keller (2016) assertions on a well-coordinated marketing concept to achieve optimal sales outcomes.

### Inferential statistics

#### Correlation Analysis

Using the Pearson product moment correlation coefficient, correlation analysis was performed. Table 6 displays the outcomes.

**Table 6:**

*Correlation Analysis*

		Sales Performance	Place Strategy
<b>Sales Performance</b>	Pearson Correlation	1	.549**
	Sig. (2-tailed)		.000
	N	92	92
<b>Place Strategy</b>	Pearson Correlation	.549**	1
	Sig. (2-tailed)	.000	
	N	92	92

\*\* . Correlation is significant at the 0.01 level (2-tailed)

Table 6 shows positive and significant relationships between sales performance and Place Strategy ( $r = 0.549$ ,  $p < 0.01$ ), indicating that effective distribution and logistics strategies are crucial for improving sales.

#### Multiple Regression Analysis

The researcher looked at "the goodness fit in the model summary," where the related regression findings from this exercise are displayed in Table 7, to assess how well the model matches the data.

**Table 7:***Regression Model Summary*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.579 <sup>a</sup>	.335	.305	.67004

a. Predictors: (Constant), Place Strategy

Given that the dependent variable, sales performance, has a coefficient of determination (R square) of 0.335, it can be concluded that variations in the independent variables, place strategy, account for 33.5% of the variation in sales performance. Thus, other factors not covered by

the model account for 66.5% of the variations in the sales performance. According to this result, the model fits data quite well, however it might be enhanced by adding more predictors or improving the ones that are already there.

**Table 12:***ANOVA*

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	19.710	4	4.928	10.976	.000 <sup>b</sup>
	Residual	39.059	87	.449		
	Total	58.769	91			

a. Dependent Variable: Sales Performance

b. Predictors: (Constant), Place Strategy

The findings show F-statistic of 10.976 which means that the model is significant, and its p-value of ( $p = 0.000$ ,  $p < 0.05$ ) implies that the variables together account for a sizable amount of the

variability in sales performance. The coefficients of the regression model are shown in the following table Table 12.

**Table 10:***Regression Model Coefficients*

Model		Unstandardized Coefficients		Standardized Coefficients		T	Sig.
		B	Std. Error	Beta			
1	(Constant)	.664	.501			1.326	.188
	Place Strategy	.493	.141	.415		3.497	.001

a. Dependent Variable: Sales Performance

Regression coefficient for the independent variable, place strategy, is positive and has a statistically significant p-value of 0.493 ( $p = 0.001$ ,  $p < 0.05$ ), according to the results of the regression analysis. This demonstrates that Place Strategy was positively correlated and statistically significant with pharmaceutical manufacturing companies' sales performance. The key role played by place strategy in boosting sales is highlighted by the model's intercept of 0.664. According to Kotler and Armstrong (2018), place strategy approaches

should be used in conjunction with other marketing mix strategies, like price, product and promotion to achieve the best possible sales results. The study supported these claims. Better sales performance has been reported by businesses that have streamlined their distribution networks to guarantee prompt and widespread product availability (Grujic, Moraca, and Fajsi, 2020). The results imply that the pharmaceutical manufacturing industry can improve sales results by investing in logistics infrastructure, forming

alliances with trustworthy distributors, and utilizing technology for supply chain management.

### CONCLUSION AND RECOMMENDATION

The study revealed that place strategy has a strong significant effect on sales performance within the pharmaceutical manufacturing industry in Nairobi County. Companies that invest in optimizing their distribution networks and partnering with reliable distributors are likely to experience enhanced sales outcomes. The study concludes that efficient distribution and logistics strategies are critical for improving sales performance.

The study recommends that pharmaceutical manufacturing companies in Nairobi County, Kenya, should invest in advanced supply chain management systems to streamline their operations and reduce bottlenecks. This includes adopting cutting edge-technologies for real-time tracking of pharmaceutical products and automating inventory management systems and expanding distribution networks to cover underserved regions can enhance product accessibility and market reach.

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