



PRICING STRATEGIES, COMPETITIVE ADVANTAGE AND FINANCIAL PERFORMANCE OF PRIVATE PRIMARY SCHOOLS IN RUBAGA DIVISION, KAMPALA DISTRICT

ABSTRACT

The purpose of this study was to examine the relationship between pricing strategies, competitive advantage and financial performance of private primary schools. The objectives which guided the study were to: establish the relationship between pricing strategies and financial performance; examine the relationship between pricing strategies and competitive advantage; ascertain the relationship between competitive advantage and financial performance; and to establish the influence of pricing strategies and competitive advantage on financial performance. This study adopted a cross sectional research design with a quantitative research approach. A population of 184 private primary schools were used and a sample of 123 was selected using simple random sampling. Purposive sampling was used to select the head teachers, bursars and resident directors. Primary data was used and collected using a structured questionnaire. The CVI was used to determine the validity of the questionnaire while Cronbach Alpha Coefficient to determine the reliability. Data obtained was edited, coded and entered into the SPSS (v.20) to provide data from which the analysis was based. The study presented findings using a frequency table and inferential statistics of correlation and regression analyses.

The findings revealed a positive relationship between pricing strategies and financial performance. The study also found a positive relationship between competitive advantage and financial performance. There was a positive relationship between pricing strategies and competitive advantage. The study also noted that both pricing strategies and competitive advantage were significant predictors of financial performance and further noted that pricing strategies relatively explained more predictive potential.

This study concluded that both pricing strategies and competitive advantage are important in financial performance and stressed the need for proper pricing strategies for better financial performance outcomes. The recommendations included conducting market surveys; customer survey; and price review as mechanisms for boosting financial performance.