

Impact of Applying of Ansoff Model on Marketing Performance for Saudi Foodstuff Companies

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Abstract

This study aims to determine the impact of Ansoff model application on marketing performance on Saudi foodstuff companies. To achieve the objectives of the study, a questionnaire was developed and distributed. The study population consists of all Saudi Food Companies employees, and convenience sample was selected 150 questionnaire were distributed, 110 were recalled which representing (73%) of the sample. The study finds that there is a strong impact of Applying Ansoff Model (market penetration strategy, product development strategy, market development strategy, diversification strategy) on marketing performance in Saudi Food Companies. The study recommended some recommendations which enable the decision-makers to use the strategies of Ansoff Model in effective way, which it helping Saudi Food Companies to increase the levels of marketing performance and to achieve its objectives, as survival, growth, achieve benefits and profits.

Keywords: Ansoff Model, Marketing Performance, Food Companies, Saudi Arabia.

1.Introduction:

Companies are seeking in general to achieve strategic objectives that are summarized in survive, growth and then realizing benefits. and among such benefits which companies seek for is profitability and to make a profit, which is deemed vital and as a fuel for those companies in order to achieve their objectives represented by survival, growth and benefits, realization including profit and thus successful companies cycle work is completed (Bustanji ,2013), Therefore companies have to use strategic planning at all levels, including marketing strategic planning, and using analysis methods and tools and marketing strategic planning, to achieve strategic and marketing goals through the use of tools to help in decision-making by selecting and appropriate strategy application that lead to the achievement of marketing objectives and strategy that lead to strategic objectives achievement at organization level as a whole (Lee, 2006).

The rapid environmental changes and markets opening up and after Kingdom of Saudi Arabia joined World Trade Organization and the consequent increase in competition, and trend towards privatization, and nature of the challenges and barriers faced by Saudi food companies is the most important probability of raising support from the Saudi government for food companies in the UK and high prices raw materials for these companies

This requires from Saudi foodstuff companies rapid adaptation with environmental variables to meet challenges and to attempt to get a competitive advantage that enable such companies to compete strongly and to face challenges and take advantage of available opportunities through creating new opportunities, and / or utilize the available opportunities, and / or access the opportunities before competitors and to achieve pace and take advantage of first prime mover., and face the challenges and convert them to a new opportunity. The researcher believes that Ansoff model strategies and its application in food companies will help them to utilize opportunities and achieve their goals and thus access to high levels of marketing performance represented by increase market share and profits. That's what the study is trying to test it, so this study is to determine the impact of Ansoff model application (product-market matrix) on marketing performance of Saudi Foodstuff companies

2.The Study Importance

The study importance because it handles one of food security aspects problem in Kingdom of Saudi Arabia, represented by Saudi food stuff companies and barriers and challenges they faced , including, but not limited to : climate conditions and water scarcity locally , and raw materials increasing prices and imported agricultural materials , which affect Saudi foodstuff companies profitability and continuity , in addition to marketing problems they face and non raising food stuff products prices restrictions imposed by Saudi government to Saudi market, in contrast, Saudi government subsidized foodstuff companies through the subsidize many of production factors including imported raw materials . To meet water resources depletion and global shortage of foodstuff challenges, King Abdullah's agricultural initiative was launched to reduce domestic wheat production by 12.5 per cent a year until the cancellation of this production completely by the year 2016.

In January 2009 , King Abdullah's initiative for agricultural investment entered into force. And was subsidized by Investment Fund with a capital of three billion Saudi Riyals. The initiative aims to enhance Saudi

food security on the long run by enabling Saudi private companies to invest in agricultural projects in foreign countries, which have agricultural potential better than those available in the kingdom, such as Ethiopia, Turkey, Vietnam, Egypt, Ukraine and Sudan. Kingdom looks forward through this initiative to ensure the provision of its basic foodstuff commodities, such as sugar, rice, wheat, barley, soy beans and maize, and cattle and other animals feed.

However, due to the needed investment size, the fund that subsidizes this initiative may require more money to be able to achieve the stated objective represented by building sufficient strategic reserve of basic commodities, to avoid any future food crisis (John, 2010). This is deemed as an opportunity and one of the strategies contained in Ansoff model for Saudi foodstuff companies to enter into new markets, either in the same existing products or with new products

Based on the above, the study importance stems from the attempt to try to help existence food stuff companies to overcome these challenges and barriers through using appropriate marketing strategies, the most important are Ansoff model strategies through creative ways and means to find opportunities and utilize the available ones, which reflected on increasing levels of marketing performance in those companies, which enable them to achieve their main objectives, represented by survival, growth and achieving benefits.

