AN INVESTIGATION INTO THE IMPACT OF EMERGING SUPERMARKETS TO THE CONSUMER BEHAVIOUR: A CASE OF FOOD PURCHASE AT GITHURAI AND KAHAWA SUPERMARKETS

BY

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the impact of

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DECLARATION
This is my original work and has not been presented for a degree award in any other University
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DEDICATION

To those who believe in tomorrow and my dearest dad, my sisters and brothers.

And in memory of my late dearest mum Sarah Wambui Muchiri from whom I got the inspiration.
ACKNOWLEDGEMENT

The course I undertook from 2002 to date has been thought provoking, challenging and inspiring as well as an eye opener to great heights of reaffirmation focus and thrust in life. In few words it’s a long life experience with a creation of better ‘i’ in ‘me’. The new re-awakening however has come into fruitations through not only efforts of my own but also of others.

My profound thanks goes to Dr. Maurice Khayota and Mr. Muchai for agreeing to be my supervisors and for sustaining my support and advice and who acted as lubricants in the value-delivery process.

To my parents Phillip Muchiri and my late mum Sarah Wambui, sisters Jane, Catherine, Lydia, Martha and more so to Mercy Karuana Mucina and my bro Steve; in-laws Geoffrey, Jeremiah, William, and Alice; Nieces, Nephews more so Isaac Muchiri for being a source of inspiration and support. Others deserving mention are my uncles and aunties; Reuben, Allan, Mary and Martha who always stood with me. I wish to thank all my classmates especially Cynthia Waga and Emma Mukami for everything and my friends Zipporah, Josephine, Milcah, Sarah, Mary, Lydia, Rebecca and Mr. & Mrs. Njega and others. Guys it was inspiring to know you, and share with you.

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MAY THE NAME OF GOD BE EXALTED ON HIGH AMEN!!
This study was conducted with the objective of investigating on those factors that influence consumers to shop for food in the supermarkets in Nairobi.

To achieve these objectives, samples of 10 supermarkets and 100 consumers were picked. The questionnaires were administered, which had both semi structured and likert matrix questions. The sample of supermarkets was to be carried out in all supermarkets in Githurai and Kahawa while systematic random sampling was used for customers where the fifth adult customer who had previous shopping experience at the supermarket was given a questionnaire.

Questionnaire for the supermarkets were administered through self administration to ensure reliability of the selected sample, 7 (seven) supermarkets and 70 (seventy) customers filled the questionnaire. 10 (ten) questionnaire were to be administered in each supermarket where some supermarket had been closed down due to stiff competition and economic constraint in the country.

Data collected was analyzed using the percentages, means, and standard deviation. Percentages were mainly used to analyze part A of the questionnaires while means, standard deviations and variances were used to analyze part B of the questionnaire to aid the investigation of cues used by the customers while shopping in the supermarkets.
Analysis of the data indicated that the most important factors that influence the customers to purchase food products from the supermarkets includes availability of merchandise, prompt services, and physical facilities. From observation the customers owning cars, refrigerators and working considered such variables as enough parking space and roomy space for shopping as important. Others mentioned included easy accessibility, nearness to the bus stage, good display of products, the location of the supermarkets, and prices of products as compared with other retail outlets.

These findings therefore led to the conclusion that consumers are influenced by several aspects that are used by the supermarkets as strategies to attract the consumers to purchase for food in the supermarkets and not in other outlets. Consumers decision to purchase for food is also influenced by social factors such as reference groups, family, personal factors such as age, occupation, economic circumstances, lifestyles; psychological factors such as motivation, perception, attitudes among others.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 BACKGROUND

As competition intensifies (Baker 1993), observes that, organization have realized that the strength of their brand names, corporate images, effective advertising, price, and trademarks, among others are no longer sufficient to differentiate them from their competitors.

Supermarkets in the retailing sector has traditionally been associated with using low pricing strategies, dealing with an assortments of all varieties of merchandise, location among others, to create a competitive edge over other types of retailers.

Supermarkets may pursue diverse goals, such as providing merchandise, feeling that it will provide customers with guaranteed satisfaction, while on the other hand, other factors besides assortment of all variety of merchandise may be important in customers’ decision to purchase food products.

Marketers therefore have been forced to recognize the factors that influence the consumer in shopping food products and that they must ultimately define these factors in terms of customers’ subjective opinions, for their decisions take place in the mind. Supermarkets therefore need to emphasis on customers and their changing needs rather than on efficiency of internal processes.

A firm therefore needs to be careful that, the nature of everyday practices, which involves a moment of consumption, reveals the relayed effects of consumer behaviour. This makes it much
more likely that the impact on consumer behaviour of social trends, changes in social structure and institution and cultural, can be accounted for.

Consumer behaviour refers to the decision process and physical activity individuals engage in when evaluating, acquiring, and using economic goods and services. According to Loudon (1979), consumer behaviour is a subset of human behaviour that is factors that affect individuals in their daily lives also influence their purchase activities.

1.1.2 The Supermarkets in Kenya

The supermarkets in Kenya have undergone a series of major transformation in recent years prompted mainly by aggressive competition stance brought about by liberalization. From the first supermarket in 1960’s, there has been a tremendous growth in the number of supermarkets in Kenya. Nairobi has experienced the largest growth. By April 2000, Ngatia (2000) commented that approximately 191 supermarkets were licensed to operate in Nairobi area by city council licensing office, a momentous growth from the existing in the 1960’s.

Several studies have been carried out on supermarket in Nairobi. Karemu (1993) carried a study on the state of strategic management in Nairobi and found that there was intense competition especially for the supermarkets within the city centers, for they are concentrated in one place and directly competing for the same customers. The study also found that service, location, and variety of merchandise were most mentioned as creating competitive advantage.

Lagat (1995) study found that 77% of all supermarkets surveyed reported a fairly turbulent marketing environment but sadly most supermarkets (97% surveyed) did not have a marketing
department and that marketing intelligence activities are done informally despite great competitive advantage achieved as a result of marketing intelligence activities. Munyoki (1997) in his study found that prices of consumer goods studied were found to vary according to the age, size and location of the supermarket. From the ongoing, no research has been conducted to investigate on the impact of the emerging supermarkets to the consumer behaviour in food purchasing.

1.2 STATEMENT OF THE PROBLEM

Supermarkets play a very significant role of bridging the gap between manufacturer and consumers. Supermarkets have traditionally competed on price and variety of merchandise but as Karemu (1993) notes, stiff competition in the firm has forced the supermarkets to look for other strategies to make them attractive to customers.

Supermarkets have tried to improve their image and have emphasized quality thus providing a complex physical situation, which can influence consumer behaviour. For instance, the design and layout of a store, ease of parking and width of aisles will influence the level of satisfaction and hence purchase patterns.

In an industry that has seen momentous growth in the economy especially after 1990’s, more intensifying competition and where customer loyalty is not guaranteed, supermarkets have been forced to develop other service offering apart from variety of food products, inorder to maintain a continuous stream of customers. Supermarkets are low margin, multi products sellers who, to gain higher returns, have to ensure that they have many customers who buys from their stores.
Service quality is a necessary "evil" in order to appeal to customers to encourage patronage and repeat purchases. The study therefore sought the range of factors, which can have an influence on food purchase by the consumer. Consumers are mostly influenced by the nature of the supermarkets and what impact do they have to the consumer purchasing decisions.

1.3 OBJECTIVES OF THE STUDY

The objectives of this study were to:

- Examine the factors that influence consumer behaviour in purchasing of food in Supermarkets.
- Identify the characteristics that influence consumers decision to purchase food from the supermarkets.
- Determine to what extent has the emergence of supermarkets influenced the food purchasing decisions.
- To investigate the marketing strategies used in supermarkets to influence the consumer to purchase food products.

1.4 THE RESEARCH QUESTIONS

This study sought to answer the following questions:

- Which factors influence the consumer behaviour in food purchasing?
- Which characteristics influences consumer buying behaviour in supermarkets?
- How do the marketing strategies implemented in supermarkets influence the food shopping behaviour?
To what extent has the emergence of supermarkets influenced consumers to purchase food products?

1.5 SIGNIFICANCE OF THE STUDY

It is hoped that the results of the study will benefit the marketing practitioners to know the specific causes of consumer behaviour and to know how people receive, store and use consumption-related information. This will help them in designing marketing strategies to influence consumption decisions. Others who will benefit from this study include:

- **Supermarkets owners:** This study will provide supermarkets with a basis for benchmarking on common practices that are key to the success of supermarket in relation to consumer food shopping behaviour.

- **Academic Fraternity:** It will enhance the knowledge of students in purchasing, marketing, and other related disciplines to understand better the growing importance of understanding consumer behaviour-consumer research.

- **Researchers:** It will give the researchers an insight on areas of further research and studies.

- **Regulatory bodies:** The findings may be useful when setting and revising policies of trade and ministry and other relevant Government ministries.

- ** Consumers:** It will help the consumers to form insights into their own consumption-related decisions: what they buy, why they buy, how they buy and the promotional influences that persuade them to buy. Thus, the study will enable them to become better and wise consumer.
1.6 SCOPE OF THE STUDY

The study reported here was limited to Nairobi and particularly Githurai and Kahawa areas. Nairobi was selected because it has a high concentration of modern retail outlets such as supermarkets and hypermarkets and the emergence of modern retail outlets is more evident in urban areas.

Finally, due to the increase of population in urban areas, there is a market for the supermarkets products. It is in this context that growth of supermarkets in Nairobi constitutes the sample of interest to this study on the impact this increase has to the consumer behaviour.
2.0 LITERATURE REVIEW

2.1 SUPERMARKETS

Definition of Supermarkets

There is no precise definition of a supermarket. Appel (1992) defines a supermarket as a store with at least 2000 square feet sales area with 3 or more check-outs and operated mainly on a self-service basis, whose range of merchandise comprise of food groups, basic household requirements and cleaning materials. Kibera and Waruinge (1998), define a supermarket as a large scale retailing institution with several departments operating primarily on a self-service basis.

2.1.1 History of Supermarkets

According to Appel (1992), supermarket did not emerge until the late 1920’s. They developed as an antithesis of the small independent outlet, which tended to specialize in meat, produce, or dry groceries. Their growth according to Kotler and Armstrong (1997) was due to several reasons, some of which includes:

- The great economic depressions of 1930’s, which made consumers more price conscious.
- Advertising which increased brand pre-selling, this reduced the need for sale clerks.
- One stop shopping of grocery meat and household goods in a single location luring customers from greater distance, giving the supermarkets a chance to generate more sales to offset their lower margins.

Supermarkets have of late been facing stiff competitions from other types of retailers such as food stores, discount stores, and superstores. This has forced supermarkets to adopt proactive measures
such as dealing with many non-food items such as beauty aids, prescriptions, durable goods such as home appliances, sporting goods, clothing, among others, inorder to increase their profits.

According to Mason and Mayer (1981) supermarkets are also providing larger parking space, longer working hours as well as increasing their promotional budgets (for example Nakumatt, Uchumi, Lucky stars) and moving to private brands (For instance Jack & Jill and Uchumi) to improve their services and facilities to attract more customers.

2.1.2 Advantages Supermarkets

Supermarkets usually have advantages over the other traditional retailers for the following reasons:

- They buy in bulk, enjoy economies of scale, and extend discount to customers.
- Employ large trading space and so can stock more items.
- Run on self-service, which helps to attract more customers.
- Avail convenience to customers who can almost buy everything needed under one roof.
- They also accept credit cards and offer convenient store shopping hours, which usually extends to the night. Many supermarkets in Nairobi close between 7.30pm to 8.30pm.

2.1.3 Disadvantages Of Supermarkets

- Larger shopping area encourages shoplifting due to loss of control of customers.
- Customers find their own goods, they can ask for assistance but the supermarkets do not offer credit and merchandise-return privileges.
- They do not offer small quantity units of goods.
2.1.4 The Growth Of Supermarkets In Kenya

The history of supermarkets in Kenya dates back in 1960’s where there was a self-service store in Nairobi. The first ones to be recorded include Westlands general stores (1960), K & A (1992), Ebrahim’s self-service store (1970) and Uchumi supermarkets Limited (1975). Many supermarkets in Kenya in 1970’s and 1980’s were Asian owned and were run as family business (Karemu, 1993).

Liberalization in early 1990’s has lead to a momentous growth of supermarkets in Kenya this is especially so in Nairobi. This phenomenous growth has also seen large supermarkets coming up which are owned by Africans. A case in point is Fairlane supermarket and Magic superstores, which are owned by Africans unlike the situation in 1980’s where Kenyans of Asians origin owned most supermarkets.

Munyoki (1997) argues that 70% of all supermarkets in Nairobi were established after 1980 and that 74% of all supermarkets in Kenya are found in Nairobi. This increase in supermarkets and concentration can be justified and explained by the increasing migration by rural people to Nairobi in search of jobs and the changing lifestyles of majority of Kenyans. Munyoki (1997) argues that supermarkets with their “one roof” shopping where a wide range of assorted merchandise is found with long hours of service and low prices, offer a good remedy to the problems of city workers by offering convenience and saving of time.
2.1.5 Problems Facing Supermarkets

Several studies carried out on supermarkets in Nairobi have enumerated the various problems that they encounter in the views of (Karemu 1993; Lagat 1995; Munyoki 1997). Supermarkets in Nairobi faces several problems among which the notable ones includes:

- Loss of control of customers movement unlike the self service stores, large space occupied by supermarkets have led to monitoring of customers movement being hard which have encouraged shoplifting. This however has been curbed dramatically by introduction of modern television monitors, scanners, and convex mirrors that are placed strategically inside the supermarkets to monitor customers.

- The merchandise purchased is usually in bulks, which make it hard for inspection, which may increase the incidence of damaged items, making supermarkets to incur losses. Some suppliers agree to replace damaged items while others decline to replace them.

- High transportations cost of merchandise especially if the source and the supermarkets are far apart.

- Running of supermarkets patrimoniaally where ownership and major decision-making position within the supermarkets are found in the hands of family members. According to Karemu (1993) many of them lacks management skills to run the businesses.

- Problem of expiry dates of products such as fruits juices, cooking fat. This has seen the supermarkets running price reduction strategies "Hurry while stocks last" or "Special price offers" to clear stock of products that are nearing their expiry dates.
2.2 PURCHASING BEHAVIOUR AND RETAILING STRATEGY

2.2.1 INTRODUCTION

The analysis of consumer behaviour focuses mostly on factors that influence buying behaviour and consumer decisions about products and brands. Consumers also make decisions about stores and other retail outlets.

Supermarkets have adopted proactive measures as Mason & Mayer (1981) asserts that, supermarkets are providing larger parking space, longer working hours, as well as increasing their promotional budgets to improve their services and facilities to attract more customers.

2.2.2 Nature Of Purchasing Processes

Consumer decisions to food purchasing in supermarkets is initiated by the customer-retail environment interaction. In selecting and developing a store’s environment, the retailer must consider its physical and psychological impacts on customer attraction, employee morale, and store operations (Lewison, 1989). He continues to suggest that a well-planning and well-designed setting enhances both store operations and customer shopping.

A store’s physical environment is a composite of the tangible elements of form reflected in the way land, building, equipment, and fixtures are assembled for the convenience and comfort of both customers and retailer. Equally important is the store’s psychological environment, which is the perceived atmosphere the retailer creates. The psychological impression a store makes on consumers depends on the store’s image and buying atmosphere.

Lewison, (1989) asserts that,
"For a consumer to want to go to a store.... he or she is going to need a reason...Retailers will have to offer a theatrical approach”.

2.2.3 Initiators Of Purchasing Processes

The type of variable that initiates the purchasing trip may influence retailing strategies such as determination of product offering, promotional methods, point-of-sale merchandise, and so forth. Two classes of variable can initiate problem recognition, which leads to purchasing activity and store choices. The first class of variable is product oriented in the sense that the consumer visits a supermarket to purchase a food product that satisfies some perceived problem. In other words, problem recognition leads to purchase of a food product thus initiating purchasing processes.

Another type of initiator of purchasing processes may be non-product related. At times, consumers may simply desire “to go shopping” with few or in direct product purchases in mind. This may be due to the desire to “get out of the house”, a desire to engage in fantasy activity such as “window shopping” or increasingly, it appears, a willingness to consider shopping as a family-oriented leisure time activity.

2.2.4 Consequences Of Purchasing Outcomes

Engel (1978) suggests that the outcomes of purchasing-process behaviour are stored in the consumer’s memory. Consequently, if the results of the purchasing-process behaviour are perceived as satisfactory, similar procedures may be used in the future. For example, the consumers may return to the same store or adopt a standardized way of shopping at the store, or respond to displays, deals, and/or sales people in ways similar to past behaviour. Just as with
“brand loyalty”, consumers may become “store loyal” for a specific product or for a broad range of products.

2.2.5 How Consumers Choose Retail Outlets

Consumers choose retail outlets through a process conceptualized in Figure 1; the scheme consists of four variables:

I) Evaluative criteria

II) Perceived characteristics of stores

III) Comparison process

IV) Acceptable and unacceptable stores

Supermarket choice then, is viewed as consisting of processes whereby the consumer compares the characteristics of supermarkets, as he or she perceives them, with the consumers own evaluative criteria.
Engel (1978) says that, consumers do not go through this process before each store visit. Instead, if past experiences with a store have been satisfactory, and other conditions exist, the store is revisited without reevaluation and may be classified as habitual or limited decision-making. The majority of store visits that consumers make are probably not preceded by deliberate or extended store-choice processes.
2.2.6 General Determinants Of Store Choice

Determinants of store choice vary significantly depending on the type of product being purchased, the general type of store involved, and certain characteristics of the consumer. In general, the determinants are:

- Location
- Depth and breadth of assortment
- Price
- Advertising and word-of-mouth communications
- Sales promotion
- Store personnel
- Services
- Physical attributes
- Store clientele

Location

The location effect on store choice is conceptually simple. Consumers farther away are less likely to purchase than are consumers who are closer to the store. The obvious reason is that as distance from a store increases so does the number of intervening alternatives (other stores).

Forbes (1968) suggests that the perception consumers have concerning location of stores or shopping areas is more important in explaining shopping behaviour and preference than in actual location.
Consumers generally overestimate both functional (actual) distance and functional time, such variations between cognitions of distance and actual (functional) distance appears to be related to things such as ease of parking in the area, quality of merchandise offered by area stores, and the display and presentation of merchandise by stores. Variations between cognized time and actual time appears to be related to things such as ease of driving to the area, the price of merchandise, and quality of merchandise, and the helpfulness of sales people. Karemu (1993) carried a study and found that service, location, and variety of merchandise were most mentioned as creating competitive advantage in supermarkets in Nairobi.

Depth And Breadth Of Assortment.
In additional to location, both merchandise variety and assortment have been found to influence store preferences. Surveys indicate that stores offering either a deep assortment or a wide variety of product lines are preferred over stores having medium depth or breadth of assortment.

Price
The importance of price as a determinant of store patronage also varies by type of product, store, and customer. Hawkins (1997) defines price as the amount of money one must pay to obtain the right to use the product. He continues to suggest that price sometimes serves as a signal of quality. A product priced “too low” might be perceived as having low quality. Therefore setting a price requires a through understanding of the symbolic role that price plays for the product and target market in question.
One of the ways that firms seek to provide customer value is to reduce the non-price costs of owning or operating a product. If successful, the total cost to the customer decreases while the revenue to the marketer stays the same or even increases.