It is worth to mentioning that there is a weakness in covering this topic by researchers in Arab world and Saudi. The researcher did not find upon his best knowledge any study either Arabic or foreign that tackle the same topic, which is summarized by studying the impact or relationship of Ansoff model (matrix product-market) in marketing performance. The researcher found one foreign study. Pleshko study handled Ansoff model development to nine strategies and their impact on market orientation of the surveyed companies. Dosari study handled the impact of growth strategies (integration, focus, diversity) on orientation and marketing performance. Omar and Nabila study handled the impact of diversification strategy on the competitive and economic performance of the Concord Algerian company. Therefore, the increasing importance of this study is clear because it is a scientific and practical addition, because it is the first in the Arab region in general and Saudi Arabia in particular, and it represents an attempt to cover a gap through Ansoff model application and its impact on Saudi foodstuff companies marketing performance.

3. Problem Statement

Due to barriers and challenges Saudi foodstuff companies are facing that the researcher pointed to in study introduction and importance, these companies are obliged to confront and overcome through investigating opportunities in creative manners. The researcher believes that the use of Ansoff strategies will enable these companies to overcome large part of such barriers and challenges and take advantage of available opportunities and even creating marketing opportunities that enable them to survive, grow and achieve benefits and increase their marketing performance levels. Researchers unanimously agreed on the importance role played by marketing strategies, that consisting Ansoff model to help companies to achieve their marketing objectives, (Al-Dosari, 2010). Among researcher's observations of some Saudi foodstuff companies practice and follow-up economic activity reports regarding those companies activities, there are some successes of some of these companies and failures of the same companies in certain areas in selection and application of some Ansoff strategies.

In order to make sure of researcher primary conclusions, researcher conducted a pilot study that included interviewing many managers and employees in different departments and in marketing departments in these companies to find out their application of Ansoff strategies (product - market matrix). The pilot study results confirmed researcher's doubts regarding the existence of deficiencies whether in Ansoff model strategies selection or implementation. Therefore researcher believes that there are unutilized opportunities, so researcher has tried to highlight and determine the impact of Ansoff model implementation on marketing performance through answering the following questions:

1. What is the status of Ansoff model implementation in Saudi foodstuff companies?
2. What is the status of marketing performance in Saudi foodstuff companies?
3. What is the statistical significance impact of Ansoff model implementation (market penetration strategy, product development strategy, markets development strategy, diversification strategy) on marketing performance (market share, profits) in Saudi foodstuff companies?

4. Study Objectives

This study seeks to achieve the following objectives:

- 1-To find Ansoff model implementation (product – market matrix) status in Saudi foodstuff companies.
- 2 – To find out marketing performance status in Saudi foodstuff companies
- 3-To specify Ansoff model implementation (product – market matrix) impact on marketing performance in Saudi foodstuff companies.

4-To provide some recommendations based on study results that would help officials in marketing departments of Saudi foodstuff companies for selecting and implementing appropriate strategies.

5. Literature Review and Previous Studies:

5.1 Analyzing of Ansoff Model :

Ansoff is considered one of the early thinkers who have discovered strategy social role and strategic management is performance institutional pivot our researches represented many researches and ideas that emerged in the end in strategic planning context. Ansoff matrix is deemed one of strategic thinking the pillars , its decision-making process division between strategic (focus on products and markets) and managerial (allocation of resources and systems) and operational (budget preparation and implementation). It also put forward strategy intellectual core principals represented by product , market size , growth sectors , competitive advantages , decline analysis , ability , mixing , market instability and indicators of risk alarming (Pleshko, 2008).

Ansoff leading works paved the way before number of authors who have completed the principals that developed by Michael Porter (Competitive Strategy) , Gary Hamel and Brahlid who have used strategic core of efficiency concept (Hamel and Brahlid 1990) . Many researchers consider that Ansoff model has proved its efficiency in strategic operations to identify business growth opportunities through product matrix / market , and is still widely used by marketers , and it is considered one of best strategic analysis tools to identify marketing opportunities . Every organization needs to have the ability to identify current and future marketing opportunities in the market based on available company internal resources. There is no organization that can depend on their current products and markets forever. Therefore organization must develop some marketing strategies to utilize appropriate marketing opportunities to company's human, physical and technical resources (Azzam et al, 2011).

According to (McCarthy, 2000) Ansoff model includes four strategies to deal with market opportunities and utilize the same based on product / Market Matrix as is shown in Figure (1) as follows:

		INCREASING RISK →	
		Products	
Markets		Existing Products	New Products
	Existing Market	Market Penetration	Product Development
	New Market	Market Development	Diversification

Figure (1)

Source: McCarthy E. Jerome, William D. Perreault (2000) Essentials of Marketing 8th Edition, 7 RWIN P:55.