On reviewing the effects of price on shopping behaviour, John Wiley (1998) concluded that the role of price is greatly overrated. For products in which consumers have strong preferences, price apparently is not an overriding concern.

**Advertising And Word-Of Mouth Communications**

Advertising is a quasi-determinant of store patronage. Advertisements are thought to inform consumers of sales, deals, new products, and so on. Advertising’s effect on store patronage is difficult to access and seems to vary depending on the type of purchase and store. Advertising can have a powerful impact on consumers’ perceptions of a store.

A large amount of retail advertising is oriented towards listing of prices, especially among food retailers, though consumers tend to perceive selectively such advertisements, based upon their image of the store. J.D (1976) concluded that, other information cues besides advertised low price would seem to influence consumer choice of retailers. These information cues are perceived from personal shopping experience, from friends, and from many other sources besides newspapers advertisements.
Sales Promotion.

The role of sales promotion devices on store patronage also varies widely. Consider the case of trading stamps. Some studies find that while many consumers value and save these stamps, few attach enough significance to them to make determining factor in where they shop.

Similarly, another study by Munyoki (1997) found that consumers’ perceptions of price levels and quality were the same for large supermarkets regardless of stamp status. He continued to argue that a supermarket chain, in discontinuing trading stamps, suffered a significant deterioration in market share and store traffic.

Store Personnel

Many studies document the importance of store personnel in the consumer’s choice of a store. Ngatia (2000) in his research on the service quality performance in supermarkets indicated that product knowledge by employees, courtesy, and their willingness to help customers were most mentioned as creating competitive advantage. Other studies have demonstrated that various characteristics of sales personnel, including politeness, courteousness, and product knowledge, are often used as criteria in evaluating stores.

Services

Service refers to auxiliary or peripheral activities that are performed to enhance the primary product or service. Service can be treated as a separate component of the marketing mix, because of the critical role it plays in determining marketing share and relative price in competitive
markets. A firm that does not explicitly manage its auxiliary services is at a competitive disadvantage.

Auxiliary services cost money to provide therefore it is essential that the firm furnish only those services that provide value to the target customers. Providing services that customers do not value can result in high costs and high prices without corresponding increase in customer value (Hawkins 1997).

Physical attributes

Physical attributes of a store affect consumers’ perceptions of other store characteristics. The materials used on the exterior and interior, the kind of floors, the type of displays, and many other factors affect a store’s image. The overall way in which customers perceive a store as well as its individual attributes is typically referred to as a store’s image.

Image has been defined in various ways. John Wiley (1976) thought of it as the “personality” of a store and defined it as “the way in which a store is defined in the shopper’s mind, partly by its functional qualities and partly by an aura of psychological attributes.”

Store Clienteles

The type of people shopping in a store also influences store choice. Engel (1978) stated this succinctly:

“Their personality concept is not primarily the result of physical features of the store—it is rather of the group of customers who have come to shop there. Customers associate
themselves with a social group, shop where that group shops, and attribute to the store characteristics of the group."

The importance weight of each of the above determinants of store choice varies by product category.

**Conclusion**

To survive in a competitive environment, an organization must provide target customers more value than is provided by its competitors. Providing superior customer value requires the organization to do, a better job of anticipating and reacting to customers needs than the competitors does. (Hawkins1997).

Understanding of consumer behaviour is the basis for marketing strategy formulation. Consumers’ reactions to this marketing strategy determine the organization’s success or failure. However, these reactions also determine the success of the consumers in meeting their needs, and they have significant impacts on the larger society in which they occur.

For the firm, the reaction of the target market to the total product produces an image of the product/brand/organization. Sales (or lack thereof), and some level of customers satisfaction among those who did purchase. Sophisticated marketers seek to produce satisfied customers rather than mere sales—because satisfied customers are more profitable in the long run.
For the individual, the processes/results in some level of need satisfaction, financial expenditure, attitude development/change, and/or behavioral changes. For society, the cumulative effect of the marketing process affects economic growth, pollution, social problems, and social benefits. These individual and society, impacts are not always in the best interest of the individual or society, so the development, and application of consumer behaviour knowledge has many ethical implications.

An analysis of consumers is a key part of the foundation of marketing strategy and consumer reaction to the total product determines the success or failure of the strategy. An overview of the consumer behaviour is examined.

2.3 THE NATURE OF CONSUMER BEHAVIOUR

Definitions

There is no precise definition of consumer behaviour but several definitions have been advanced. David and Della (1979) asserts that Consumer behaviour can be defined as the decision process and physical activity individuals engage in when evaluating, acquiring, and using economic goods and services. According to Leon and Leislie (1996), the behaviour that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs.

Consumer behaviour is the study of how individuals make decision to spend their available resources (time, money, and effort) on consumption-related items. It includes the study of what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, and how
often they use it (Martin J. Evans; Luiz Moutinho and W. Fred van Raaj 1997). For purposes of this study, this definition is adopted.

2.3.1 The Influences of Consumer Behaviour

A person is cultural, religious, and has historical roots, which affect consumption. Only certain people may eat certain foods on certain occasions. The changing demographic profile with a growing population and an increase in those living alone also means that consumption patterns are changing putting to one side the influence of culture and the immediate pressure of family or acquaintances, the consumer’s personal image is invested in what they buy. The values and attitudes, and hence the lifestyles, of one group of consumers will mean they have very different purchase patterns from another group.

Interest in the quality or naturalness of food products has recently been a growing area of concern for some consumers (Bareham 1996). Bareham continues to argue that they tend to buy more expensive products, which they perceive to have these attributes. At the same time, there are many consumers who are totally and only concerned with price, which has fuelled the growth of supermarkets.

Kotler (2001) asserts that the starting point for understanding buyer behaviour is the stimulus-response model shown in Figure 2. Marketing and environmental stimuli enter the buyer’s consciousness. The buyer’s characteristics and decision process lead to certain purchase decisions. The marketer’s task is to understand what happens in the buyer’s consciousness between the arrival of outside stimuli and the buyer’s purchase decisions.
2.4 THE MAJOR FACTORS INFLUENCING BUYING BEHAVIOUR

Kotler (2001) continue to assert that a consumer's buying behavior is influenced by cultural, social, personal, and psychological factors. Cultural factors exert the broadest and deepest.

2.4.1 CULTURAL FACTORS

Culture, Subculture, and social class are particularly important in buying behaviour.

Culture

Culture is the most fundamental determinant of a person's wants and behaviour. Culture is about the way of life, the language, behaviour, myths, symbols and signs, which are passed on within particular group. It is apparent that if culture determines the norms of a particular group or nation then it will have an effect on what and why people buy particular products (Engel et al 1973). They continue to suggest that consumers buy a product because they expect it to have a functional value.

What food we buy, where we buy it and how we consume is intimately connected with the culture in which we have been brought up. By this is meant the set of accepted values and ways of
behaving which shape the society in which we live. This has a determining effect on the products a consumer buy, considering the consumption of food to show how an apparently amorphous concept, such as culture, has a direct impact on purchase behaviour in the supermarket.

Subcultures
Each culture consists of smaller subcultures that provide more specific identification and socialization for their members. Subcultures include nationalities, religions, racial groups, and geographic regions. Many subcultures make up important market segments, and marketers often design products and marketing programs tailored to their needs. Subcultures are of interest to marketers not least because it is a useful variable to be used in segmenting a market.

Social Class
Kotler (2001) suggests that social classes are relatively homogeneous and enduring divisions in a society, which are hierarchically ordered and whose members share similar values, interests, and behaviour.

Social class or social status is a powerful tool for segmenting markets. Empirical research suggests that people from the same social group tend to have similar opportunities, live in similar types of housing, in the same areas, by similar products from the same types of outlets, and generally conform to similar styles of living. Although people within the same social category exhibit close similarities to one another, there are usually considerable differences in consumption behaviour between social groups. The variables used to stratify a population into social classes or groups normally include income, occupation, education, and lifestyles.
The importance of status, to marketers, is not confined to its potential as a basis for market segmentation. Bennett (1988) says that:

"Every status has its roles—a set of proper behaviors specified by culturally defined rules...a group influences its members primarily through the roles and behavioral norms expected of them."

Thus, the behaviour of an individual, on a given occasion, will relate to the social role, which he/she is acting out. The marketer needs to know what role a person of a given status is playing and what the group, which has conferred the status upon him/her, expects of that individual. Such an understanding can significantly affect the marketing strategy employed with respect to that category of customer.

2.4.2 SOCIAL FACTORS

In addition to cultural factors, a consumer’s behaviour is influenced by such social factors as reference groups, family, and social roles and statuses.

Reference groups

A person’s reference groups consist of all the groups that have a direct (face-to-face) or indirect influence on the person’s attitudes or behaviour. Groups having a direct influence on a person are called membership groups. Their reference groups in at least three ways significantly influence people. Reference groups expose an individual to new behaviors and lifestyles. They influence attitudes and self-concept. In addition, they create pressures for conformity that may affect actual product and brand choices.
An individual need not belong to a given group in order for that group to exert an influence upon his/her behaviour. Shibutani (1995) has identified three distinct reference groups:

- A group to which an individual belongs (also known as a peer)
- A group to which an individual aspires, and
- A group whose perspective has been adopted by the individual

Reference groups can have a significant influence on patterns of product use and consumption. If the product or brand is evident to those within the reference group then that group’s influence is likely to be stronger with regard to purchasing behaviour.

Family

Family is the most important consumer-buying organization in society. Family members constitute the most influential primary reference group (Kotler 2001). Families often form a decision-making Unit (DMU) with respect to household purchases, with each member performing a different role.