5.1.1 Market penetration strategy

Organization aspires to achieve greater sales for current product for the same consumers, without changing product image in new form or introducing modifications. These can be made by reducing product prices of and intensify advertisements, and product distribution in the existing outlets. The Market penetration strategy seeks to achieve four main objectives:

1. To maintain or increase current products market share, this cannot be achieved only through a combination of competitive pricing strategies, advertising, sales promotion, and May it requires more allocated resources for personal selling.
2. To provide market growth secures dominance and control.
3. To restructure mature market through competitors removal. This requires intensive promotional campaign, and pricing strategy design that make market unattractive for competitors.
4. To increase use of products by current customers though providing many programs such as programs to increase customer's loyalty (Chisnall, 1996).

Using Market penetration strategy is to focus on markets and products the company knows well. It is likely that it has good information on competitors and on customer needs. This means that the company is through the adoption of this strategy, which will not require a lot of investment in the new market research (Day, 2007).

5.1.2 Market Development Strategy

The organization tries within this strategy to enter new markets in the same current product without modification or change , this is done by entering segments or new markets , so that the company can target new segments, in which the company can achieve the required growth .The new targeted segment can be a new groups of consumers or new geographically markets. (Jain, 1997).

The researcher, considers that market development operations may be linked with multiple risk such as: product non acceptance from new market or new market segment, therefore companies need market researches to know the feasibility of such development for the market in particular. And market development processes are often expensive financially, and the use of these strategies in products case is often linked with studying product

life cycle, so the company avoids its mature products to reach decline stage. Lambin, (1996) indicated that there are many possible ways to activate this strategy, namely:

- Opening new geographic markets, for example exporting the product to a new country
- Find new distribution channels (such as moving from retail sale to use e-commerce and mail orders)
- Adopt a multi- pricing policies to attract new customers or to find new market segments.
- While Porter, (1996) reported that application of this strategy needs:
- Identifying potential customers in the new market (their characteristics, needs, and attitudes).
- To study and monitor market changes (income level, emergence of new professions).
- To look for and to study the new distribution outlets.
- To study the market characteristics: local or international.

5.1.3 Product Development Strategy:

In this strategy organization tries to modify the product for the same current market, for example companies may attempt to change the package size or new combinations of the same product of the current market.

Product development is considered one of growth strategy types, since business aim to introduce new products in existing markets. This strategy may require development of new competencies and requires modified products development which can be introduced to existing markets. (Jain, 1997).

One of successful strategic product development requirements is existence of different in order to remain competitive. Business organizations build new marketing concept, which considers that customer preferences, desires, and needs identification and detention is the focal point to produce products that meet these needs and desires, with marketing department perception the fact that these needs ,desires and preferences are in continuous changing status , , it so successful companies have not only to follow this change but to try to predict these changes to develop different products to cover first : needs and different desires , and secondly, to follow constant change in these needs , desires and preferences , (Bustanji 0.2013) and thus the researcher believes that the adoption of this strategy requires a focus on:

- Research, development and innovation for products and their manufacturing method.
- Detailed vision in customers, desires and needs, and to follow changing in the same, through using continues market researches relevant to customers

5.1.4 Diversification Strategy:

In this strategy, the company tries to increase its sales size through entering new markets with new products that may be related to old products or had no relation with old products.

This strategy is the most dangerous one compared with the three previous strategies because company wants to enter new markets with new products without having an experience and complete knowledge of those new markets and products , and therefore companies must have a clear idea based on studies and researches on new markets and products , and to carry out an honest assessment of risks for the sake of right balance between risk and returns , and because it is the most dangerous it can be very rewarding and this is consistent with the rule that says the greater the level of risk the greater the expected revenue is expected (Murray, 1996).

Wilson, (2003) believes that the diversification strategy is used when profitable and selling opportunities emerge for an organization outside of its current business, such as adding new line of product mix which it deals with, or to increase mix depth by increasing products number in single-line. In this context, Porter, (1996) reported that organization obtains added strength in product diversification , which increases its customers number , and reduces the likelihood of marketing risk , and that there are prospects for a rise in marketing costs as a result of the products number, supply resources, their promotional expenses.

The main objective of adopting diversification strategy by economic institution is entering business areas that are different from its products nature that it has now , they allow organization to expand its work and products , if this new area which the organization introduce is associated with current business areas ,this diversification is called interconnected diversification , but if this area is not associated with organization current areas, they it follows an interconnected diversification strategy.

In contrast, Economic Foundation may adopt internal diversification strategy by using its internal resources, or through merging with another institution, or purchasing and possession of another institution , so in this caps it has pursued external diversification strategy . It is possible that organization may perform diversification through making horizontal integration or vertical integration; the latter may take the form of front or backward diversification, (Ulrike, 2007).

5.1.5 Strategic Gap Analysis:

Many researchers and theorizers indicate that Ansoff model can be used as strategic gap analyzing model (Porter, 1987), (Prahalad, 1990), (George, 2007). It is a simplified and in-depth technical method that helps organization in its strategies clarification relevant to current market / product towards completing their planned targets. They are the difference between location organization wants to be in future and the status go. Organizations are seeking to close or reduce the gap by adopting certain strategies that lead to achieve the desired goals to close the

gap.

In this context, Thomas, (2003) considers that gap is not a negative case, but it is positive because it represents organization goals and aspirations which organization seeks to attain .He added that some organizations put a gap in its various activities in order to motivate employees to achieve , without exaggeration in order not to adversely affect employees. capabilities and morals. George (2007) also indicates considerations that must be taken into account of strategic management to deal with the gap:

1. Firstly to realize that there is a gap in the specific area in which it operates.
2. To take appropriate decisions regarding closing or reducing the gap size which is beneficial and cost-effective to organization, and also adds in order to close the gap from current sales to desired sale , the organization should follow one of the three growth strategies:
 - **Intensive growth:**(rapid penetration, product development, market development).
 - **Integrated Growth:** in this strategy the company searches new opportunities or to acquire new businesses related to a large extent the organization current business, and serves as a continuation or an extension of organization business Integration Forms:
 - A. Forward Vertical integration: organization enters at a later stage of its previous work (toward consumers, distribution channels). The aim is to control distribution operations and shorten the transportation costs and save brokers profits
 - B. Backward vertical integration: The organization focuses its efforts to carry out works in earlier stage (toward suppliers).
 - **Diverse Growth.**

5.2 Previous Studies :

-**Study** (Pleshko et al, **2008**) entitled: "The contemporary product-market strategy grid and the link to market orientation and profitability".

The study aimed to explain the nature of the relationship between product market strategy integrated market orientation and profitability achieved, Utilizing data collected from firms in the financial services industry in the state of Florida in the United States, study sample consisted of (325) companies, the study found that there is a statistically significant relationship between market strategy Product integrated and market-oriented companies, in addition, the results indicate that the most conservative strategy of penetration-saturation actually leads to significantly higher profitability, as measured by ROA, than three of the more aggressive strategies: related diversification, intensive product development or intensive growth.

-**Study** (Bougherra et al, **2010**) entitled: " the impact of the diversification strategy on CONDOR firm competitive". The results indicate that the diversification of the products have a major impact on the competitiveness of enterprise productivity, ranging from the effect of a qualitative difference to the impact of quantitative, as is contributed to diversification of the products in increasing the turnover and increase market share and lower prices by reducing costs, and the qualitative impact is to the fact that the diversification Products Corporation paid to try to earn a quality certification and thus gain access to the international market, the introduction of high-quality products that will contribute to gaining of a new market share, and the diversification of the products contribute to the development of human resource, and to increase the efficiency and skills.

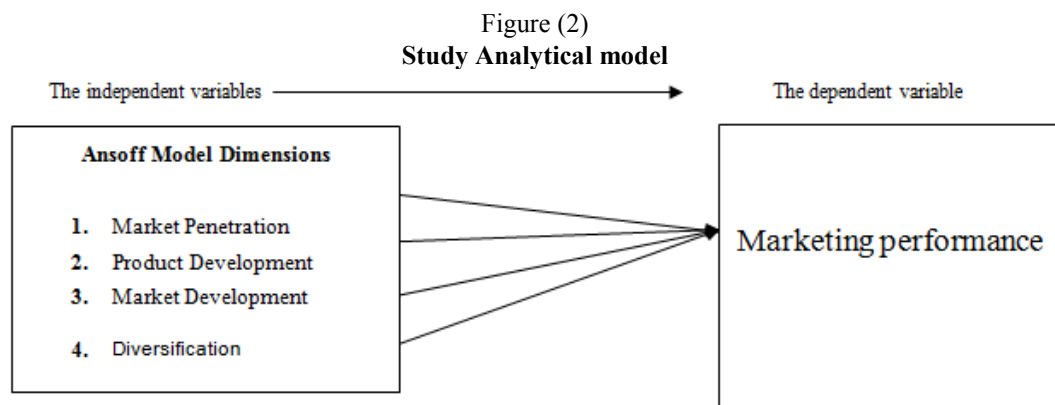
-**Study** (Al-Dosari, **2010**) entitled: The impact of growth strategy on marketing performance with the insurance companies and the role of the Kuwaiti market orientation as a mediator variable.