For instance, the children may initiate the purchase by requesting a breakfast cereal in place of maize porridge, the male head of the household may decide whether a certain category of purchase may be made such as this more expensive type of breakfast food and the female head of the household may contribute to the decision to buy a processed breakfast food and decide which brand and from which retail outlet it is to be bought.

When marketing to families it is essential to know, which members play a role in certain types of decision and what role they play? Thus, for instance, the cereals manufacture may target mass media advertising at children since they trigger a purchase whilst in-store merchandising and
promotion is designed to appeal to the housewives or other female heads of household because they make the brand choice.

2.4.3 PERSONAL FACTORS
A buyer’s decisions are also influenced by personal characteristics. These include the buyer’s age and stage in the life cycle, occupation, economic circumstances, lifestyles, and personality and self-concept.

Age And Stage In The Life Cycle
People buy different goods and services over a lifetime. They eat baby food in the early years, most foods in the growing and mature years, and special food in the late years. Taste in clothes, furniture, and recreation is age related. Consumption is shaped by the family lifecycle. Marketers often choose life-cycle groups as their target markets. Yet target households are not always family based. Marketers pay close attention to changing life circumstances and their effect on consumption behaviour.

Occupation And Economic Circumstances
Occupation also influences a person’s consumption pattern. Marketers try to identify the occupational groups that have above-average interest in their products and services. Product choice is greatly affected by economic circumstances: spendable income (level, stability, and time pattern), savings and assets (including the percentage that is liquid), debts, borrowing power, and attitudes toward spending versus saving (Kotler 2001). Marketers of income-sensitive goods pay constant attention to trends in personal income savings, and interest rates. If economic
indicators point to a recession, marketers can take steps to redesign, reposition, and reprice their products so they continue to offer value to target customers.

Lifestyles

People from the same subculture, social class, and occupation may lead quite different lifestyles. Okatch (2002) defines Lifestyles as,

“A lifestyle is the person’s pattern of living in the world as expressed in activities, interests, and opinions. Lifestyle portrays the “whole person” interacting with his or her environment”.

Marketers search for relationships between their products and lifestyle groups. The marketer may aim the brand more clearly at the achiever lifestyle.

Personality And Self-Concept

Each person has a distinct personality that influences buying behaviour. By personality, we mean distinguishing psychological characteristics that lead to relatively consistent and enduring responses to environment. Personality can be a useful variable in analyzing consumer behaviour, provided that personality types can be classified accurately and that strong correlations exist between certain personality types and product or brand choices.

Related to personality is self-concept (or self-image). Marketers try to develop brand images that march the target market’s self-image. Bareham (1996) suggests that, it is possible that a person’s actual self-concept (how she views herself) differs from her ideal self-concept (how she would like to view herself) and from her others-self-concept (how she thinks others see her).
2.4.4 PSYCHOLOGICAL FACTORS

A person's buying choices are influenced by four major psychological factors—motivation, perception, learning, and beliefs and attitudes.

Motivation

Okatch (2002) defines a motive as an internal energizing force that directs a person's behaviour toward his or her goals. A buyer's actions at any particular time are affected by a set of motives rather than just one motive. Some motives are stronger than others are and the strengths vary from time to time. Many different motives influence buying behaviour. Some buying motives might be related to product characteristics, such as durability, economy or styling.

Psychologists have developed theories of human motivation. Three of the best known—the theories of Sigmund, Abraham Maslow, and Frederick Herzgerbg carry quite different implications for consumer analysis and marketing strategy.

Maslow's theory sought to explain why people are driven by particular times. Why does one person spend considerable time and energy on personal safety and another on pursuing the high opinion of others? According to Kotler 2001 Maslow's answer is that human needs are arranged in a hierarchy, from the most pressing to the least pressing. In their order of importance, they are physiological needs, safety needs, social needs, esteem needs, and self-actualization needs, as shown in figure 3 below.
Figure 3. Maslow’s Hierarchy of Needs

Okatch 2002 asserts that once a basic need is satisfied, people then strive towards the next higher need. Once a need is fulfilled, it does not become a motivator anymore. As the above exhibit shows, buyers/customers start with physiological needs and eventually move to self-actualization needs.

For example, a starving man (need 1) will not take an interest in the latest happenings in the art world (need 5), nor in how he is viewed by others (need 3 or 4), nor even in whether he is breathing clean air (need 2). But when he has enough food and water, the next most important need
will become salient. Maslow’s theory helps marketers understand how various products fit into the plans, goals, and lives of consumers.

**Perception**

A motivated person is ready to act. How the motivated person actually acts is influenced by his or her perception of the situation. Kotler (2001) defines perception as the process by which an individual selects, organizes, and interprets information inputs to create a meaningful picture of the world.

Perception depends not only on the physical but also on the stimuli’s relation to the surrounding field and on conditions within the individual. People perceive the same situation differently, because of selective attention, selective distortion or selective retention.

**Learning**

When people act, they learn. Learning involves changes in an individual’s behaviour arising from experience. Most human behaviour is learned. Learning theorists believe that learning is produced the interplay of drives, stimuli, response and reinforcement.

Learning theory teaches marketers that they can build upon demand for a product by associating it with strong drives, using motivation cues, and providing positive reinforcement. A new retail outlet can enter the market by appealing to the same drives that competitors use.
Beliefs and Attitudes

Through doing and learning, people acquire beliefs and attitudes. These in turn influence buying behaviour.

Beliefs

A belief is a descriptive thought that a person holds about something. Beliefs may be based on knowledge, opinion, or faith. Manufacturers are very interested in the beliefs people carry in their heads about their products and services; these beliefs make up product and brand images, and people act on their images.

Attitudes

Fishbein and Ajzen (1975) put forward a definition of attitudes, which has become widely accepted. The definition is:

"...a learned predisposition to respond in a consistently favourable or unfavourable manner with respect to a given object."

Attitudes reflect an individual’s predispositions towards another person, an event, product or other object. Person may be either favourably or unfavourably predisposed towards an object; or they may be indifferent towards that object and therefore fail to display any behavioural pattern with respect to the object.
A consumer may be unfavourably predisposed towards locally manufactured dairy products because of dissatisfaction in the past with the quality of a specific type of cheese and with the shelf life of fresh milk from the country's dairy produce Board.

The negative experience of the consumer, which relates to very specific products, is readily transferred to all other dairy products marketed by the board and the consumer exhibits a preference for imported dairy products. Marketers have to work hard at creating positive attitudes towards the organization, its products or services and any intermediaries it may channel these products/services through.

2.5 THE CONSUMER BUYING DECISION PROCESS

Individuals or a group such as a family or a committee within a commercial or industrial organization may make buying decisions. Where a group is involved, the term Decision-making Unit (DMU) is commonly used. Marketers are interested in identifying all of the parties involved in the decision-making process and are careful to distinguish between buyers and users.

Marketers have to go beyond the various influences on buyers and develop an understanding of how consumers actually make their buying decisions. The mother in the family may be the chief buyer of household foods but children may have a major influence on the purchase of those food items of which they are the main consumers.

Behaviouralists have used empirical evidence to develop models of the buying process. These models usually portray the buying decision as having several discrete stages. It should be
emphasized that these models have been developed in the context of buying decision in which there is a high level of involvement on the part of the potential buyer.

Individuals make purchase decision, by passing through the five stages of what we call the consumer buying process. Lewison and Delozier (1989) defines consumer buying process as the sum total of the sequential parts of problem recognition, Information search, alternative evaluation, purchase decision, and post purchase evaluation. Several writers have come up with several decision-making models. The duration and extent to which an individual gets involved in any one stage of the buying process varies greatly, depending on such factors as urgency of purchase, importance of purchase and many others. Typically, the buying decision models introduced in 1968 by Engel, Kollatt and Blackwell referred to, as EKB model comprises five stages as shown in figure 4.

**Figure 4**

**A five-stage model of the buying process**

- Motivation and Recognition of need
- Information Search
- Evaluation of alternatives
- Purchase decision
- Post Purchase behavior
Stage 1: Problem Recognition

A felt discrepancy between an ideal state of affairs and the actual state of affairs starts the consumer’s buying process by creating an awareness that a problem exists. Problem recognition is, then, a feeling that things are not what they should be. Internally felt physiological and psychological needs are tension-producing stimuli that create an awareness that something is lacking. In addition, external cues attract and direct the consumer’s attention toward the recognition that he or she is unsatisfied with his or her state of affairs.

Lewision (1989) suggests that exposure to the retailer’s stores, products, advertisements, merchandising incentives, personal selling efforts, and price structures are all potential reminders to consumers of unfulfilled needs and wants. Christopher (1997) supports this by suggesting that organizational survival will depend upon their moving close to customers, fully understanding their needs and wants.

Lewision (1989), also suggests that based on importance, cost, knowledge, and/or experience factors, there are three types of problem solving situations—extensive, limited, and routinized problem solving.

- **Extensive problem solving**: This involves a buying situation in which the consumer is considering the purchase of an important and costly product under the unfavorable circumstances of having no knowledge or experience with the product first-time purchases, once-in-a-lifetime purchases, and highly infrequent purchases are all buying situations that require extensive consumer effort in achieving a satisfactory solution. Supermarket should
assist the consumer faced with an extensive problem-solving situation by providing useful and readily available information and reducing risk and uncertainty of the purchase.

- **Limited problem solving**: It occurs when the consumer has some knowledge and experience with purchasing and using the product under consideration. The problem may or may not involve an important purchase and/or costly product. In either case the buyer is able to limit the range of considerations (e.g., brands, sizes, colors, materials, and so on) because of existing knowledge and previous experience.

Supermarket owners in this case have a task of discovering which limited decision factors are being used in making product selections, then use these selective factors as focal points in developing appropriate product, price, distribution, and promotion strategies.