The results indicate that: The presence of a statistically significant effect of the growth strategy (integration, diversification, focus) and market orientation on marketing performance (profitability, market share) for insurance companies operating in the State of Kuwait. The study recommended attention to diversity in providing insurance services by insurance companies of Kuwait.

-**Study** (Omar, **2010**) entitled: The role of diversification strategy in improving the performance of Industrial Corporation, Case Study Foundation Condor. The study aimed to explain the role of diversification strategy to improve the performance of the industrial corporation. Where Addressed to define the concept of diversification strategy and methods of measurement, as well as the contribution of diversification in a behavior improvement the economic performance of the institution, through a stand on some of the indicators measured by hand, and demonstrate the impact of diversification Products in the performance of the institution to focus on turnover, market share, profitability, supplier Human on the other hand. Based on the foregoing, the theoretical side has been drop of the Industrial Corporation Algerian belonging to the private sector and the so-called " Trad Antar", which carries the brand and the Condor, During the period (2011-2003) , working as a model to adopt a strategy of diversification , enabling them to stay in With the intensification of competition to protect its position and increase market share and development.

6. The Model of Study:

The study model was built on the basis of previous studies and literature on the subject of the study; Figure (2) demonstrate the model used in the study, the dimensions of the Ansoff model which represents the independent variables and marketing performance represents the dependent variable.



7. Study Hypothesis:

The main hypothesis:

The main hypothesis states that there is no statistically significant effect of model Ansoff application (market penetration strategy, product development strategy, market development strategy, diversification strategy) on marketing performance in the Saudi foodstuff companies.

- Ho1: There no statistically significant impact of market penetration strategy application on marketing performance of Saudi food stuff companies.
- Ho2 : There no statistically significant impact of products development strategy application on marketing performance of Saudi food stuff companies.
- Ho3 : There no statistically significant impact of markets development strategy application on marketing performance of Saudi food stuff companies.
- Ho4: There no statistically significant impact of diversification strategy application on marketing performance of Saudi food stuff companies.

8.The Research Methodology & Procedures :

8.1 Research Method : The study used a descriptive analytical methodology.

8.2 Data Sources: The research used types of data: primary and secondary sources.

A. Secondary Resources: The data is collected depending on reviewing books, Arabic and foreign studies and researches relates to study topic , in addition to leaflets reports issued by Saudi ministry of agriculture, Economy, planning, trade and industry . As well as seminars and conferences related to study topic, in addition to Internet.

B. Primary Resources: The primary information was collected using the following

- **Pilot Study.** The researcher carried out a pilot study on a number of Saudi foodstuff companies in Riyadh, for the purpose of investigating employee's awareness extent of selecting and implementing Ansoff strategies and investigating marketing performance closely, through interviews with some of managers and employees.
- **The Field Study** that used the questionnaire has been designed and developed to address the different variables of the study. Has been developed guided by the theoretical literature for the topic and previous studies.

8.3 Study Population and Sample :

A.The Study Population: The study population consists of all employees in Saudi foodstuff companies marketing department, during the period as of 12/1/2014 up to 28/9/2014.

B.The Study Sample: The study has been applied on seven companies that have been selected on the basis of its larger size and age. The researcher with the help of university students has distributed study questionnaire on purposive non-random sample consisted of 150 respondents that fit study purposes in consultation with the concerned officials in these companies. The total of collected questionnaires was 110 questionnaires, representing (73%) of the total study sample. The study included the following companies : Al-Mara'ei Company , Al-Rabei' Co. , Gulf Union Juices Company , Al Safi DANONE Dairy company , Al-Mazra'h Dairy

Company , National Agricultural Development Company NADEC , Saudi Dairy & Food SADAFCO .

8.4 Data Collection Method :

Primary data has been obtained through field study through a questionnaire that has been designed and developed to handle study different variables. Questionnaire has been developed based topic literature review and (Al-Dosari ,2010), (Mayrhofer, 2007) studies and in line with Saudi environment. Questionnaire included two parts in addition to a covering letter addressed to study sample subjects to emphasizes study importance and objectives .