- **Routinized problem solving**: This involves making the same purchase decision time after time. Consumers purchase many products frequently and regularly. Typically, these purchases tend to involve products of lower importance and cost that arise as repurchase needs. For instance, consumers shopping food from the supermarket may simply repeat a previous purchase decision with little thought or deliberation because they feel there is no reason to change.

**Stage 2: Information Search**

Lewison (1989) further suggests that gathering information and gaining experience make up the second stage of the consumer buying process. A low-level information search involves an
increased awareness of rapidly available information. The consumer pays closer attention to advertisements, store displays, sales pitches, and comments of other in an effort to gather additional information to supplements existing product knowledge.

Munyoki (1997) comments that the provision of different varieties of items with price labels attached by supermarkets act as information guide to shopper. A high-level information search consists of a conscientious effort to seek out and gather new and supplementary information from new and existing sources. It involves actively talking with, reading from, and observing information sources that will be useful to an extensive problem-solving situation involving re-evaluation and reinforcements purchases.

**Stage 3: Alternative Evaluation**

Product, brand, and store information needs to be processed before it is useful in the evaluation of purchase alternatives. Consumers use a variety of criteria in making different purchase decisions. Criteria do not carry the same weight or have the same importance in deciding on a purchase. In some cases, we are simply interested in having the product do what it was designed to do; therefore, we place greater weight on the functional features of the product.

In other cases, our needs may be more social in character: hence, we emphasize the psychological features of the product or brand and the personal considerations of the product’s or brand’s appropriateness to our life-style and circle of friends.
Stage 4: Purchase Decision

Lewison (1989) asserts that the purchase decision is actually two decisions- *if* and *when*. The "*if* decision" deals with the issue of whether or not to make a purchase. Based on the previous evaluation stage, the consumer may decide that there are several products, brands, or stores that are capable of resolving the problem identified in the first stage of the buying process—the buy decision.

On the other hand, the consumer may conclude that of the known alternatives evaluated, none meets minimum expectations for need satisfaction—the no-buy decision. A no-buy decision terminates the current circle of the buying process; the consumer can either dismiss the problem or start the buying process anew with hopes of gaining a different perspective on the problem.

The "*when* decision" is concerned with deciding whether to make an immediate purchase or to wait until some future date. A decision to proceed with the purchase may stem from urgently felt needs, currently available opportunities, and other circumstances that mediate against delaying the decision. A decision to postpone a purchase is frequently associated with a high level of perceived risk. The consumer becomes anxious because of the importance, cost, and/or uncertainty of the decision.

Stage 5: Postpurchase Evaluation

The purchasing of a product does not end the consumer buying process. Once a purchase has been made, the consumer proceeds to re-evaluate the decision in an attempt to judge whether he or she made the right (e.g., best or acceptable) decision. Essentially, the postpurchase evaluation stage
consists of comparing the actual performance of the products/service or the actual performance with the store with the expected or hoped for performance or experience.

The basic question to be answered by the consumer in the post purchase evaluation stage is “Did the product or store relieve aroused tensions stemming from felt needs?” An affirmative answer promotes postpurchase satisfaction and encourages the consumer to repeat the purchase behaviour at the same supermarket when the same or similar problem arises. A negative answer results in postpurchase dissonance being satisfied with the purchase and the process that led to it.

Kotler (2001) comments that to relieve the feelings of uneasiness that are associated with an unsatisfactory product, the consumer may engage in a variety of actions such as:

- Discard the product and write it off as a bad experience;
- Obtain some type of an allowance from the retailer, thereby increasing the product’s perceived value;
- Return the product to the retailer and attempt to improve on their purchase decision process;
- Write the retailer off as a poor place to shop.

Often consumers have mixed feelings concerned their purchases—a mild case of postpurchase dissonance. In such cases, they attempt to confirm right decision or at least an acceptable decision by:

- Seeking positive comments from others
- Distorting information so that it fits the purchase decision
- Emphasizing positive information and de-emphasizing negative data.
2.6 THE CONCEPTUAL FRAMEWORK

Social-economic factors e.g. income, social status

Consumer food purchasing decision (Acceptance/Rejection Behaviour)

Personal factors

Biological, Physiological factors age, sex

Educational factors

Culture and Religion factors

Extrinsic factors

Intrinsic factors

Source: Researcher, 2004
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

The section is divided into six parts namely: research design, population of study and sample of interest, Instrumentation, data collection, and data analysis.

A description research was used in this study. Supermarket in Nairobi areas was the case under study, particularly Githurai and Kahawa areas. From these areas, a suitable sample was drawn to investigate the extent to which supermarkets have influenced consumers to purchase for food products and consumers perception towards these cues.

3.1 The Population

The population of interest for this study comprised of consumers to identify why they buy food products in the supermarkets at Githurai and Kahawa in Nairobi and what influences them.

There is no comprehensive list of all supermarkets in Nairobi but a list of supermarkets obtained from Nairobi city council, which was updated with a list from Bidco oil refineries limited, yielded a total of 191 supermarkets.

3.2 The Sample

The population was further defined to aid in provision of sampling frame using the sales volume from Bidco oil refineries per month. Supermarkets were subdivided as large or small out of 10 supermarkets 7 were large supermarkets thus viable for further research. For the customer, the population was categorized as; adults (15 years and over) and children (under 15).
3.3 Sampling Procedure

For the supermarkets, from the 10 supermarkets in the area under study, 7 were classified as large, which was deemed adequate for the purpose of data analysis and generalization. For the customers, respondents were selected for each of the selected supermarkets. Systematic random sampling was used where every 5th adult customer entering the supermarket was asked to complete the questionnaire and those willing to do so were given a questionnaire for self-administration. Those who had not shopped previously at that particular supermarket were excluded from the sample.

3.4 Instrumentation

The data sought for the study was gathered through administration of questionnaire to both supermarkets (owners and managers) and consumers. For the supermarkets both ‘drop’ and ‘pick’ and self-administration was used. Only managers or supervisors who had worked for more than six months at the supermarkets filled the questionnaires.

For the customers, self-administered questionnaires were used. The customers questionnaire was prior to the respondent shopping experiences in order to avoid according to Rust and Oliver (1984), instances where interviewing after a shopping experience may closely reflect satisfaction rather than service quality. The questionnaires were both structured and unstructured and contained two parts, A & B. Part A in both questionnaires contained open-ended and closed-ended questions while part B had likert-type of matrix questions.

3.5 Data collection

Such study relied on primary data. The primary data was obtained from sampled respondents; supermarkets (owners & supervisors) and consumers which was carried out using ‘drop’ and ‘pick’
and self-administered questionnaire method respectively with the help of appointed research assistants under self-supervision.

3.6 Data Analysis Technique

The study was modeled on description. Descriptive statistics was used in part A of both questionnaire frequencies and proportions were used. Part B descriptive statistics such as mean, standard deviation was used for comparison purposes. Respondents were asked about the opinion and attitudes on 1= Not at all important to 5= very important likert scale. In order to determine the strategies used by the supermarket to attract customers on certain service quality variables were used.
CHAPTER FOUR

4.0 DATA ANALYSIS AND FINDINGS

4.1 Data Editing and Coding

The questionnaire were edited and coded after they were filled in. The entire questionnaires for both respondents category were usable for data analysis.

Table 4.1.1 Number of respondents

<table>
<thead>
<tr>
<th>Respondents</th>
<th>Targeted respondents</th>
<th>Actual respondents</th>
<th>% Respondents rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supermarkets</td>
<td>10</td>
<td>7</td>
<td>70%</td>
</tr>
<tr>
<td>Customers</td>
<td>100</td>
<td>70</td>
<td>70%</td>
</tr>
</tbody>
</table>

Source: research data

From the table the response rate of supermarkets and customers were 7 (70%) and 70 (70%) respectively, which the researcher deemed excellent sufficient for the study for the purpose of data analysis.

4.2 ANALYSIS OF SUPERMARKETS

4.2.1 In Terms Of Year Of Establishment

Table 4.2.1 Year Of Establishment

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of respondents</th>
<th>% Response rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-1990</td>
<td>2</td>
<td>28.6</td>
</tr>
<tr>
<td>1991-2000</td>
<td>1</td>
<td>14.3</td>
</tr>
<tr>
<td>2001- to date</td>
<td>4</td>
<td>57.1</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: research data
From the table above it can be concluded that supermarkets were established from 1980. This means most of the supermarkets that participated in the study are relatively young majority of the supermarkets represented by more than a half the response were established in 1990’s. This can be attributed to the liberalization of the economy during this time which allowed investors to invest in business that were earlier restricted, the other reason may be due to lucrativeness of the business thus attracting many investors who are keen on maximizing their wealth.

4.3 ANALYSIS FOR CUSTOMERS

Table 4.3.1 Frequency Of Purchase

<table>
<thead>
<tr>
<th>frequency of purchase</th>
<th>Frequency</th>
<th>Valid Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>daily</td>
<td>12</td>
<td>17.1</td>
</tr>
<tr>
<td>twice per week</td>
<td>20</td>
<td>28.6</td>
</tr>
<tr>
<td>once per month</td>
<td>38</td>
<td>54.3</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: research data

The study revealed that a sizeable number of customers (54.3%) do their shopping once per month followed by those who buy twice per week (28.6%) then only 17.1% of the customers buy daily.

From observation, that most customers prefer buying fresh fruits and vegetables from the traditional retail outlets such as wet markets due to freshness, other dry food products are bought from the supermarkets mostly due to availability and lower prices.
4.3.2 Duration of purchasing from the supermarket

Table 4.3.2 Period of purchase

<table>
<thead>
<tr>
<th>Period of purchase</th>
<th>Frequency</th>
<th>Valid Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>one-six months</td>
<td>12</td>
<td>17.1</td>
</tr>
<tr>
<td>7 months-1 year</td>
<td>19</td>
<td>27.1</td>
</tr>
<tr>
<td>more than one year</td>
<td>39</td>
<td>55.7</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: research data

Majority of customers respondents 39 (55.7%) indicated that they had purchased from the supermarket for more than one year while 19 (27.1%) and 12 (17.1%) indicated they had purchased for a period of seven to one year and once to six months respectively therefore it can be concluded that most customer had adequately purchased from the supermarket thus their influence to purchasing for food from supermarket was able to be evaluated.