- **The first part** covers Ansoff model aspects and four dimensions which consist of market penetration strategy , product development strategy , market development strategy , diversification strategy . Responses have been designed on five points Likert scale as follows: strongly agree = 5 , agree = 4 , neutral = 3 , disagree = 2, and Strongly Disagree = 1.
- **Second Part:** deals with marketing performance dimensions represented by market share and profits. Lamberti L., Noci G.(2010) study was used to measure this dimension. Five-point scale has been used for the responses as follows :very high =5, high =4, identical= 3, less=2 and more less= 1 .

8.5 Instrument Validity & Reliability :

The questionnaire was examined by a number of specialized staff, and distributed to a number of study sample to know their views regarding questionnaire statements accuracy, clarity , consistency and their relevance to study variables .All comments were taking into account. Cronbach's alpha test has been used to measure instrument reliability Alpha value for the total questionnaire was 81%, which is acceptable compared with previous studies where (Sekaran, 2002) indicated that this ratio would be acceptable if it is greater than 60% , in addition ,Alpha value for each variable separately was higher than the acceptable percent 60% . Table No. 1 below shows Alpha values as follows:

Table (1) shows the alpha value for the study variables

Variables	Alpha value
market penetration strategy	79%
products development strategy	82%
markets development strategy	84%
diversification strategy	76%
marketing performance	85.33%

A.Normal Distribution Test : Kolmogorov - Smirnov test was used to examine the extent data had follow normal distribution since significant value for each variable was greater than significance level 5%, which indicates the data followed normal distribution.

B.Multicolleniarity :Correlation matrix between the independent variables with each other was calculated, the highest correlation strength between diversification strategy / market penetration strategy variables (= R72.4%).VIF value = 2.101, so since VIF is <5, therefore there is no Multicolleniarity, so this indicates research model strength .

8.6 Statistical Methods Used In Data Analysis & Hypotheses Testing:

For the purposes of statistical analysis and study hypotheses testing, the following statistical methods were used through using statistical package Social System (SPSS)

- Descriptive statistics which included mean standard deviation and percentages of questionnaire statements.
- Simple regression was used to test hypotheses.
- Multiple regressions.
- Multicolleniarity test to test study model strength through correlation matrix between study variables.

9.Testing of Hypothesis :

This study aimed to investigate Ansoff application status in Saudi foodstuff companies and its impact on their performance .To achieve these goals , questionnaires were distribution to study sample subjects .They were collected.. Social Packaging Statistical System (SPSS) was used .The study concluded the following results:

9.1 Analyzing of Descriptive Statistics:

Descriptive statistics were used to find out means and standard deviation for questionnaire statements to shed light on Ansoff model application status with its four dimensions and marketing performance in Saudi food stuff companies, through knowing study sample attitudes regarding study variables dimensions that are summarized in

Table (2) :

Table (2) Means & Standard Deviation

Variables	means	standard deviation	Relative importance
Market Penetration Strategy	3.83	0.86	1
Products Development Strategy	3.76	0.76	2
Markets Development Strategy	3.56	0.91	3
Diversification Strategy	3.25	0.89	4
Marketing Performance	3.68	0.87	

Table above shows that study sample attitudes are positive about all of the Ansoff model dimensions because their means are greater than virtual mean (3). Mean were arranged in descending order, market penetration strategy ranked the first with a mean 3.83 and standard deviation 0.86, the second is product development strategy ranked with a mean of 3.76 and a standard deviation of 0.76, the third is market development strategy with a mean 3.56 and a standard deviation 0.91. Finally, diversification strategy ranked the last in terms of mean 3.25 and a standard deviation 0.89

As for dependent variable (marketing performance) the mean was 3.68 which is higher than instrument measurement mean and a standard deviation of 0.87, this means that study sample attitudes are positive towards marketing performance, that was measured by market share and achieved profit.

9.2 Testing of Main Hypothesis:

Multiple regression analysis has been used in investigating Ansoff Model dimensions which consists of market penetration strategy, product development strategy, market development strategy, and diversification strategy on marketing performance. Beta coefficient was used to find out the expected change in the dependent variable due to the change in one unit of the independent variable. Determination R^2 coefficient has been used to identify model ability in relationship interpretation between independent variables and dependent variable.

In addition the comparison between interpretation strength of each variable of independent variables has been measured through (T-test), which refers to significant results. Moreover F-test was used to identify regression model significance. 0.05 significance level was used to decide the significance impact. Calculated significant level was compared with the approved significant level, effects are statistically significant if calculated significant level value is smaller than the used significance level (0.05) and vice versa.

The main hypothesis states that there is no statistically significant effect of model Ansoff application (market penetration strategy, product development strategy, market development strategy, diversification strategy) on marketing performance in the Saudi foodstuff companies. To test this hypothesis multiple regression analysis has been used to identify the effect of model Ansoff application on marketing performance, where multiple regression results described in Table (3) showed the rejection of the null hypothesis and accept the alternative, which means that there are positive significant effects and statistically significant for all Ansoff model dimensions (market penetration strategy, product development strategy, market development strategy, and diversification strategy) on marketing performance in Saudi foodstuff companies, since significance level values are less than the approved significance level (0.05) in this study.

Regression model interpretation ability for all Ansoff model dimensions and (R^2) coefficient was 0.640, this indicates that 64% of changes in marketing performance levels model are interpreted by Ansoff model dimensions (market penetration strategy, product development strategy, market development strategy, diversification strategy).

F-test indicated that regression model is statistically significant, since F calculated value is (6,918) and the significance level (sig = 0.000) is less than the significance level used in this research (0.05). This means that as long as Saudi Foodstuff Company's application of Ansoff model is increase this leads to increased levels of marketing performance, market share and profits.

At detailed relations level between Ansoff model dimensions and marketing performance, results in table (No. 3) indicated the variation of relative importance in terms of Ansoff model four dimensions impact on marketing performance and this impact differs from one dimension to another. Market penetration strategy ranked the first in terms of impact on marketing performance, product development strategy ranked the second, markets development strategy ranked the third and finally diversification strategy has the lowest impact dimensions of Ansoff model on marketing performance

Table (3) : Results of Testing The Main Hypotheses

Variables and regression constant	Regression coefficient	calculated (t) Value	The level of significance (t) calculated sig
Regression constant	0.589	5.330	0.000
market penetration	0.446	9.712	0.000
products development	0.338	4.917	0.000
markets development	0.234	8.602	0.0001
diversification	0.185	4.286	0.0001
Other Statistical Indicators			
The correlation coefficient (r)	.800		
The coefficient of determination (R ²)	.640		
The Standard Error of Estimate	.360		
The Calculated Value of F	6.918		
The Calculated Level of significancy	0.000		

1. Ho1: There Is No Statistically Significant Impact of Applying The Market Penetration Strategy On Marketing Performance of Saudi Foodstuff Companies.

As for the existence of statistically significant impact of market penetration strategy application on marketing performance, results shown in table (3) that there is a statistically significant impact on marketing performance, where (Beta) coefficient is (0,446) and (t) calculated value is (9.712) with statistical significance level (sig = 0.000), which is less than the approved significance level (P <0.05), which means that null hypothesis is rejected and the alternative one is accepted, so that there is a statistically significant impact of market penetration strategy application on Saudi foodstuff marketing performance

2. Ho2: There Is No Statistically Significant Impact of Applying The Products Development Strategy On Marketing Performance of Saudi Foodstuff Companies.

As for the existence of statistically significant impact products development strategy application on marketing performance, results shown in table (3) that there is a statistically significant impact on marketing performance, where (Beta) coefficient is (0,338) and (t) calculated value is(4.917) with statistical significance level (sig = 0.000), which is less than the approved significance level (P <0.05), which means that null hypothesis is rejected and the alternative one is accepted, so that there is a statistically significant impact of products development strategy application on Saudi foodstuff marketing performance.

Ho3: There Is No Statistically Significant Impact of Applying The Markets Development Strategy On Marketing Performance of Saudi Food stuff Companies.

As for the existence of statistically significant impact of markets development strategy application on marketing performance of Saudi food stuff companies., it was found that there is a statistically significant impact on marketing performance, where (Beta) coefficient is (0,234) and (t) calculated value is(8.602) with statistical significance level (sig = 0.000), which is less than the approved significance level (P <0.05),so according to this result which is described in table (3) null hypothesis is rejected and the alternative one is accepted, so that there is a statistically significant impact of market development strategy application on Saudi foodstuff marketing performance.

Ho4 : There Is No Statistically Significant Impact of Applying The Diversification Strategy On Marketing Performance of Saudi Foodstuff Companies.

As for the existence of statistically significant impact diversification strategy application on marketing performance of Saudi food stuff companies., it was found that there is a statistically significant impact on marketing performance, where (Beta) coefficient is (0,185) and (t) calculated value is(4.286) with statistical significance level (sig = 0.001), which is less than the approved significance level (P <0.05),so according to this result which is described in table (3) null hypothesis is rejected and the alternative one is accepted, so that there is a statistically significant impact of diversification strategy application on Saudi foodstuff marketing performance

10. Findings & Recommendations :

Based on research data statistical analysis multiple regression results indicated that there is a statistically significant impact of the following Ansoff model dimensions : market penetration strategy, product development strategy, market development strategy, diversification strategy on Saudi food stuff marketing performance. The results showed that Ansoff model dimensions interpret 64% of the changes in Saudi food stuff marketing performance.