4.3.3 Reasons for shopping in the supermarket

The respondents gave various reasons for purchasing for food products from the supermarket. These include;

- Convenience of location
- Time saving
- Variety of goods
- Quality
- Convenient and cheap
Table 4.3.3 Reasons for shopping in the supermarket

<table>
<thead>
<tr>
<th>reasons for shopping</th>
<th>Frequency</th>
<th>Valid Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>convinient</td>
<td>3</td>
<td>4.3</td>
</tr>
<tr>
<td>time saving</td>
<td>9</td>
<td>12.9</td>
</tr>
<tr>
<td>variety of goods</td>
<td>25</td>
<td>35.7</td>
</tr>
<tr>
<td>quality</td>
<td>10</td>
<td>14.3</td>
</tr>
<tr>
<td>convinient &amp; cheap</td>
<td>23</td>
<td>32.9</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: research data

Majority of the customers (35.7%) indicated that they consider purchasing from the supermarket because of variety of products under one roof other reasons included convenient and cheap (32.9%), quality (14.3%), time saving (12.9%) and convenient (4.3%).

4.3.4 Shopping in Other supermarkets

Table 4.3.4 Shopping in other supermarkets

<table>
<thead>
<tr>
<th>No of respondents</th>
<th>% of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>60</td>
</tr>
<tr>
<td>No</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
</tr>
</tbody>
</table>

Source: research data

The study established that majority of the respondents (85.7%) buy from other supermarkets while 14.3% buy from the same supermarket. This concurs with Kay & Ehrenberg (1984) assertion that customers of a given chain also buy the products elsewhere since few customers are 100% loyal.
4.3.5 Reasons for shopping in other supermarkets

The respondents gave various reasons why they purchase from other supermarkets. These includes:

- Convenience of location
- To take advantage of a sale offer.
- Cheaper food products.

Those who only did their shopping in one supermarket gave reason such as;

- Quick & prompt service
- Helpful & courteous employees
- Get all that they need in the supermarket.

<table>
<thead>
<tr>
<th>Reasons for shopping in other supermarkets</th>
<th>Frequency</th>
<th>Valid Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenient</td>
<td>15</td>
<td>21.4</td>
</tr>
<tr>
<td>Sales offer</td>
<td>23</td>
<td>32.9</td>
</tr>
<tr>
<td>Cheaper</td>
<td>12</td>
<td>17.1</td>
</tr>
<tr>
<td>Quick service</td>
<td>17</td>
<td>24.3</td>
</tr>
<tr>
<td>Courteous employees</td>
<td>3</td>
<td>4.3</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: research data

From the table 4.3 (e) above, it can be concluded that majority of the customers shop from other supermarkets shop for food products to take advantage of sales offer 23 (32.9%) mostly given end month, other reasons given include quick service 17 (24.3%), convenient 15 (21.4%), cheaper products 12 (17.1%) and courteous employees 3 (4.3%).
4.3.6 Factors considered most important in supermarkets

The question elicited various divergent responses of which the most mentioned included:-

- Availability of food products
- Prompt service
- Willingness to help customers
- Courtesy of employees
- Complaints handling
- Physical facilities
- Convenient opening hours.

Table 4.3.6 (i) Availability Of Food Products

<table>
<thead>
<tr>
<th>availability of food products</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid yes</td>
<td>54</td>
<td>77.1</td>
<td>77.1</td>
<td>77.1</td>
</tr>
<tr>
<td>no</td>
<td>16</td>
<td>22.9</td>
<td>22.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
<td></td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: research data

From the table above, it's evident that majority of the customers considered availability of food products (77.1%) while only (22.9%) customers considered this factor as important. Survey indicated that supermarkets offering a deep assortment or a wide variety of products are preferred by most customers.
Table 4.3.6 (ii) Prompt Service

<table>
<thead>
<tr>
<th>Prompt Service</th>
<th>Frequency</th>
<th>Valid</th>
</tr>
</thead>
<tbody>
<tr>
<td>yes</td>
<td>35</td>
<td>50.0</td>
</tr>
<tr>
<td>no</td>
<td>35</td>
<td>50.0</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: research data

Customers considered either way to be suitable where 50% of the customers found this factor as important in considering supermarket as suitable to purchase food products. While 50% of the customers considered this factor as not of importance. Hawkins 1997 asserts that services cost money to provide therefore it is essential that supermarkets furnish only those services that provide value to the target customers. Providing services that customers do not value can result in high prices without corresponding increase in customer value.

Table 4.3.6 (iii) Willingness to help customers

<table>
<thead>
<tr>
<th>Willingness to help customers</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid</th>
</tr>
</thead>
<tbody>
<tr>
<td>yes</td>
<td>42</td>
<td>60.0</td>
<td>60.0</td>
</tr>
<tr>
<td>no</td>
<td>28</td>
<td>40.0</td>
<td>40.0</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: research data

From the table above, its evident that majority of the customers (60%) considered it important for employees to have sincere interest in helping them while shopping for food in supermarkets. Only 40% of the customers did not consider it necessary. Most supermarkets applies this aspect in creating competitive advantage to ensure that customers needs are met and he/she is delighted thus ensuring repeat purchases.
Table 4.3.6 (iv)  Courtesy of employees

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>38</td>
<td>54.2</td>
</tr>
<tr>
<td>no</td>
<td>32</td>
<td>45.8</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: research data

From the table above majority of the customers (54.2%) considered this factor as important in shopping for food products. Customers expect to be attended to with courtesy. The attitude of the employees have a direct or indirect impact on the customers thus employees should have a clear picture of the customers requirements and ensure he/she is attended to with care. Only 45.8% of the customers considered courtesy of the employees as less important.

Table 4.3.6 (v)  Employees Knowledge of products

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid yes</td>
<td>25</td>
<td>35.7</td>
<td>35.7</td>
<td>35.7</td>
</tr>
<tr>
<td>no</td>
<td>45</td>
<td>64.3</td>
<td>64.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: research data

From the table majority of the customers didn’t consider this factor as important only (35.7%) responded as being of importance while 64.3% referred it as less important in shopping for food products. Most of the customers have established brand loyalty and only requires information on new products in the market of which they evaluate about them from friends before they make a choice to buy them.
Table 4.3.6 (vi) Complaints handling

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>yes</td>
<td>50</td>
<td>71.4</td>
<td>71.4</td>
<td>28.6</td>
</tr>
<tr>
<td>no</td>
<td>20</td>
<td>28.6</td>
<td>28.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: research data

From the table above majority of the customers (71.4%) considered handling of customers complaints as important while only 28.6% thought otherwise. Supermarkets do not pay a lot of attention to customers complaints, they have not established customer complaints channels and they do not even allow return of merchandise. This contributes to customers purchasing for food products from other supermarkets and thus not loyal to the supermarkets.

Table 4.3.6 (vii) Physical Facilities

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>yes</td>
<td>38</td>
<td>54.3</td>
<td>54.3</td>
<td>54.3</td>
</tr>
<tr>
<td>no</td>
<td>32</td>
<td>45.7</td>
<td>45.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: research data

From the table above its evident that 54.3% of the customers consider availability of the physical facility as important aspect considered vital while shopping for food in supermarkets. Only 45.7% of the customers were against this aspect. Supermarkets tend to attract customers to a shopping area by providing a complex physical situation to influence consumer behaviour. The design and layout of a store, for instance ease of parking and width of aisles will influence the level of
satisfaction and hence purchasing patterns. The degree of crowding in a shop will affect purchase behaviour.

Table 4.3.6 (viii) Convenient opening hours

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid yes</td>
<td>50</td>
<td>71.4</td>
<td>71.4</td>
<td>71.4</td>
</tr>
<tr>
<td>no</td>
<td>20</td>
<td>28.6</td>
<td>28.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: research data

From the table above 71.4% of customers prefer supermarkets that are conscious to time, while 28.6% are not conscious to time thus didn’t consider this factor as of much relevance.

Supermarkets ensure that customer is delighted by their services. Hawkins (1997) asserts that providing superior customer value requires the organization to do, a better job of anticipating and reacting to customers needs than the competitors does.

4.4 Factor Influencing Consumer Food Purchasing Decisions In The Supermarkets

Table 4.4.1 Age of the consumer

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Valid Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-20</td>
<td>2</td>
<td>2.9</td>
</tr>
<tr>
<td>21-30</td>
<td>31</td>
<td>44.3</td>
</tr>
<tr>
<td>31-40</td>
<td>29</td>
<td>41.4</td>
</tr>
<tr>
<td>41 &amp; above</td>
<td>8</td>
<td>11.4</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: research data
From the table it is evident that consumer who are frequent in the supermarkets are between 21-30 years of age (44.3%), followed by 31-40 years (41.4%), 41 and above years (11.4%) then 15-20 years. Family members constitute the most influential primary reference group. Family form a decision-making unit with respect to household purchases, with each member performing a different role. Thus supermarkets should target a category of customers so as to ensure group satisfaction thus repeat purchases.