By virtue of this result main null hypothesis is rejected and the main alternative hypothesis is accepted which confirms the existence of such impact. This result is partially agreed with some of the (Pleshko et al, 2008), (Bougherra et al, 2010), (Al-Dosari, 2010) studies results. The research results confirmed the impact difference of the four strategies that consist Ansoff model dimensions on Saudi foodstuff marketing. Penetration market strategy ranked the first, while product development strategy ranked the second, markets development strategy ranked the third and finally diversification strategy ranked the last in terms of impact on surveyed companies marketing performance. This may be due to the fact that most of these companies are relatively new and have no enough experience to enter new markets with new products; in addition to diversification strategy adoption is the most dangerous of the rest strategies that represent Ansoff model.

10.1 The Recommendations:

Based on results the research recommends the following:

1. Adopting and implementation market penetration strategy effectively to increase market share and profitability of Saudi foodstuff companies a through several mechanisms, including:

- The use of varied mix of pricing competitive strategies , advertising , sales promotion , and allocating more resources for personal selling in order to maintain or increase the market share of current products.
- To reduce product prices for market parts that are price, sensitive in particular ads intensification, and product distribution intensification in existing distribution outlets.
- To dominate and control safe and studied of market the growth through targeting and attracting new customers, or competitors 's customers in order to increase market share and profitability
- To restructure mature market through competitors' removal, this requires intensive promotional campaign, pricing strategy design to make the market unattractive for competitors.
- To increase products use by current customers and by offering several programs such as increasing customers loyalty and partnership programs
- To have databases regarding customers, competitors and markets in order to provide the best food products according to current and potential customers needs and desires

2-To adopt and implement products development strategy for the same markets with which the company effectively is trading that leads to increase market share and profitability of Saudi foodstuff companies a through several mechanisms, including:

- To develop new competencies that include modified products development that can be offered to current markets to meet customers changing needs, desires and preferences, such as production products of different sizes and packages or new formulations of the same product for current markets.
- Companies should have different products in order to remain competitive , and this requires that Saudi foodstuff companies should adopt new marketing concept, which considers identification and definition customers' needs , desires and preferences is the focal point of producing products that meet these needs and desires, with marketing department realization the fact that these needs , desires and preferences are always change ., This requires that successful companies have to follow this change and to predict these changes in order to develop different and varied products to cover firstly : different needs and desires . Secondly, to follow needs, desires and preferences constant change, and this requires focusing on:

- Products R & D and innovation their manufacturing methods
- Detailed vision of customers needs and desires , and follow-up changes in these needs and desires through using market research related to customers.

3-To adopt and implement markets development strategy for the same products which the company deals with effectively that leads to increase market share and profitability of Saudi foodstuff companies through several mechanisms , including:

- To enter new markets in the same current product without modification or change through entering new markets or segments, so the company can target new segments through which it can achieve the required growth , and the new targeted segment may be consumers new groups or new markets geographically.
- To carry out feasibility studies for new proposed markets in order to avoid potential risks such as new market or new market segment non acceptance of the product that fir with product life cycle, so company can avoid the reach of decline stage for mature products.
- To find new distribution channels (such as move from retail sale to sale e-commerce sale and mail orders).
- To adopt multiple pricing policies to attract new customers or create new market segments . The accurate identification of potential customers in the new market (their characteristics, needs, attitudes).
- To study and monitor market changes such as income level , emergence of new professions.

4-To adopt and implement one or more of appropriate diversification strategies in Saudi food stuff companies effectively ,where leads to increase market share and profitability of Saudi food stuff companies through several mechanisms , including:

- To increase company's sales size by entering new markets with new Products that may have relation to with old

products or have no relation with old products.

-Companies must have a clear idea based on studies and researches regarding new markets and products , and performing correct risks assessment for the purpose of right balance between risks and returns because using diversification strategy is the most dangerous one compared with other strategies.

-To use diversification strategy when profit selling opportunities emerge for foodstuff companies out of their current they perform , such as adding a new line of product mix it deals with , or increase mix depth by increasing number of products in online , thereby the company gains added strength in product diversification , which increases its customers number , and reduces marketing risk possibilities.

-To adopt diversification strategies that are appropriate according to company's conditions , whether interconnected diversity or not interconnected diversity , internal diversification strategy using internal resources , external diversity through merging with other institution , or purchase and acquisition other institution . It is possible that institution can do diversification through horizontal diversification or vertical integration, whether front diversification or rear diversification form.

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