4.4.2 Income of the consumers

Table 4.4.2 Income of the consumer

<table>
<thead>
<tr>
<th>Household income</th>
<th>Frequency</th>
<th>Valid Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid low-level income</td>
<td>10</td>
<td>14.3</td>
</tr>
<tr>
<td>middle-level income</td>
<td>28</td>
<td>40.0</td>
</tr>
<tr>
<td>high-level income</td>
<td>32</td>
<td>45.7</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Research data

From the fact that frequency of purchase revealed that most of the consumers purchase food products end month from the table above most of the consumers who visit the supermarkets are high income earners (45.7%) followed by middle level income earners (40.0%) and then low-level income earners (14.3%). Supermarkets should ensure that they provide food products commonly purchased by the high income earners to ensure convenience and satisfaction, they should also ensure that such service quality aspects such as enough and roomy shopping area, available parking space, and convenient opening hours.
4.4.3 Level of education

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Frequency</th>
<th>Valid Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>secondary</td>
<td>10</td>
<td>14.3</td>
</tr>
<tr>
<td>university</td>
<td>22</td>
<td>31.4</td>
</tr>
<tr>
<td>tertiary</td>
<td>38</td>
<td>54.3</td>
</tr>
<tr>
<td>Total</td>
<td>70</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: research data

People from the same social group tend to have similar opportunities, live in similar types of housing, in the same areas, buy similar products from the same types of outlets, and generally conform to similar styles of living. From the table above consumers with tertiary level education are the majority in purchasing food from the supermarkets (54.3%), then University level (31.4%) and finally secondary level (14.3%). This is also reflected from the household income where high-income earners tend to be frequent in purchasing from the supermarkets. Supermarkets owners need to know what role a person of a given status plays. Such an understanding can significantly affect the marketing strategy employed with respect to that category of consumer.

4.5 Comparison Of The Perception Of Supermarkets And Customers On Retailing Strategies

Summary statistics was used to analyze data on part B of the questionnaire, in order to summarize the data on the factors perceived to be of significance that influence customers to purchase from the supermarkets.

This part of the questionnaire had 20 variables for the two categories of respondents. The sample of the questionnaire is attached in Appendix II.
The most important factor for the likert – scale questions was in such a way that 5 (five) represented very important, while 1 (one) represented not at all important. The results are shown in the table below.
<table>
<thead>
<tr>
<th>Variable</th>
<th>CUSTOMERS</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>SUPERMARKETS</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Facility</td>
<td></td>
<td>3.771</td>
<td>1.0380</td>
<td>4.143</td>
<td>0.577</td>
<td></td>
</tr>
<tr>
<td>Availability of all types of food products</td>
<td></td>
<td>4.186</td>
<td>0.8638</td>
<td>4.020</td>
<td>0.756</td>
<td></td>
</tr>
<tr>
<td>Review of product range</td>
<td></td>
<td>3.600</td>
<td>0.824</td>
<td>3.000</td>
<td>0.577</td>
<td></td>
</tr>
<tr>
<td>Enough room and space</td>
<td></td>
<td>3.900</td>
<td>0.903</td>
<td>3.900</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>Availability of parking space</td>
<td></td>
<td>2.686</td>
<td>1.084</td>
<td>3.857</td>
<td>0.690</td>
<td></td>
</tr>
<tr>
<td>Convenient opening hours</td>
<td></td>
<td>4.143</td>
<td>0.804</td>
<td>3.857</td>
<td>0.899</td>
<td></td>
</tr>
<tr>
<td>Review of customer needs</td>
<td></td>
<td>3.443</td>
<td>0.895</td>
<td>3.000</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>Knowledge of employees about products</td>
<td></td>
<td>3.329</td>
<td>0.974</td>
<td>3.143</td>
<td>0.690</td>
<td></td>
</tr>
<tr>
<td>Neat employees</td>
<td></td>
<td>3.071</td>
<td>0.840</td>
<td>2.714</td>
<td>0.756</td>
<td></td>
</tr>
<tr>
<td>Trained employees</td>
<td></td>
<td>2.900</td>
<td>0.854</td>
<td>3.000</td>
<td>0.577</td>
<td></td>
</tr>
<tr>
<td>Employees courteous</td>
<td></td>
<td>3.956</td>
<td>0.864</td>
<td>4.000</td>
<td>0.577</td>
<td></td>
</tr>
<tr>
<td>Individualized attention to customers</td>
<td></td>
<td>3.529</td>
<td>0.864</td>
<td>2.714</td>
<td>0.756</td>
<td></td>
</tr>
<tr>
<td>Solving customers problems</td>
<td></td>
<td>3.771</td>
<td>0.871</td>
<td>3.429</td>
<td>0.976</td>
<td></td>
</tr>
<tr>
<td>First time service right</td>
<td></td>
<td>4.057</td>
<td>0.740</td>
<td>4.000</td>
<td>1.069</td>
<td></td>
</tr>
<tr>
<td>Liaising with customers after purchase</td>
<td></td>
<td>3.186</td>
<td>0.822</td>
<td>3.000</td>
<td>0.817</td>
<td></td>
</tr>
<tr>
<td>Handling customer complaint</td>
<td></td>
<td>3.171</td>
<td>1.003</td>
<td>2.571</td>
<td>0.535</td>
<td></td>
</tr>
<tr>
<td>Customer offerings</td>
<td></td>
<td>3.457</td>
<td>1.003</td>
<td>2.857</td>
<td>0.900</td>
<td></td>
</tr>
<tr>
<td>Employees teamwork</td>
<td></td>
<td>2.600</td>
<td>0.710</td>
<td>2.571</td>
<td>0.535</td>
<td></td>
</tr>
</tbody>
</table>

Means score: Ranked on a 5 (five) point –likert scale with 1=Not at all important and 5 (five) =very important

Source: research data
From the table above, supermarkets perceived physical facilities as the most important aspect of quality service mean score (mean 4.143), followed by availability of all types of food products (mean 4.020). They also perceive providing service right the first time (mean 4.000) and employees courteous (mean 4.000) as relatively important factor in their implementation marketing strategies. The customers on their part perceives availability of all types of food products (mean 4.186) as the most important dimension service quality followed by convenient hours (mean 4.086), service right first time (mean 4.057), employees courteous (mean 3.957) and enough room and space for customers to move freely (mean 3.900).

Other factors perceived fairly important by supermarkets are enough room and space (mean 3.900), convenient opening hours (mean 3.857), availability of parking space (mean 3.857) and employees showing sincere interest in solving customer problems (mean 3.429). But considered such dimensions of service quality as handling customer complaint (mean 2.5214), employees team work (mean 2.571), different offerings for customers (mean 2.857) and individualized attention to customers (mean 2.714) as not important.

The standard deviations do not show major variations between the perceptions of both category samples as shown by the responses of the supermarkets and customers.
CHAPTER FIVE

5.0 DISCUSSION, SUMMARY AND CONCLUSION

5.1 INTRODUCTION

In an industry that has seen momentous growth in the economy especially after 1980’s, more intensifying competition and where customer loyalty is not guaranteed, and supermarkets have been forced to develop other service offering (strategies) apart from the variety of merchandise they offer, in order to maintain a continuous stream of customers. Supermarkets are low margin, multi products sellers who, to gain higher returns, have to ensure that they have many customers who buys from their stores.

Service quality is therefore become a necessary ‘evil’ in order to appeal to customer to encourage patronage and repeat purchases.

5.2 DISCUSSIONS AND SUMMARY

From the analysis it is apparent that most of the supermarkets that were surveyed are very young having been set after 1990. This concurs with studies (Karemu 1993, Lagat 1995, Munyoki 1997). This shows that supermarkets in Kenya are a recent phenomenon and come up as an antithesis of self-selection stores which were fore runners of supermarkets in Kenya that were prevalent in 1970’s.
From oral interview with supermarkets owners, it was established that the competition has increased especially from other retailers who sell their food products on the streets, which appeal to customers who are in a hurry or who buys few items.

On the subject of the nature of the supermarkets and the purchasing strategies implemented which can be on understanding of these strategies the study established there was a concurrence of what customers and supermarkets considered to be service quality. Although there is no clear-cut definition, there was consensus that availability of food products, quick and prompt service, good display of products, friendly employee and convenient opening hours are perceived as dimension that constitutes service quality. Other definitions given includes, providing fast and quick service at the pay at the pay point.

The study also established that the supermarkets and consumer considers availability of products as one of the most important factor of service quality and it is one of the factors that consumers consider in shopping for food in supermarkets. There is also a consensus by supermarkets and consumers that prompt service is perceived as important component of service quality.

The study also revealed that majority of customers shop once per month in the supermarket. From oral interviews conducted, it was established that they shop at the end of the month. This can be attributed to the fact that most workers are usually paid at the end of the month. They buy most of their requirements to last at least to the end month as shown by the income of the consumers since most of the consumers who buy from the supermarkets have more than kshs 20,000 income.
Most supermarkets buyers in Nairobi as the study found out are not loyal and majority of them (85.7%) buy their products in other supermarkets. This is as the respondents showed is as a result of not any one factor but due to a combination of factor among them convenience of the store nearness to their bus stages, to take advantage of cheaper food products in other supermarkets or to benefit from a sales promotion offered by other supermarkets. This concurs with a study by Keng & Enrenberg (1984) that most supermarkets customers are not 100% loyal.

On the set of objective of the study it can be concluded that supermarkets and to a large extent on their emergence have implemented various strategies to influence consumers to purchase food products fro their premises. Supermarkets consider availability of the food products as important. The study reveals that there is a consensus between the supermarkets and customers that availability of food products and physical facilities including layout of the supermarkets are important factors. This is can be partly be explained by the fact that supermarket usually are low margins stores which rely on stocking all types of food products to lure customers, by improving their premises by good decorations, music, good layout of shelves and racks and good arrangements of food products, they are able to appeal to customers.

The customers take advantage of shopping for most of their requirements offering convenience. These findings concurs with studies by (Baker, et al 1994, Hummel & Savitt 1988; Oliver 1981, Westbrook 1981) which also found that availability of food products and physical facilities are important.
The study found that the perception of supermarkets is different from perception of customers in areas concerning human interaction and problem solving. Majority of the supermarkets do not perceive complaints handling, employee being helpful warm and courteous with customer, giving individualized attention to customers as important.

Supermarkets do not consider these factors of interaction between their employees and problem solving as worth investing. Supermarkets put more emphasis on making food products available, and others, which they consider as enough to lure customers into their supermarkets. This may be the reason as to why majority of the customers are not loyal hence buying in other supermarkets. While on the other hand customers perceive them as important which compares favourably with other studies as Nemeroff (1990) and Westbrook (1981).

From observation, the study was also found that supermarkets do not perceive liaising with customers as important. The supermarkets do not pay a lot of attention to customers complaints. Most supermarkets have not established channels and they do not allow return of food products, which do not meet customer expectations.

It's important for the supermarkets to recognize why and how individuals make their consumption decisions. If they understand consumers behaviour, they are able to predict how consumers are likely to react to various informational and environmental cues and are able to shape their marketing strategies accordingly.
5.3 RECOMMENDATIONS

From the findings, it is clear that majority of supermarkets do not target any given categories of customers. The supermarkets need to target their service offerings to different customers through developing suitable service offerings to different customers’ categories based on income, age, level of education and other relevant bases of segmentation in order to encourage customers’ loyalty which will lead to long term mutual and profitable relationships.

It is also recommended that, supermarket should also try to improve their complaints handling channels, since as it is now, the supermarkets should introduce customers service desks within their stores to handle customers’ problems and queries. This would signal to the customers that the supermarkets care for them, which would create favourable perception in the mind of the customers resulting in consistent repeat purchases.

The supermarkets should also put emphasis on customers research in order to establish the needs and preferences of their customers which will aid them in improving their services offers so that they can match customers' expectations.

The supermarkets should also emphasis on their employees being more responsive to customers' queries. Customers expect a prompt and positive response to their complaints. Supermarkets should take the opportunity to not only deal with the problem, but also reassure the customer that they are committed to the highest standards of service.
5.4 LIMITATIONS OF THE STUDY

The results of this study should be interpreted in the context of a number of study limitations

- The small sample size of the supermarkets (7) and customers (70) as compared to the approximated number of supermarkets in Nairobi (191), could have limited confidence in the results of this might limit generalizations to other industries and situations.

- The study relied on judgements of both owners and managers of supermarkets and customers to identify factors influencing them to purchase food products and the extent to which supermarkets meet these factors this may be subjective to various cognitive biases which might had an effect on the results.

- The analysis of supermarkets was done devoid of any consideration of classification criteria such as location, size, number of employees among others, and the conclusions drawn there fore may not necessarily reflect a true and fair reflections of all supermarkets.

- The data was collected at one point in time which could have biased the results, possibly data could have been more helpful if it was collected at two points in time and then compared to be able to have more actionable and objective information to make conclusions and generalizations.

5.4 SUGGESTIONS OF FUTURE RESEARCH

This study aim was to investigate the extent to which the emerging supermarkets have to the consumer behaviour and more so to identify the factors that influences them to purchase for food products from the supermarkets and not other outlets. Investigate the extent to which the supermarkets offers services to different categories of customers on their decision to purchase products inorder to establish whether consumer can be loyal to the store.
BIBLIOGRAPHY


________________1986, *Retail Businesses are Service to Businesses*. Journal of Retailing 61 (Spring).


TO ALL RESPONDENTS

7TH August 2004

Dear sir/Madam,

RE: RESEARCH ON IMPACT OF THE EMERGING OF SUPERMARKETS TO THE CONSUMER BEHAVIOUR

I am a postgraduate student in the MBA program of Kenyatta University. As part of my course requirement, I am currently conducting the above-mentioned research with an aim of investigating the impact the emergence of supermarkets has to the consumer buying behaviour.

Nairobi is currently experiencing a rapid growth of supermarkets and hypermarkets thus has been considered for the survey with Githurai and Kahawa areas being the case under study, thus you have been selected randomly to participate in this study. Enclosed herein is a copy of the questionnaire, which I will kindly request you to take a little of your time and complete.

The information you will provide in the questionnaire is for academic purpose only, and will be treated in confidentiality. This information is meant to contribute to an important study whose results are likely to improve on your business performance or in your purchasing decisions once implemented.

I wish to thank you in advance for your willingness to participate in this academic effort.

Thank you.

Yours Sincerely,

Caroline Nyawira Muchiri
MBA Student
CONSUMER SURVEY QUESTIONNAIRE

PART A

1. Do you do your food shopping in the supermarket?
   Yes [ ]  No [ ]

2. If yes why? Specify .................................................................

3. If no why? Specify .................................................................

4. How would you describe your frequency of purchase for food from the supermarket?
   i) Daily [ ]
   ii) Twice per week [ ]
   iii) Once per month [ ]
   iv) Rarely or never [ ]
   v) Other (specify) .................................................................

5. How long have you bought from the supermarket?
   i) One –6 months [ ]
   ii) 7 months- 1 year [ ]
   iii) More than one year [ ]

6. Do you shop for food products from other supermarkets?
   Yes [ ]  No [ ]

7. If yes why? Specify.................................................................

8. If no why? Specify.................................................................

Part B

1. What are the most important factors do you consider in relation to shopping for food at the supermarket? Tick as appropriate.
   i) Availability of food products [ ]
   ii) Prompt service [ ]
   iii) Flexibility [ ]
   iv) Willingness to help customers [ ]
   v) Courtesy of employees [ ]
   vi) Employees knowledge of products [ ]
2. (a) Do you make an attempt to evaluate the above supermarket services

   Yes [ ]      No [ ]

(b) If yes which of the following do you use to evaluate

   (i) Shopping from other outlets [ ]
   (ii) Asking friends [ ]
   Other (specify) ............................................................

3. Please indicate the extent to which you consider these statements important in your evaluation of supermarkets

<table>
<thead>
<tr>
<th></th>
<th>Very Important</th>
<th>Important</th>
<th>Somewhat Important</th>
<th>Not Important</th>
<th>Not at all Important</th>
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</thead>
<tbody>
<tr>
<td>i) Physical Facilities of the Supermarkets are appealing</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
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<tr>
<td>ii) Availability of all types of food products.</td>
<td>[ ]</td>
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<tr>
<td>iii) The review product range Regularly</td>
<td>[ ]</td>
<td>[ ]</td>
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<td>iv) Enough and roomy space for customers in the supermarket to more freely.</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
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<tr>
<td>v) Availability of parking space</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>vi) Convenient opening hrs</td>
<td>[ ]</td>
<td>[ ]</td>
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<tr>
<td>vii) Frequency on contact to facilitate review of customers needs.</td>
<td>[ ]</td>
<td>[ ]</td>
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<tr>
<td>viii) Knowledge by employees about products</td>
<td>[ ]</td>
<td>[ ]</td>
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</tbody>
</table>
viii) Employees being neat

ix) Well trained employees

x) Employees are courteous and warm with customers

xi) Individualized attention to customers

xii) Sincere interest in solving customers problems

xiii) Providing service right the first time

xiv) Understanding of specific needs of the customers

xv) The supermarket liaising with the customers after purchase

xvi) A channel for consumer Complaints

xvii) Different offerings suitable to Each customer group.

Xviii) Employees discretion in Solving customer problems

xix) All employees working as a team.

Q 4. What is your age (years)?

15-20 [ ]
21-30 [ ]
31-40 [ ]
41-50 [ ]
51-60 [ ]
Over 60 [ ]
Q5. What is your level of formal education?

None [ ]
Primary [ ]
Secondary [ ]
University [ ]
Other [ ]

Q6. Which of the following best describes your total monthly household income?

Kshs.
Less than 5,000 [ ]
5,000 - 10,000 [ ]
10,001 - 20,000 [ ]
20,001 - 30,000 [ ]
30,001 - 40,000 [ ]
40,001 - 50,000 [ ]
50,001 - 100,000 [ ]
Over 100,000 [ ]

THANK YOU FOR YOUR COOPERATION!
SUPERMARKET SURVEY QUESTIONNAIRE

PART A

1. In which year was your supermarket established.........................

2. What are most crucial aspects of buying atmosphere as they impact on your marketing activities
   (Tick as appropriate)
   (i) Availability of merchandise [ ]
   (ii) Prompt service [ ]
   (iii) Willingness to help customers [ ]
   (iv) Courtesy of employees [ ]
   (v) Employees knowledge of products [ ]
   (vi) Complaints handling [ ]
   (vii) Physical facilities [ ]
   (viii) Employee appearance [ ]
   (ix) Convenient opening hours [ ]
   (x) Other specify .................................................................

3. (a) is any attempt made to evaluate your marketing activities performance on dimension in
   question 2 above
   Yes [ ] No [ ]

PART B

1. Please tick to indicate the extent to which these statements are important to your supermarket as
   they relate to consumer buying behaviour.

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<tr>
<th>Very Important</th>
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<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
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</tbody>
</table>

i) Physical Facilities of the Supermarkets are appealing [ ] [ ] [ ] [ ] [ ] [ ]
ii) Availability of all types of Food products.

iii) The review product range Regularly

iv) Enough and roomy space for Customers in the supermarket to more freely.

v) Availability of parking space

iv) Convenient opening hrs

vii) Frequency on contact to facilitate review of customers needs.

viii) Knowledge by employees about products

ix) Employees being neat

x) Well trained employees

xi) Employees are courteous and warm with customers

xii) The supermarket employees ensures individualized attention to customers

xiii) Sincere interest in solving customers problems

xiv) The supermarket providing service right the first time

xv) Understanding of specific needs of the customers

xvi) The supermarket liaising with the customers after purchase
xvii) A channel for consumer complaints

xviii) Supermarket has different offerings suitable to each customer

(xix) Supervision regarding customers problems

THANKS FOR YOUR COOPERATION!